

24th September 1936

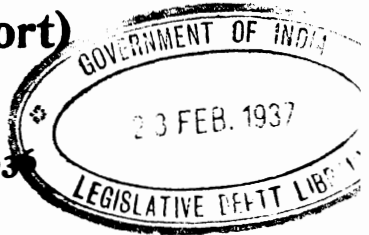
THE

# LEGISLATIVE ASSEMBLY DEBATES

(Official Report)

Volume VII, 1936

(15th September to 28th September, 1936)



## FOURTH SESSION

OF THE

## FIFTH LEGISLATIVE ASSEMBLY, 1936



NEW DELHI  
GOVERNMENT OF INDIA PRESS  
1937.

# Legislative Assembly.

## *President :*

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

## *Deputy President :*

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

## *Panel of Chairmen :*

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

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

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

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

## *Secretary :*

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

## *Assistant of the Secretary :*

**RAI BAHADUR D. DUTT.**

## *Marshal :*

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

## *Committee on Petitions :*

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

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

**PANDIT NILAKANTHA DAS, M.L.A.**

**MAULVI SYED MURTUZA SAHIB BAHADUR, M.L.A.**

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

# CONTENTS.

VOLUME VII.—15th September to 28th September, 1936.

	PAGES.		PAGES.
<b>TUESDAY, 15TH SEPTEMBER, 1936—</b>		<b>THURSDAY, 17TH SEPTEMBER, 1936—<i>contd.</i></b>	
Questions and Answers . . . . .	981—1007	The Indian Companies (Amendment) Bill—Discussion on the consideration of clauses not concluded . . . . .	1417—57
Unstarred Questions and Answers . . . . .	1007—62	Ruling on the Motion for Adjournment <i>re</i> Freedom of Individual Members of Government to express personal opinion . . . . .	1457—58
Short Notice Question and Answer . . . . .	1062—63		
The Indian Companies (Amendment) Bill—Discussion on the consideration of clauses not concluded . . . . .	1063—1113	<b>FRIDAY, 18TH SEPTEMBER, 1936—</b>	
<b>WEDNESDAY, 16TH SEPTEMBER, 1936—</b>		Questions and Answers . . . . .	1459—92
Questions and Answers . . . . .	1115—54	Statements laid on the Table . . . . .	1493—1507
Motions for Adjournment <i>re</i> —Disallowance of Adjournment Motions—Ruled out of order . . . . .	1154—55	The Indian Companies (Amendment) Bill—Discussion on the consideration of clauses not concluded . . . . .	1507—49
Freedom of Individual Members of Government to express personal opinions—Ruling deferred . . . . .	1155—61	Statement of Business . . . . .	1549—50
The Indian Companies (Amendment) Bill—Discussion on the consideration of clauses not concluded . . . . .	1161—1205	<b>MONDAY, 21ST SEPTEMBER, 1936—</b>	
<b>THURSDAY, 17TH SEPTEMBER, 1936—</b>		Speech delivered to the Council of State and the Legislative Assembly by His Excellency the Viceroy . . . . .	1551—56
Member Sworn . . . . .	1207	Member Sworn . . . . .	1557
Questions and Answers . . . . .	1207—42	Short Notice Questions and Answers . . . . .	1557—61
Motions for Adjournment <i>re</i> —Alleged Frivolous Nature of Motions of Adjournment—Ruled out of order . . . . .	1243—44	Motion for Adjournment <i>re</i> Provision of the assembling of five or more persons within a radius of two miles of certain Cotton Mills at Cawnpore — Ruled out of order . . . . .	1562
Restrictions by the United Provinces Government on the movement of the General Public at Lucknow—Ruled out of order . . . . .	1244—46	The Indian Tea Control (Amendment) Bill—Introduced . . . . .	1562
Presentation of the Report of the Public Accounts Committee . . . . .	1246—1417	The Indian Lac Cess (Second Amendment) Bill—Introduced . . . . .	1562

	PAGES.		PAGES.
<b>MONDAY, 21ST SEPTEMBER</b> 1936— <i>contd.</i>		<b>THURSDAY, 22ND SEPTEMBER,</b> 1936— <i>contd.</i>	
The Cantonments (Amendment) Bill— Discussion on the con- sideration of clauses concluded . . . . .	1563—77	The Arya Marriage Vali- dation Bill—Discus- sion on the considera- tion of clauses not concluded . . . . .	1637—73
The Indian Companies (Amendment) Bill— Discussion on the con- sideration of clauses not concluded . . . . .	1577—89	<b>WEDNESDAY, 23RD SEPTEMBER,</b> 1936—	
<b>TUESDAY, 22ND SEPTEMBER,</b> 1936—		Member Sworn . . . . .	1675
Member Sworn . . . . .	1591	Questions and Answers . . . . .	1675—1715
Questions and Answers . . . . .	1591—1623	Short Notice Questions and Answers . . . . .	1715—17
Short Notice Question and Answer . . . . .	1624	The Indian Companies (Amendment) Bill— Discussion on the con- sideration of clauses not concluded . . . . .	1717—62
Motion for Adjournment <i>re</i> Non-Representation of Abyssinian Dele- gates in the meeting of the League of Na- tions—Ruled out of order . . . . .	1625—27	<b>THURSDAY, 24TH SEPTEMBER,</b> 1936—	
The Hindu Marriage Validity Bill—Petitions laid on the Table . . . . .	1627—29	Member Sworn . . . . .	1763
The Child Marriage Res- traint (Amendment) Bill—Petitions laid on the Table . . . . .	1629	Questions and Answers . . . . .	1763—93
The Code of Criminal Procedure (Amend- ment) Bill (Amend- ment of Section 167) —Motion to continue adopted . . . . .	1629—32	Short Notice Questions and Answers . . . . .	1793—95
The Code of Criminal Procedure (Amend- ment) Bill (Amend- ment of section 103)— Motion to continue adopted . . . . .	1633	Resolution <i>re</i> Indebted- ness of agriculturists— Adopted . . . . .	1795—1840
The Code of Criminal Procedure (Amend- ment) Bill (Amend- ment of section 205)— Motion to continue adopted . . . . .	1633—34	Resolution <i>re</i> Interference from public servants in the ensuing elections— Discussion not conclud- ed . . . . .	1840—41
The Code of Criminal Procedure (Amend- ment) Bill (Amend- ment of section 386)— Motion to continue adopted . . . . .	1635—36	<b>FRIDAY, 25TH SEPTEMBER,</b> 1936—	
		Member Sworn . . . . .	1843
		Questions and Answers . . . . .	1843—68
		The Indian Companies (Amendment) Bill— Discussion on the con- sideration of clauses not concluded . . . . .	1869—96
		Statement of Business . . . . .	1897
		<b>MONDAY, 28TH SEPTEMBER,</b> 1936—	
		Members Sworn . . . . .	1899
		Questions and Answers . . . . .	1899—1936
		The Cantonments (Amendment) Bill— Passed as amended . . . . .	1936—42
		The Indian Companies (Amendment) Bill— Discussion on the con- sideration of clauses not concluded . . . . .	1943—86

# LEGISLATIVE ASSEMBLY.

Thursday, 24th September, 1936.

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

## MEMBER SWORN.

Mr. Malcolm Lyall Darling, C.I.E., M.L.A. (Government of India :  
Nominated Official).

## QUESTIONS AND ANSWERS.

### SEPARATION OF THE DEOLALI CANTONMENT BAZAR FROM THE CANTONMENT AREA.

584. \*Mr. N. V. Gadgil : (a) Will Government be pleased to state whether it is a fact that the Deolali Cantonment bazar is going to be separated from the Cantonment Area ?

(b) If the answer to part (a) be in the affirmative, will Government be pleased to place upon the table of the House the scheme, if any, on the subject ?

(c) Will Government be pleased to state what step has been taken, or is proposed to be taken, to ascertain the views of the cantonment civilian residents in this matter ?

(d) In view of the proposal to have Bazar Committees in Cantonments, what step do Government propose to take in the matter ?

Mr. G. B. F. Tottenham : (a) Government are not aware of any such proposal.

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

### CONTRACT FOR THE CONSTRUCTION OF THE HOWRAH BRIDGE.

585. \*Mr. T. S. Avinashilingam Chettiar : Will Government state :

(a) in what stage the Howrah Bridge renewal contract is ;

(b) whether it is true that it has been given to a British firm ; and

(c) whether they were consulted formally or informally in this matter ?

The Honourable Sir Muhammad Zafrullah Khan : I have already answered several questions with regard to this matter, but the position is this :

(a) and (b). The contract for the construction of the New Howrah Bridge has been awarded to the Cleveland Bridge and Engineering Company of Darlington, England.

(c) I would invite the attention of the Honourable Member to the provisions of section 5 of the Howrah Bridge Act, 1926, from which he will see that the awarding of this contract was a matter that rested entirely with the body of Commissioners set up by the Act subject only to the approval of the Local Government. The Local Government, however, communicated their decision to the Government of India before conveying it to the Bridge Commissioners.

**Mr. T. S. Avinashilingam Chettiar :** May I know if a condition has been imposed in the contract that they should buy all materials available in India itself ?

**The Honourable Sir Muhammad Zafrullah Khan :** I would require notice.

REUTER'S MESSAGE HEADED "TORTURE OF INDIANS" PUBLISHED IN THE  
*Hindu*.

586. \***Mr. T. S. Avinashilingam Chettiar :** Will Government state :

(a) whether they are aware of the Reuter's message on page 7 of the *Hindu*, dated the 16th July, 1936, headed "Torture of Indians" ;

(b) whether the facts contained in it were true and if so, to what extent ; and

(c) what action they have taken in the matter ?

**Sir Aubrey Metcalfe :** (a) Yes.

(b) The facts are substantially correct.

(c) His Majesty's Government have caused strong representations regarding this deplorable matter to be made to the Japanese Government.

**Mr. T. S. Avinashilingam Chettiar :** What is the result of those representations ?

**Sir Aubrey Metcalfe :** What result does the Honourable Member expect ?

**Mr. N. M. Joshi :** May I know if the Honourable Member can give us a few of the facts mentioned in the question and the answer ?

**Sir Aubrey Metcalfe :** I am answering a question which comes about 14 questions later regarding the full facts, I think it will be unnecessary to state them at the moment.

INDIA'S WITHDRAWAL FROM THE MEMBERSHIP OF THE LEAGUE OF  
NATIONS.

587. \***Mr. T. S. Avinashilingam Chettiar :** Will Government state :

(a) whether they are aware of the various meetings throughout the country on the 15th July, 1936, urging the withdrawal of India from the League of Nations ; and

(b) if so, what they propose to do in that matter ?

**The Honourable Sir Nripendra Sircar :** (a) Government understand that some meetings have been held at which resolutions in the sense indicated have been adopted.

(b) Government do not propose to take any action in the matter.

**Mr. T. S. Avinashilingam Chettiar :** May I know, Sir, whether by some meetings they mean there has not been sufficiently great agitation in the public about the question of withdrawal of India from the League ?

**The Honourable Sir Nripendra Sircar :** There have been a fairly large number of meetings.

**Mr. T. S. Avinashilingam Chettiar :** May I know whether they have represented this matter to His Majesty's Government ?

**The Honourable Sir Nripendra Sircar :** Do you mean special representations to say that there have been meetings ?

**Mr. T. S. Avinashilingam Chettiar :** No.

May I know what steps they have taken in view of the great public agitation in India, with regard to withdrawal of India from the League ?

**The Honourable Sir Nripendra Sircar :** I think I have answered twice this Session that Government are quite aware of the agitation, and for reasons which cannot be given in a supplementary question, I do not propose to answer this.

**Mr. S. Satyamurti :** Sir, in view of the anomalous position of India in the League of Nations, have Government come to any conclusion as to any steps, which they think ought to be taken, in order to make the position of India consistent with her status ?

**The Honourable Sir Nripendra Sircar :** I really don't understand the question. If there is an anomalous position, it has existed for 20 years ; that is nothing new, and I do not know exactly what my friend wants me to do.

**Mr. S. Satyamurti :** In view of the international situation, may I know if the Government of India have examined the position, whether their representative in the Assembly of the League of Nations is in a position to express Indian public opinion in this matter ?

**The Honourable Sir Nripendra Sircar :** There has been no fresh examination.

**Mr. S. Satyamurti :** May I know whether Government are satisfied with the position of India, that India has got only one vote in the League of Nations which is really in addition to the one given to the United Kingdom ?

**The Honourable Sir Nripendra Sircar :** That insinuation has been made a dozen times, and it has already been answered several times.

**Mr. S. Satyamurti :** May I know if it is an "insinuation" ? Can Government give the House any information as to even one instance, in which the Government of India was able through their representative, to represent Indian public opinion, which in many matters is against the opinion of the United Kingdom ?

**The Honourable Sir Nripendra Sircar :** This question also I have answered at least twice, and I have given instances where India has voted against Great Britain, not in great matters of war and peace, but in connection with various other matters connected with labour and other activities. I have given full answers to this question on more than two occasions.

**Mr. S. Satyamurti :** My specific question is with regard to genuine international matters like the question of Italy and Abyssinia, the question of sanctions, and so forth. I am asking for specific information whether the Government of India can give the House any instances or any occasions, when the Government of India was able to represent faithfully Indian public opinion, as against the opinion of the United Kingdom in those international matters.

**The Honourable Sir Nripendra Sircar :** That again assumes that Indian public opinion is such, that on it all parties agree.

**Mr. S. Satyamurti :** Have Government any means of ascertaining Indian public opinion, and if so, what are those means ?

**The Honourable Sir Nripendra Sircar :** Government has got to make up its mind on the materials before it as to what is public opinion. Public opinion is hardly unanimous on any case.

**Mr. N. V. Gadgil :** What about the question of stopping contributions to the League of Nations.

**The Honourable Sir Nripendra Sircar :** It does not arise.

**Mr. K. Ahmed :** Is it not a fact that when you say that India is a member of the League of Nations, it includes not only British India but Indian States also ?

(No reply.)

#### MARKS FOR *Viva Voce* IN THE INDIAN CIVIL SERVICE EXAMINATION.

588. \***Mr. M. Ananthasayanam Ayyangar :** (a) Are Government aware that the allotment of the largest number of marks for *viva voce* in the Indian Civil Service examination, shuts out a large number of deserving candidates ?

(b) Are Government prepared to consider the advisability of fixing a maximum of marks for *viva voce* at a figure which is not higher than that fixed for any other subject in the same examination ?

**The Honourable Sir Henry Craik :** (a) and (b). The reply is in the negative.

**Mr. M. Ananthasayanam Ayyangar :** Is the Honourable Member aware that fixing high marks for *viva voce* test practically shuts out many an intelligent man who has scored very high marks in other subjects ?

**The Honourable Sir Henry Craik :** I take it that it is the view of the Secretary of State that the *viva voce* is the most important part in the examination.

**Dr. Ziauddin Ahmad :** Is it not a fact, Sir, that *viva voce* test is held in regard to all the subjects included in the examination, and questions are also asked to test the commonsense of the candidates ?



**The Honourable Sir Henry Craik :** I believe questions are asked to elicit what amount of commonsense the candidates possess.

**Mr. K. Ahmed :** If anybody has got special capacity for cramming and for passing in written examinations, and if he has not got ordinary commonsense to understand ordinary things, is it a benefit to the country to have such people ? Is he not unfit to become a member of the Indian Civil Service ?

**The Honourable Sir Henry Craik :** Broadly speaking, yes.

**Mr. Lalchand Navalrai :** Is it a fact that there are more marks given for *viva voce* than for written subjects ?

**The Honourable Sir Henry Craik :** Yes, the maximum marks for the *viva voce* are 300 ; the marks for written subjects vary from 100 to 200.

**Mr. Lalchand Navalrai :** What is that difference due to ? Is it because the Public Service Commission people want to pull up some candidates that they give more marks in *viva voce* and pass them ?

**The Honourable Sir Henry Craik :** That is an allegation or insinuation for which there is no ground whatever. The object in giving more marks to *viva voce* is that the authorities consider that the test imposed by the *viva voce* examination of character, commonsense, address and so on really is one of extreme importance, of greater importance than knowledge in written subjects.

**Sardar Sant Singh :** May I know if it is a fact that all applications for the Public Service competitive examinations are required to be submitted through the District Magistrates or Deputy Commissioners of the districts from which the candidates come ?

**The Honourable Sir Henry Craik :** How does that arise out of the answer that I have given ?

**Mr. N. M. Joshi :** Can the Honourable Member tell us how long the *viva voce* test of a student generally lasts, say, half an hour or an hour ?

**The Honourable Sir Henry Craik :** I have no knowledge of that.

**Sardar Sant Singh :** May I know if these marks are used for the purpose of depriving those whose political views do not fall in with those of the Government Members ?

**The Honourable Sir Henry Craik :** That again is an absolutely unfounded allegation which the Honourable Member ought not to have made.

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

**PROVISION OF PROPER ROADS AND LIGHTING IN THE SADDAR BAZAR AREA OF THE BENARES CANTONMENT.**

589. \***Sardar Mangal Singh :** (a) Will Government be pleased to state whether they are aware that the Benares Cantonment Authority is not providing any proper roads and lighting in the Saddar Bazar area on account of the heavy expenditure on the pay of the Executive Officer and the other office staff ? If not, why not ?

(b) If the answer to part (a) be in the affirmative, what steps do Government propose to take to remedy these affairs ?

**Mr. G. E. F. Tottenham :** (a) Government are satisfied that the expenditure on the pay of the Executive Officer and the other office staff of the Benares Cantonment is not heavy and that the Cantonment Authority are providing proper roads and lighting in the Saddar Bazar area.

(b) Does not arise.

**Mr. Mohan Lal Saksena :** May I know what is the pay of the Executive Officer ?

**Mr. G. E. F. Tottenham :** I should like to have notice.

#### REPAIRS TO PRIVATE BUNGALOWS IN THE JHELUM CANTONMENT.

590. \*Sardar Mangal Singh : (a) Will Government be pleased to state whether it is a fact that in Jhelum Cantonment notices were issued on the request of tenants for the execution of certain repairs to private bungalows ?

(b) If the answer to part (a) be in the affirmative what is the authority under which the Cantonment Authority could take such an action ?

(c) Is it also a fact that the repairs to bungalows were done by one Mr. Hukam Chand, a contractor of the Cantonment Board, and the cost of repairs realised from the owners of private bungalows through the Cantonment Authority and paid to this Hukam Chand ?

(d) If the answer to part (c) be in the affirmative, what steps do Government propose to take to stop this irregularity in the Jhelum Cantonment ?

**Mr. G. E. F. Tottenham :** (a) Yes.

(b) Clause XIX of the lease in Form B of the Cantonment Code, 1899, under which the sites were held.

(c) No. In the two or three cases in which the tenants employed L. Hukam Chand. They, as a matter of convenience, sent the amounts due to him to the Cantonment Office for payment. No amounts were realised through the Cantonment Authority.

(d) Does not arise. I may mention that the last occasion when a notice was issued under the terms of a lease in Form B of the Cantonment Code was in 1933.

#### CUTTING OF TREES BY THE OWNERS OF BUNGALOWS IN THE ALMORA CANTONMENT.

591. \*Sardar Mangal Singh : (a) Will Government be pleased to state whether it is a fact that the Cantonment Authority of Almora has demanded cost of trees cut by Mr. R. D. Bhatt, proprietor, bungalow No. 19/115, Almora Cantonment from his own bungalow ? If so, why ?

(b) Is it a fact that uptill now no such demand has been made from house-owners who wanted to cut trees from their own compounds ?

(c) If the answer to part (b) be in the affirmative, why has this new demand been created in that Cantonment ?

(d) What step or steps do Government propose to take to stop the harassment of bungalow-owners on this account in Almora Cantonment ?

**Mr. G. B. F. Tottenham :** (a) Yes, Sir. The reason is that Government retain proprietary rights in the trees growing on a site unless the original grant contains a specific condition to the contrary.

(b) and (c). No, but I am informed that the Cantonment Authority, Almora, only demands payment when it has reason to believe that the trees are being felled for commercial purposes.

(d) Government of India have already issued instructions that their rights should be used mainly for the purpose of preventing the destruction of trees on a large scale and should not be used for the purpose of obtaining petty revenue. Government have no reason to believe that these instructions are not being followed.

**Mr. Mohan Lal Saksena :** May I know if in case of proposed perpetual leases will the lessees be entitled to cut trees ?

**Mr. G. B. F. Tottenham :** In future you mean ?

**Mr. Mohan Lal Saksena :** Yes.

**Mr. G. B. F. Tottenham :** That matter will have to be considered. I am not quite sure.

**Pandit Lakshmi Kanta Maitra :** When was this instruction issued ?

**Mr. G. B. F. Tottenham :** About ten years ago.

#### REDUCTION OF STAFF EXPENSES AND UNDERTAKING OF CIVIC AMENITIES IN THE ALMORA CANTONMENT.

592. \***Sardar Mangal Singh :** (a) Will Government be pleased to state what amount is spent by Almora Cantonment Authority on the pay of Executive Officer and the staff ?

(b) Is it a fact that the Cantonment Authority at Almora does not spend anything for roads, school, lighting, and other civic amenities ?

(c) If the answer to part (b) be in the affirmative, what steps do Government propose to take to reduce staff expenses and undertake civic amenities ?

**Mr. G. B. F. Tottenham :** (a) I would refer the Honourable Member to the answer given on the 14th April, 1936, to question No. 1599.

(b) No.

(c) Does not arise.

#### DISMISSAL OF CERTAIN SCAVENGERS AT WALTAIR BY THE BENGAL NAGPUR RAILWAY.

593. \***Mr. Sri Prakasa :** (a) Is it a fact that the Bengal Nagpur Railway have dispensed with the services of 29 scavengers at Waltair ?

(b) Was the reason for this dismissal the statement by the scavengers of their inability to pull out weeds from the compounds of the residences of railway officials ?

(c) If so, was it a part of the contract with these men that they are to do that work also ?

(d) Do the railway officials contribute anything towards the cleaning of their compounds of weeds, or is it a part of the agreement of their service or a merely recognized extra-legal perquisite ?

(e) Did these men say that it was against the rules of their caste to destroy living plant life and they could not do that work for fear of social *ex*-communications ?

(f) What guarantee, if any, did the railway give to these men of safety from social disability in case they had done this work ?

(g) Is it a fact that the men offered to contribute something from their own meagre salaries so that other persons could be employed for the work ?

(h) If so, why did not the railway accept this offer ?

(i) Could not the officers themselves do this work ?

(j) If so, are Government prepared to ask the railway to reinstate these men and make other arrangements for the cleaning of weeds and also warn it not to do such a thing again ?

**The Honourable Sir Muhammad Zafrullah Khan :** These are matters of detailed administration entirely within the competence of the Agent to whom a copy of the question has been sent for information and such action as he may consider necessary. I may, however, add that the Bengal Nagpur Railway is a Company-managed railway and the Government could not in any case interfere with their arrangements as regards their menial staff.

**Mr. V. V. Giri :** Cannot the Government advise the railway if they cannot insist on their carrying out their orders ?

**The Honourable Sir Muhammad Zafrullah Khan :** As I have said, the question is being sent to the Agent for such action as he may deem necessary.

**Mr. T. S. Avinashilingam Chettiar :** Have the Government sent any remarks along with the question ?

**The Honourable Sir Muhammad Zafrullah Khan :** No.

**Prof. N. G. Ranga :** Will a statement be placed on the table of the House about the action taken by the Bengal Nagpur Railway on this particular allegation ?

**The Honourable Sir Muhammad Zafrullah Khan :** I am afraid the Honourable Member will have to put down a question with regard to that. If there is any information available it will be supplied to him.

#### PRIVILEGE OF WRITING SOMETHING ON THE BACK OF MONEY ORDER FORMS.

594. \***Mr. Sri Prakasa :** (a) Is it a fact that recipients of money-orders were formerly allowed to write something besides signing their names on the vacant space provided on the backs of money-order forms ?

(b) Has this privilege been withdrawn now? If so, why?

(c) In view of the large space provided, are Government prepared to continue the old method and permit persons to write a few words along with their signature?

**The Honourable Sir Frank Noyce :** (a) No.

(b) Does not arise.

(c) No.

**Mr. Sri Prakasa :** Is it not a fact that formerly people were allowed to write "Received with thanks" or similar other words on the back of these money order forms?

**The Honourable Sir Frank Noyce :** My information is that it is not a fact.

**Mr. Sri Prakasa :** What is the purpose of providing such a large space if it is not meant to be written on but only meant for the signature of the recipient?

**The Honourable Sir Frank Noyce :** The space on the back has to be determined by the space on the front. That is the real cause. There happen to be more entries to be filled on the front of the form than there are on the back.

**Mr. Sri Prakasa :** In view of the fact that on the back the recipient of a money order has to put his signature at two places and the space provided for his signature on the top, that is, the part which is retained in the post office, is very small, will the Honourable Member equalise the space in view of the fact that the recipient is not authorised to write anything in the lower portion of the form?

**The Honourable Sir Frank Noyce :** I thought that my Honourable friend's suggestion was that the space should be utilised for communications from the recipients on the money order. That suggestion is not acceptable because it means you are giving the additional privilege of writing a letter.

**Mr. Sri Prakasa :** In view of the answer, my suggestion is that the printing may be spaced out and more space may be provided for the signature on the top of the form than is done now?

**The Honourable Sir Frank Noyce :** I will consider that suggestion.

**Mr. K. Ahmed :** And, Sir, that will deteriorate the income from sale of postcards and envelopes because it is cheaper to write on the other side of the money order than to send a postcard or envelope. Isn't it?

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

**WANT OF A BATHROOM AND A LAVATORY IN THE SECOND CLASS WAITING ROOM AT MOGHAL SARAI.**

595. **\*Mr. Sri Prakasa :** (a) Are Government aware that the bathroom and lavatory, formerly attached to the second class waiting room at the Moghal Sarai junction station on the East Indian Railway, has now been cut off from it and that it has been turned into a public lavatory and bathroom with an entrance from the platform?

(b) Are Government aware that *bonâ fide* passengers utilizing the waiting room, have now to go out on the platform before they utilize the bathroom and are thus greatly inconvenienced ?

(c) Does any such arrangement exist at any other station ? If not, why is Moghal Sarai singled out for it ?

(d) In view of the importance of the Moghal Sarai station and the long halts that passengers have to make there for connecting trains, are Government prepared to make arrangements for a proper bathroom and lavatory to be connected direct with the waiting room and provide a public one separately ?

**The Honourable Sir Muhammad Zafrullah Khan :** (a), (b) and (c). Government are not so aware.

(d) Such matters are within the competence of the Railway Administration whom Government consider to be in the best position to settle them.

†596\*.

#### PLATFORM TICKETS AT MOGHAL SARAI.

597. **\*Mr. Sri Prakasa :** (a) Are Government aware that there is no system of platform tickets at the Moghal Sarai junction station on the East Indian Railway ?

(b) Do Government propose to consider the desirability of introducing this system there in view of the importance of the station and the inconvenience caused to *bonâ fide* persons going there, sometimes by car from Benares to meet friends who are passing that station or halting there for their connecting trains ?

(c) Are Government aware that a visitor was once prosecuted by the Railway, and was let off by the Magistrate on the ground that the Railway had no system of platform tickets there ?

**The Honourable Sir Muhammad Zafrullah Khan :** (a) Yes.

(b) The Agent, East Indian Railway, is being asked to consider the Honourable Member's suggestion.

(c) No.

#### CONSTRUCTION OF A HUGE RAILWAY STATION AT JAMALPUR, EAST INDIAN RAILWAY.

598. **\*Mr. Sri Prakasa :** (a) Are Government aware that a huge railway station is being constructed at Kamalpur (East Indian Railway) on the model of Lucknow and Cawnpore railway stations ?

(b) What is the estimate of the cost of this railway station and also the actual cost incurred in building the new Lucknow and Cawnpore railway stations ?

(c) Are Government satisfied that the volume of traffic at Kamalpur justifies this investment ?

---

† This question was withdrawn by the questioner.

**The Honourable Sir Muhammad Zafrullah Khan :** (a) There is no station called Kamalpur ; probably the Honourable Member refers to Jamalpur the remodelling of which is in hand.

(b) The estimated cost is Rs. 13.27 lakhs. The cost of Lucknow was about Rs. 63.17 lakhs, and of Cawnpore Rs. 75.25 lakhs.

(c) The work in hand at Jamalpur was necessitated on account of damage caused by the 1934 earthquake.

**Mr. M. Ananthasayanam Ayyangar :** Has the cost of building a station any relation to the volume of the traffic or business done at the station or the income that is derived from the station ?

**The Honourable Sir Muhammad Zafrullah Khan :** At Lucknow and Cawnpore, there is a good deal of traffic of all kinds.

**Mr. N. M. Joshi :** In view of the fact that the railway finances are not at present in a good condition, will the Government of India reconsider the question of spending such a large sum of money on the building of a station ?

**The Honourable Sir Muhammad Zafrullah Khan :** They cannot now be demolished—Lucknow and Cawnpore.

**Mr. N. M. Joshi :** I am not asking about Lucknow and Cawnpore, but about Jamalpur.

**The Honourable Sir Muhammad Zafrullah Khan :** I am afraid the expenditure is necessary. The buildings were so badly shaken that they had got to be restored.

**Mr. N. M. Joshi :** May I ask whether the Government of India cannot reduce the expenditure on the building ?

**The Honourable Sir Muhammad Zafrullah Khan :** I am afraid not. The buildings are now in an advanced stage.

**Mr. Sri Prakasa :** I could not hear the reply to part (c) of the question. Are Government satisfied that the expenditure was necessary ?

**The Honourable Sir Muhammad Zafrullah Khan :** Yes.

**Mr. S. Satyamurti :** Have Government examined this question, in the light of the parlous state of the railway finances, and have they made every endeavour to reduce the cost to the absolute minimum, and not construct the station on the model of Lucknow and Cawnpore ?

**The Honourable Sir Muhammad Zafrullah Khan :** Yes. So far as Jamalpur is concerned, Government have considered that.

**Mr. N. M. Joshi :** May I ask whether the Government of India will consult the Central Advisory Council for Railways as regards the desirability of this expenditure ?

**The Honourable Sir Muhammad Zafrullah Khan :** There is no point in consulting anybody at this stage. As I have said, the buildings are in an advanced stage already.

**Mr. Sri Prakasa :** May I know whether the expenditure of Rs. 37.6 lakhs was incurred on the station itself, or does it include the amount spent for the repairs of the workshops at Jamalpur ?

**The Honourable Sir Muhammad Zafrullah Khan :** I said the total is Rs. 13.27 lakhs. It is not 37.6 lakhs.

**Pandit Lakshmi Kanta Maitra :** May I know what is the fate of the old Cawnpore station ?

**The Honourable Sir Muhammad Zafrullah Khan :** It has been rebuilt.

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

**TORTURE OF AN INDIAN AND HIS WIFE BY JAPANESE IN MANCHUKUO.**

599. **\*Mr. M. Ananthasayanam Ayyangar :** (a) Has the attention of Government been drawn to a report in the *Madras Mail*, dated the 15th July, 1936, under the heading "Indian and wife tortured" and savagely beaten by Japanese ?

(b) Is it a fact that the man and the woman were kept locked up under the water tap by way of punishment and as a torture ?

(c) Is it a fact that the woman was beaten across her breast ?

(d) What were the offences for which such punishment was meted out to them ? Were any charges framed against them, and were they tried and found guilty ?

(e) Have Government taken any action in the matter ? If so, what ? If not, why not ?

(f) How many more Indians are there in Manchukuo ? What, if any, are the steps taken to prevent a recurrence of such treatment to the remaining Indians there ?

**Sir Aubrey Metcalfe :** (a) Yes.

(b) Both the man and the woman stated that they had been subjected to ill-treatment.

(c) This fact has not been clearly proved.

(d) They were arrested on charges of defrauding three Japanese shops of small sums. The Japanese authorities did not eventually prefer charges against them, and therefore, no judicial proceedings were taken against them by His Majesty's Consular Courts in Manchuria.

(e) His Majesty's Government have caused strong representations regarding this deplorable matter to be made to the Japanese Government.

(f) Government have no information as regards the number of Indians in Manchukuo. As regards the latter part of this question, the attention of the Honourable Member is invited to the answer to part (e).

**Mr. M. Ananthasayanam Ayyangar :** Have the Government ascertained what steps have been taken by the Japanese Government to punish those persons who improperly tortured the Indians there ?

**Sir Aubrey Metcalfe :** Actually what happened was that the Japanese Government held a very careful inquiry and decided that the charges of torture were untrue.

**Mr. M. Ananthasayanam Ayyangar :** Then, is the whole thing a fake ? Let alone the question of torture. Was no punishment meted out to these people by the Japanese Government ?



**Sir Aubrey Metcalfe :** I have said that the charges against the police were held to be untrue. It, therefore, follows that it was impossible to press for any further action.

**Mr. M. Ananthasayanam Ayyangar :** Is there any authority stationed in Manchukuo either on behalf of the British Government or the Government of India to facilitate the representation of any grievances of Indians settled there ?

**Sir Aubrey Metcalfe :** There is certainly a Consul. It was owing to the efforts of the Consul that these people were immediately released and saved from any further trouble.

**Mr. M. Ananthasayanam Ayyangar :** What action did the Consul take to find out whether the allegations were true or not ?

**Sir Aubrey Metcalfe :** I have given the information already. I have stated that the Japanese Government inquired into the matter and stated that the charges against the police were not proved.

**Mr. M. Ananthasayanam Ayyangar :** Did the Consul make any independent inquiry ?

**Sir Aubrey Metcalfe :** The Consul is not in a position to make an independent inquiry. That must be obvious.

**Mr. M. Ananthasayanam Ayyangar :** Has he represented what the true facts are or is it only one sided ?

**Sir Aubrey Metcalfe :** The Consul reported that the Japanese Government had held an inquiry and had reported that the charges were untrue. He was not in a position to express any other opinion.

#### PLACING OF PROSCRIBED BOOKS IN THE LIBRARY OF THE LEGISLATIVE ASSEMBLY.

600. **\*Mr. M. Ananthasayanam Ayyangar :** Are Government prepared to place copies of the proscribed books from time to time in the Library of the Legislative Assembly so as to enable Members to judge of the propriety of proscription in each case ?

**The Honourable Sir Henry Craik :** No.

**Mr. M. Ananthasayanam Ayyangar :** Why not ?

**The Honourable Sir Henry Craik :** The object of proscribing a book is to prevent an undesirable book from getting publicity. That object would obviously be defeated if the Honourable Member's suggestion were accepted.

**Mr. M. Ananthasayanam Ayyangar :** Is it not desirable to place these books in the Library of the House ? I do not want them to be made available to the public. What is the objection to placing them in the Library of the House so that Honourable Members of the House may know whether they have been improperly rejected or much useful information is sought to be shut out from India ?

**The Honourable Sir Henry Craik :** I do not think it desirable to expose the morals of Honourable Members to such temptation.

**Mr. S. Satyamurti :** Is it not desirable to appoint some authority consisting of educated men who will read these books with some knowledge of the subjects they deal with, before final orders are passed ?

**The Honourable Sir Henry Craik :** The responsibility for such orders rests with Government and they cannot share that responsibility with any other authority.

**Mr. S. Satyamurti :** May I know why Government refuse to get the assistance of educated men, who have got a knowledge of the subjects dealt with by these books ?

**The Honourable Sir Henry Craik :** There are a few possibly imperfectly educated men in the service of Government who help them in this matter.

**Mr. S. Satyamurti :** Are Government aware that certain first class books in literature, philosophy, and humanities have been proscribed, which ought not to have been proscribed at all, by any decent educated authority ?

**The Honourable Sir Henry Craik :** I am not aware of that. If the Honourable Member will bring any such instance to my notice, I shall certainly look into it.

**Pandit Lakshmi Kanta Maitra :** Is the Honourable Member aware that Anna Karnina, the famous book of Tolstoy was banned ?

**The Honourable Sir Henry Craik :** There is a question on that subject. I have made inquiries and to the best of my belief, the statement is not true.

**Pandit Lakshmi Kanta Maitra :** Do I take it that the Honourable Member said that the morals of people will be vitiated if they read these books ? Is it the case of the Government that the books which have been proscribed are all obscene books. I understood the Honourable Member to say that Government did not like to place these books in the Library because it would vitiate morals. Am I to understand that it is only obscene books that have been banned ? Is it not a fact that political books have been also banned ?

**The Honourable Sir Henry Craik :** My reply was really by way of a mild joke. I am sorry the Honourable Member did not see it.

**Mr. N. V. Gadgil :** Is it the Government's claim that they know everything about everything ?

**The Honourable Sir Henry Craik :** No. I believe it is a well accepted fact by most people who have experience of the world that nobody can know everything about everything. We try to know as much as we can about some things.

**Mr. M. S. Aney :** May I inquire from the Honourable Member whether Government have found by experience that the reading of those books has spoiled the morals of anybody who has read them ?

**The Honourable Sir Henry Craik :** Yes. (Laughter.)

**Sir Cowasji Jehangir :** The point of Mr. Aney's question is whether the morals of anybody who has read the books on behalf of Government have been spoiled.

**Mr. S. Satyamurti :** They have no morals to be spoiled at all.

**The Honourable Sir Henry Craik :** I have not recently examined the morals of the staff who read these books. I trust they have not been spoiled.

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

**Mr. M. Ananthasayanam Ayyangar :** Has not a Member, who put the original question, the right to put supplementary questions?

**Mr. President (The Honourable Sir Abdur Rahim) :** Any Member has a right to put supplementary questions if any facts are to be elucidated. I think this matter has been discussed sufficiently.

REMOVAL OF INDIAN PHILOSOPHY FROM THE LIST OF OPTIONAL SUBJECTS FOR THE INDIAN CIVIL SERVICE EXAMINATION.

601. **\*Mr. M. Ananthasayanam Ayyangar :** (a) Has the attention of Government been drawn to a leading article in the *Hindu* of the 15th July, 1936, complaining of the removal of Indian philosophy from the list of optional subjects for the Indian Civil Service examination ?

(b) Why was that subject removed from the list ?

(c) Is it the intention of Government that the members of the Indian Civil Service should know nothing of Indian philosophy ?

(d) Are Government prepared to take immediate steps to include this subject again ?

**The Honourable Sir Henry Craik :** (a) Yes.

(b) The subject has not been removed but is included elsewhere in the syllabus for the examination.

(c) No.

(d) In view of my answer to (b) this does not arise.

**Mr. M. Ananthasayanam Ayyangar :** May I know what the Honourable Member means by saying that this subject has been included elsewhere in the syllabus ?

**The Honourable Sir Henry Craik :** I will explain. Questions on Indian philosophy are in future to be included in the subject of Sanskrit civilisation and questions on Moslem civilisation are to be included in the subject of Arabic civilisation.

**Mr. M. Ananthasayanam Ayyangar :** Does Western philosophy stand as a separate subject and not as a by-product of some other subject ?

**The Honourable Sir Henry Craik :** I should like to have notice of that question.

**Pandit Lakshmi Kanta Maitra :** There are systems of philosophy in this country known as the Jaina and Buddhist systems of philosophy. They do not come in under the head of Sanskrit civilisation. What provision is Government making for them ?

**The Honourable Sir Henry Craik :** Hitherto we have had no suggestion that these branches of philosophy should be included in the syllabus. As a matter of fact, very few candidates take any philosophy and so far as I am aware none have made any request that the Jaina or Buddhist philosophy should be included.

**Mr. M. Ananthasayanam Ayyangar :** Why is philosophy relegated to a secondary position ?

**The Honourable Sir Henry Craik :** There are a number of reasons. The main reason is that very few students take it and it is very difficult to get examiners in the subject.

CONTINUANCE OF THE MEMBERSHIP OF THE LEAGUE OF NATIONS BY INDIA.

602. **\*Mr. M. Ananthasayanam Ayyangar :** (a) What is the attitude of Government regarding the continuance of the membership of India in the League of Nations ?

(b) Have any suggestions been called for from or made by Government, regarding the remodelling of the League ?

(c) If so, what are the lines on which modifications are suggested ?

**The Honourable Sir Nripendra Sircar :** (a) Government do not propose to give notice of withdrawal.

(b) and (c). The Government of India in common with all other State members were invited to send to the Secretary-General any proposals they might wish to make in order to improve the application of the provisions of the Covenant. In common, with the majority of State members the Government of India decided that the preferable course would be to put forward no proposals and to await discussion at the forthcoming session of the Assembly.

**Mr. S. Satyamurti :** May I know the reasons why the Government decided not to send any proposals or suggestions of their own for the modification of the Covenant and its discussion in the Assembly ?

**The Honourable Sir Nripendra Sircar :** Because in their judgment that is the best course to follow.

**Mr. S. Satyamurti :** May I know if they have given any instructions, according to which, their representative in the Assembly is to take part in the discussions with regard to the revision of the Covenant ?

**The Honourable Sir Nripendra Sircar :** I want notice ; I have got no information.

**Mr S. Satyamurti :** Have Government made any suggestions, through their representative, to confine membership of the League of Nations only to nations who obey international law, and not to extend it to out-laws like Italy ?

**The Honourable Sir Nripendra Sircar :** No, Sir.

**Mr. M. Ananthasayanam Ayyangar :** What were the special instructions given to their representative regarding the remodelling or re-constitution of the League of Nations ?

**The Honourable Sir Nripendra Sircar :** I have already said that as regards instructions if any given to the representative from India, I want notice and I repeat that answer again.

**Mr. M. Ananthasayanam Ayyangar :** Is the Honourable Member aware that Mr. Eden made a statement before the League of Nations that with regard to the attitude of the British Government regarding the change of the Covenant, he would immediately place that before the League of Nations, and, if that is so, may I ask whether the Indian Government have similarly instructed their delegate ?

**The Honourable Sir Nripendra Sircar :** If my Honourable friend will make the question a little shorter or split it up into two parts, I can answer it.

**Mr. M. Ananthasayanam Ayyangar :** Is the Honourable Member aware that Mr. Eden, the Foreign Secretary, said before the League of Nations Assembly that he would in a day or two place the attitude of the British Government regarding the re-modelling of the League and the change of the Covenant ?

**The Honourable Sir Nripendra Sircar :** I am not aware of it but probably my friend is giving me information for which I am thankful.

**COMPULSORY INSURANCE FOR THE POSTAL AND RAILWAY MAIL SERVICE STAFF.**

603. **\*Mr. M. Ananthasayanam Ayyangar :** (a) Has the attention of Government been drawn to the proceedings of the Postal and R. M. S. Union Employees Conference held at Mysore on the 4th July ?

(b) Have Government considered the suggestion that there should be compulsory insurance for these employees, so as to make a provision for the families of the employees who may die while in service ?

(c) If so, with what result, and if not, why not ?

**The Honourable Sir Frank Noyce :** (a) No.

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

**Mr. M. Ananthasayanam Ayyangar :** Let alone the question of the proceedings of the Postal and Railway Mail Service Union Employees' Conference, have Government independently considered the question of the institution of compulsory insurance for these families in the case of those persons who die before they are able to receive pensions ?

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

**The Honourable Sir Frank Noyce :** I should require notice of that question.

**ALLEGED DISAPPEARANCE OF AIR MAIL LETTERS AT KARACHI.**

604. **\*Mr. M. Ananthasayanam Ayyangar :** (a) Has the attention of Government been drawn to a report in the *Indian Express* of the 15th July, 1936, entitled "Disappearance of air mail letters" and "Karachi sensation" ?

(b) What is the cause of the disappearance of the letters, and how long have the letters been disappearing ?

(c) What action have Government taken regarding this matter to furnish the delinquents and to prevent a recurrence ?

**The Honourable Sir Frank Noyce :** (a) Government have not seen the particular report referred to by the Honourable Member, but are aware of comments in the public press on the subject.

(b) and (c). The matter is at present under investigation by the Head of the Circle with the assistance of the Police authorities. The Head of the Circle is fully competent to deal with it and a copy of the question and reply will be sent to him for suitable action.

#### PREPARATIONS FOR WAR BY THE EUROPEAN NATIONS.

605. \***Mr. M. Ananthasayanam Ayyangar :** (a) Are Government aware that each of the European nations, including Soviet Russia and Great Britain, is making preparations for war and is adopting defensive measures ?

(b) Are Government aware that the Soviet's active fighting strength is 1,300,000 and that there are 3,500,000 fully trained reserved and 1,500,000 territorials and that the United States of Soviet Russia could mobilise 13,500,000 ?

(c) What is the total fighting strength of the Indian Army, and how many are Indians and how many non-Indians ?

(d) What is the strength of the reserve, if any ? Are there any territorials ?

(e) What, if any, are the steps taken by Government to improve India's defence in case of an attack ?

(f) Do Government contemplate giving any military training to the citizens on a mass scale ? If not, why not ?

**Mr. G. R. F. Tottenham :** (a) Government are aware that there is at present a general tendency among European nations towards rearmament.

(b) Government have no detailed information, but they are aware that Soviet Russia has a very large army.

(c) and (d). The required information is given in the "Return showing the actual strength of the Army and Royal Air Force in India on the 1st April, 1936", a copy of which is in the Library of the House.

(e) Government are continually taking steps, subject to the financial limits imposed, to ensure that the defence forces in India are armed and equipped at the standard required to enable them to discharge their functions.

(f) No. It is not necessary.

**Sardar Mangal Singh :** May I ask what steps the Government have taken to manufacture war materials in this country ?

**Mr. G. R. F. Tottenham :** I do not think that that relates to any matter with regard to which I have given a reply. If the Honourable Member wishes to ask me about that, will he put down a question ?

**Pandit Lakshmi Kanta Maitra :** Does the Honourable Member consider that the present strength of the Army in India is sufficient to meet all contingencies ?

**Mr. G. B. F. Tottenham :** The Honourable Member is inviting me to express an opinion.

**Mr. Lalchand Navalrai :** With regard to the answer to clause (f), why are the Government of India not contemplating giving any military training to the citizens of this country on a mass scale ?

**Mr. G. B. F. Tottenham :** Because it is not necessary.

**Mr. Lalchand Navalrai :** Why is it not necessary—I would like to know ? Why is it not necessary, when it is admitted that Russia has so enormously increased her armies and has made such stupendous arrangements in similar directions,—why is it not necessary to give any military training to the Indian masses ?

**Mr. G. B. F. Tottenham :** I will say then because, in the opinion of the Government of India, it is not necessary.

**Sardar Mangal Singh :** Sir, I asked a question as to what steps the Government are taking to manufacture war materials in this country and the Honourable Member said that this question does not arise. But it does arise under clause (e) ?

**Mr. G. B. F. Tottenham :** I thought the Honourable Member said “(c)”. The answer to (e) was :

“Government are continually taking steps, subject to the financial limits imposed, to ensure that the defence forces in India are armed and equipped at the standard required to enable them to discharge their functions.”

As a matter of fact I have often informed the House before that over ninety per cent. of the lethal requirements of India are manufactured in India.

**Mr. N. M. Joshi :** May I ask the Government of India whether they ever consider the feeling in this country against any increase of the military expenditure ? (Hear, hear).

**Mr. G. B. F. Tottenham :** That fact has been pressed upon their attention more than once.

**Mr. S. Satyamurti :** Have Government examined the position in the light of the most recent international situation and come to the conclusion that without having a second line of defence, a citizen army, as in other countries, India is quite competent to defend herself against all possible attacks by land, sea or air ?

**Mr. G. B. F. Tottenham :** Government are continually examining the situation in the light of developments in Europe and elsewhere and they have come to the conclusion that no such development is required at the present moment.

**Mr. S. Satyamurti :** Then Government have rejected, for the present, the idea of training the citizens of this country to defend their own hearths and homes ?

**Mr. G. B. F. Tottenham :** I cannot say that they have ever seriously considered the training of 360 millions to defend their hearths and homes.

**Mr. S. Satyamurti** : They have not even considered the training of a small percentage of that number,—as they do in all other countries— as a second line of defence ?

**Mr. G. R. F. Tottenham** : There is the Territorial Force.

**Mr. S. Satyamurti** : Are the Government satisfied that in numbers, efficiency and equipment it is equal to the task imposed upon it in certain eventualities ?

**Mr. G. R. F. Tottenham** : Well, Sir, that is rather a large question. I do not think I can give an opinion on that matter now.

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

SIR MONTAGU WEBB'S BOOK ON THE TRADE DEPRESSION AND FALL IN PRICES IN INDIA.

606. \***Mr. M. Ananthasayanam Ayyangar** : (a) Has the attention of the Honourable the Finance Member been drawn to a recent publication by Sir Montagu deP. Webb of Karachi issued as a supplement to his "*India's Plight*" and suggesting remedies for the trade depression and fall in prices in India ?

(b) Are Government prepared to alter the exchange ratio as advised therein ? If not, why not ?

(c) Do Government propose to take early steps to take over the issue of currency directly under their management and control as before the passing of the Reserve Bank Act ?

(d) If not, what steps do Government propose to take to raise the level of prices and to increase trade ?

(e) Are Government prepared to appoint a Committee of Indian bankers, business men and financiers to investigate the problem of currency and exchange and to report on the steps to be taken to relieve the present depression ?

**The Honourable Sir James Grigg** : (a), (b), (c) and (e). No.

(d) I would invite the Honourable Member's attention to the reply given to part (c) of his starred question No. 223 during the current Session.

**Mr. M. Ananthasayanam Ayyangar** : Sir, if the Honourable Member has not read the publications referred to in my question, is it not to be expected that he would have read them after the question was sent in and will read them after this question has been put ?

**The Honourable Sir James Grigg** : Certainly not ; I cannot read every rubbishy pamphlet that is printed.

**Mr. Mohan Lal Saksena** : How does the Honourable Member know that it is rubbish ?

**The Honourable Sir James Grigg** : Because I have read a dozen of its predecessors.

**Mr. M. Ananthasayanam Ayyangar** : With regard to clause (d) of the question, what steps do Government propose to take to raise the level of prices and to increase the volume of trade ?



**The Honourable Sir James Grigg :** I would refer the Honourable Member to a certain answer given to a question on the same subject at an earlier period of the Session.

**Mr. M. Ananthasayanam Ayyangar :** We are not aware of it. What is the exact reference ?

**The Honourable Sir James Grigg :** I did give the reference and the Honourable Member himself asked the question. I suppose the only conclusion is that he does not listen to the answers given to his own questions.

**Mr. M. Ananthasayanam Ayyangar :** At least now let me know what the answer is.

**Mr. S. Satyamurti :** Is it right for the Government to be educated when they are given the opportunity to do so, by reading good pamphlets like this one ?

#### INDIANISATION OF THE MILITARY ASSISTANT SURGEON CLASS.

607. **\*Dr. Thein Maung :** Are Government aware that there are no Indians in the Military Assistant Surgeon class ? If so, do Government propose to consider the desirability of Indianising it ? If not, why not ?

**Mr. G. R. F. Tottenham :** The answer to the first part of the question is in the affirmative ; the answer to the second part in the negative ; and the reason is that there is a separate branch of the Indian Medical Department which is entirely composed of Indians.

**Mr. S. Satyamurti :** Why should there be a class of surgeons consisting only of Europeans ?

**Mr. G. R. F. Tottenham :** The Assistant Surgeons Branch of the Indian Medical Department consists of domiciled Europeans and Anglo-Indians.

**Mr. S. Satyamurti :** Are not Government considering the question of amalgamating both the services into one ?

**Mr. G. R. F. Tottenham :** No, Sir, they are not considering that question.

**Mr. S. Satyamurti :** Why not ?

**Mr. G. R. F. Tottenham :** Because they do not consider it necessary to do so.

**Mr. S. Satyamurti :** Do they realise that it is perpetuating the difference based on race or colour, and therefore it is not right ?

**Mr. G. R. F. Tottenham :** That is a question of opinion.

**Sardar Mangal Singh :** Is it a fact that Europeans in the army refuse to be treated by Indian Surgeons ?

**Mr. G. R. F. Tottenham :** I have never heard of it.

#### REVISION OF THE PASS RULES FOR THE EMPLOYEES ON STATE RAILWAYS.

608. **\*Mr. Lalchand Navalrai :** (a) Will Government please state if they intend revising the pass rules for the employees on the Indian State Railways ?

(b) When were the pass rules revised last, and what are the reasons for re-revising the rules now ?

(c) Is it a fact that the Chetty Retrenchment Committee in 1931 stated that they learnt from the Chief Commissioner of Railways that the passes to the railway employees actually cost nothing to the railways and that the Committee only recommended uniformity of pass rules on all State Railways and the number of passes even to officers being restricted ?

(d) Is it a fact that Government complied with these recommendations of the Chetty Committee in the last revision of the pass rules ? If so, why is it necessary to make any further revision ?

(e) What are the fundamental changes now sought to be made in the pass rules ?

**The Honourable Sir Muhammad Zafrullah Khan :** (a) Yes.

(b) In September, 1935. A further revision is under consideration as it has been suggested that the scale of passes now admissible is more liberal than is justified particularly in the case of employees who have comparatively short service.

(c) Yes.

(d) An endeavour has been made to secure a certain degree of uniformity. The necessity for a further revision is explained in my reply to part (b).

(e) Government are not in a position to make any announcement on the subject as the matter is still under consideration.

**Mr. Lalchand Navalrai :** May I know with regard to the last part of clause (c), whether the recommendation of the Chetty Committee with regard to the restriction on the passes for officers has been carried into effect ?

**The Honourable Sir Muhammad Zafrullah Khan :** The matter was revised recently and the number of passes available to officers was considerably curtailed.

**Mr. Lalchand Navalrai :** Will the Honourable Member give me an idea as to how far the number has been curtailed ?

**The Honourable Sir Muhammad Zafrullah Khan :** Originally, they were entitled to any number of passes without any restriction. Now the passes permitted, I believe, cover twelve return journeys in a year.

**Prof. N. G. Ranga :** Is the revision of these rules being considered with a view to economy ?

**The Honourable Sir Muhammad Zafrullah Khan :** Mainly with a view to economy but there are several other considerations also.

**Mr. Ram Narayan Singh :** What are those considerations ?

**The Honourable Sir Muhammad Zafrullah Khan :** For instance as compared with officers in other departments who are entitled to travelling allowance, the rules may be more favourable in the Railway Department than they are elsewhere.

**CLASSIFICATION OF PASSES TO RAILWAY EMPLOYEES ON THE LINES OF THE CENTRAL GOVERNMENT TRAVELLING ALLOWANCE RULES.**

609. \*Mr. Lalchand Navalrai : (a) Is it a fact that Government propose to fix the classification of passes to railway employees on the lines of the Central Government travelling allowance rules ?

(b) Is it a fact that at present gazetted officers are entitled to first class passes, irrespective of their pay ?

(c) Do Government propose to apply the classification of the Central Government travelling allowance rules to these officers also in regard to passes admissible to them on the railways ? If not, why not ?

**The Honourable Sir Muhammad Zafrullah Khan :** (a) and (c). I would refer the Honourable Member to the reply I have just given to his previous question.

(b) Yes, but Superintendents in the office of the Railway Board are eligible for first class passes only if their pay exceeds Rs. 750 per mensem.

**Mr. Lalchand Navalrai :** Is the Honourable Member aware that on account of many passes being given to these officers, difficulty is caused to the ordinary passengers in securing their seats ?

**The Honourable Sir Muhammad Zafrullah Khan :** Complaints have reached me that on occasions there is overcrowding in second class carriages on account of a large number of people who hold second class passes and I am looking into the matter.

**Mr. Lalchand Navalrai :** Is it a fact that there are rules that those railway officers who have got passes must give preference to ordinary travellers and give them preference in seat ?

**The Honourable Sir Muhammad Zafrullah Khan :** I believe there is a rule to the effect that at the commencement of a journey a pass-holder must give way to a ticket-holder.

**Pandit Lakshmi Kanta Maitra :** Is not that rule respected in the breach than in compliance ?

**Mr. Lalchand Navalrai :** Is not the Honourable Member aware that that rule is respected more in the breach than in compliance ?

**The Honourable Sir Muhammad Zafrullah Khan :** Two Honourable Members have just now made the suggestion that that is so.

**Mr. Lalchand Navalrai :** Will the Honourable Member issue orders to the Agents to see that that rule is complied with ?

**The Honourable Sir Muhammad Zafrullah Khan :** The rule being there, I cannot issue another rule laying down the same thing over again.

**Mr. Lalchand Navalrai :** I never meant that the Honourable Member should issue another rule. What I meant was that he should issue reminders or instructions to these Agents to see that these rules are complied with ?

**The Honourable Sir Muhammad Zafrullah Khan :** I hope all rules are being complied with and where there is a breach of rules those concerned will see that the breach is reduced to the minimum.

**Mr. Lalchand Navalrai :** Is not the Government here responsible to this House at least to this extent that they should issue instructions to the Agents that it has been brought to their notice that the rules are not being complied with in this connection ?

**The Honourable Sir Muhammad Zafrullah Khan :** I have already given the reply. The Honourable Member is not now asking for information.

**Mr. Lalchand Navalrai :** I am not asking for mere information. What I am asking is this : whether the Honourable Member is going to ask the Agents that these rules are complied with ?

**The Honourable Sir Muhammad Zafrullah Khan :** Whenever there is a grievance of that kind which comes to my notice, it is impressed upon the Agents that they should see that all these rules are properly complied with.

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

#### SIND LEFT BANK FEEDER RAILWAYS.

610. **\*Mr. Lalchand Navalrai :** (a) Will Government be pleased to state when the Sind Left Bank Feeder Railways were constructed ?

(b) Is it a fact that these lines are still *kutch*a, and therefore the speed is restricted to 25 miles per hour ?

(c) Do Government propose to have the ballast put on these lines to make them firm with a view to increasing the speed of the trains and giving convenience to the public ? If so, when ? If not, why not ?

**The Honourable Sir Muhammad Zafrullah Khan :** (a) The Sind Left Bank Feeders were sanctioned for construction in June, 1928, and were opened for public traffic throughout by December, 1931.

(b) These lines were constructed to "C" class standard and are unballasted. The maximum speed sanctioned for these lines is 25 miles per hour.

(c) The lines were only financially justifiable if built to a low standard of construction. Traffic on them has not increased to such an extent as to justify further capital expenditure.

**Mr. Lalchand Navalrai :** Has the Honourable Member inquired that on account of these *kutch*a roads much inconvenience is caused and also there is not much safety ?

**The Honourable Sir Muhammad Zafrullah Khan :** I have made no such inquiries because no specific instances were brought to my notice to justify an inquiry of that description.

**Mr. Lalchand Navalrai :** What I am asking is this. The roads are there but they are *kutch*a and they need only some repairs so that there may be more safety and also convenience. Is not the Honourable Member going to ask the Agent to inquire into that matter and see if the roads could be repaired ?

**The Honourable Sir Muhammad Zafrullah Khan :** I have dealt with the matter in reply to the question. I have explained that the construction of these lines was justifiable only on a certain standard. When

traffic increases to an extent justifying further capitable expenditure, I have no doubt further capital expenditure will be undertaken.

**Mr. Lalchand Navalrai :** What I am asking the Honourable Member is this. Now that it has been by practice known after the lines have been built that there is inconvenience and also there is no safety, is the Honourable Member going to ask the Agent or not ?

**The Honourable Sir Muhammad Zafrullah Khan :** I do not accept the allegation that there is no safety. With regard to convenience, of course there are different standards of convenience. A line which has been constructed to "C" class standard is certainly not capable of yielding the same amount of convenience as the older lines upon which more money has been spent and which are properly ballasted. I have said in my reply that the construction of these lines was justified only to this standard and nothing has since taken place to justify a higher standard.

**Mr. Lalchand Navalrai :** Will the Honourable Member.....

**Mr. President (The Honourable Sir Abdur Rahim) :** I cannot allow an interminable discussion like this during question hour. The Honourable Member can ask questions only to obtain information.

#### REMOVAL OF RESTRICTIONS ON THE MARKERS ON THE NORTH WESTERN RAILWAY FOR TRAINING IN GOODS DUTIES.

611. **\*Mr. Lalchand Navalrai :** (a) Is it a fact that the markers on the North Western Railway submitted a memorial to the Agent, North Western Railway, Lahore, on the 22nd December, 1935, requesting for the removal of the restrictions on their training in the goods duties ?

(b) Is it a fact that since then two reminders to dispose of the said memorial were sent to the Agent, North Western Railway, and will Government please state why no reply has been sent to the memorialists for such a long time ?

(c) Is it a fact that memorials as a general rule are not disposed off quickly but remain pending for a long time in the office of the Agent, North Western Railway ?

(d) Are Government prepared to enquire into this fact and issue orders that memorials be quickly attended to ?

**The Honourable Sir Muhammad Zafrullah Khan :** Government have no information. This is a matter of detailed administration within the competence of the Agent, to whom a copy of the question has been sent for information and such action as he may consider necessary.

#### DISCHARGE OF TEMPORARY EMPLOYEES IN THE INFERIOR AND LABOUR SERVICES AND THE APPOINTMENT OF ex-MILITARY MEN IN THEIR PLACES ON THE NORTH WESTERN RAILWAY.

612. **\*Mr. Lalchand Navalrai :** (a) Will Government be pleased to state if it is a fact that the North Western Railway Administration have issued orders to the effect that all temporary employees in the inferior and labour services be discharged and ex-military men appointed in their places ? If so, why ?

(b) How many temporary hands have thus been discharged on the North Western Railway ?

(c) Is it a fact that in making temporary appointments to these ranks the employees are given to understand that they are liable to be discharged as soon as *ex-service* men become available ? If so, why is such a condition being imposed ?

(d) Do Government propose to issue instructions that men already in service, even temporarily, should not be discharged to make room for *ex-service* men ? If not, why not ?

**The Honourable Sir Muhammad Zafrullah Khan :** Government are informed as follows :

(a) No.

(b) to (d). Do not arise.

#### PROVISIONS OF RADIO SETS IN VILLAGES.

613. **\*Mr. M. Asaf Ali :** (a) Will Government please state how many villages throughout India have been provided with (receiving) radio-sets ?

(b) What is the average proportion of the monthly transmissions intended for rural areas ?

(c) Do transmissions intended for rural areas include news of rural uplift work undertaken by official or semi-official agencies only, or are reports of village uplift work by Congress and non-official parties also included in such transmissions ?

(d) Are Government prepared to direct the All-India Radio Station Directors to take due notice of all news about village uplift work by non-official agencies ?

**The Honourable Sir Frank Noyce :** (a) So far as I am aware there are 15 rural receivers in Bengal, 14 in the South Punjab, and 20 in the Peshawar District set up by the respective Provincial Governments. Twenty-four rural receivers are served by the Dehra Dun broadcasting station.

(b) The Delhi station broadcasts rural programmes for 30 hours out of a total transmission of Indian programmes for 200 hours per month, and the Calcutta station approximately six hours out of 165 hours per month. The Dehra Dun and Peshawar programmes are almost exclusively rural.

(c) News of rural uplift work whether undertaken by official and semi-official agencies, or by Congress and non-official agencies, which is supplied by Reuters and the Associated Press of India, is broadcast from the stations of All-India Radio which makes no discrimination between them.

(d) Does not arise in view of my reply to part (c) above.

**Mr. Sri Prakasa :** Do Government contribute to the provinces any portion of the licence fee of Rs. 10 that they charge from the keeper of radio sets ?

**The Honourable Sir Frank Noyce :** No, Sir. There is no special reason why they should do so.

**Mr. Sri Prakasa :** How can the provinces meet the extra expenditure involved when most of the work is done in the provinces ?

**The Honourable Sir Frank Noyce :** I understand some of the expenditure incurred by the provinces was provided out of last year's rural development grant.

**Mr. M. Asaf Ali :** What exactly will be the arrangement about the distribution of licence fees between the Centre and the Provinces when the Provinces have set up their own stations ?

**The Honourable Sir Frank Noyce :** That does not arise out of this question.

**Mr. M. Asaf Ali :** May I know whether the Centre proposes to put up any radio sets in villages ?

**The Honourable Sir Frank Noyce :** Our general policy is that the provision of radio sets in villages is a matter for the Provincial Governments.

#### NEWS AGENCIES PATRONISED BY THE ALL-INDIA RADIO SERVICE.

614. \***Mr. M. Asaf Ali :** (a) Do the All-India Radio Service patronise only Reuter and Associated Press of India, or do they take the United Press news service also ?

(b) Are Government aware that the proportion of reports of rural uplift work by non-official agencies is usually larger in the news purveyed by the United Press than in those of other news-purveying agencies ?

(c) Are Government aware that the All-India Radio Service take no notice of news relating to elections ? If so, why ?

(d) Are Government also aware that news about official visits to villages and the village uplift work undertaken or proposed by officials only is regarded as political propaganda ?

**The Honourable Sir Frank Noyce :** (a) Reuters and the Associated Press of India at present supply news for broadcast purposes and no news is obtained by the All-India Radio from the United Press News Service.

(b) No.

(c) Under instructions recently issued by the Government of India, election results when available can be included in news programmes, but to broadcast election manifestoes or election speeches would be against Government's policy of not allowing the All-India Radio to be used for propaganda, or for controversial subjects.

(d) The reply is in the negative.

**Mr. M. Asaf Ali :** With reference to part (b), may I know why the United Press is left in the cold ?

**The Honourable Sir Frank Noyce :** Because there are two news agencies and that is considered sufficient.

**Mr. M. Asaf Ali :** Is it not a fact that the United Press supplies some additional news which is not purveyed by the Associated Press and the Reuters ?

**The Honourable Sir Frank Noyce :** I am not in a position to answer that question.

**Mr. M. Asaf Ali :** Will the Government kindly make up their mind about it and make an investigation and if they find that the United Press supplies additional news, they will also patronise that news agency ?

**The Honourable Sir Frank Noyce :** Government consider that at present the news supplied by the two Agencies is sufficient in relation to the amount that is available to be spent on them.

**Pandit Lakshmi Kanta Maitra :** May I know in patronising these news agencies, what are the factors which weigh with them ? What is the price that Government have to pay to these news agencies for purveying these news ?

**The Honourable Sir Frank Noyce :** I take it that the main factor is reliability.

**Pandit Lakshmi Kanta Maitra :** Does the Honourable Member mean to say that the United Press is not a reliable agency ?

**Mr. President (The Honourable Sir Abdur Rahim) :** You cannot argue the question here.

**The Honourable Sir Frank Noyce :** I am not expressing any opinion on the comparative merits of these various agencies. I can only say that, as regards the Reuters and the Associated Press, about which my Honourable friend asked what the factor was, it was reliability.

**Pandit Lakshmi Kanta Maitra :** May I know if that arrangement with the Reuters and the Associated Press is a permanent arrangement, or is it for a certain period of time ? If so, what is the period of time ?

**The Honourable Sir Frank Noyce :** I want notice.

**Mr. Sri Prakasa :** Do the Government pay any money for the supply of news by the particular News Agencies ? I ask this specially in view of the fact that the copyright of the news remains with the Agency ?

**Mr. President (The Honourable Sir Abdur Rahim) :** All these numerous supplementary questions do not arise out of the original answer.

**Mr. M. Asaf Ali :** May I know if Government pay for all the stations separately for the full service or do they pay only for one station and the news is relayed from that station to others ?

**Mr. President (The Honourable Sir Abdur Rahim) :** With reference to this question of payment, I do not find that in the original questions. How can these supplementary questions arise ? Next question.



**Mr. M. Asaf Ali :** I do not know whether I have made myself clear. I am asking Government to state whether they are paying the Reuters and the Associated Press for their full service to all the stations ?

**Mr. President (The Honourable Sir Abdur Rahim) :** That ought to be put as a specific question. That does not arise out of the original question. Next question.

BROADCASTING OF ELECTION SPEECHES.

615. **\*Mr. M. Asaf Ali :** Do Government propose to consider the advisability of allowing leaders of different parties to broadcast at least one speech each during the election campaign, as they do in England ?

**The Honourable Sir Frank Noyce :** The attention of the Honourable Member is invited to the reply given by me on the 1st September to parts (a), (c) and (d) of Mr. Satyamurti's starred question No. 29.

**Mr. M. Asaf Ali :** What exactly do Government intend to do as soon as section 129 comes into operation ?

**The Honourable Sir Frank Noyce :** That is a hypothetical question.

**Mr. M. Asaf Ali :** It is quite obvious that section 129 is bound to come into operation sooner or later. We all know it will come into operation on the 1st April, 1937, when Provincial Autonomy commences. I want to know what the Government propose to do then, because these Provinces will be perfectly free to broadcast any matter they want to.

**The Honourable Sir Frank Noyce :** They will not be free to broadcast any matter they want to.

**Mr. M. Asaf Ali :** I should like the Honourable Member to refer to section 129 and see that the Central Government has no power to control the matter to be broadcast by provinces ?

**Mr. President (The Honourable Sir Abdur Rahim) :** That is a matter of interpretation of the section. You cannot ask for legal opinion in a supplementary question.

**Mr. M. Asaf Ali :** I am not asking for any legal opinion.

**Mr. President (The Honourable Sir Abdur Rahim) :** The Honourable Member is giving a legal opinion on a section and is asking the Government whether that is right.

**Mr. M. Asaf Ali :** I want the Government to state their policy in view of this section 129.

**The Honourable Sir Frank Noyce :** I am not at present in a position to state what the policy will be.

**Mr. S. Satyamurti :** Have the Government any intention of reconsidering their position, in regard to this matter ?

**The Honourable Sir Frank Noyce :** None.

**Mr. S. Satyamurti :** Why not, Sir ?

(No answer.)

**Mr. M. Asaf Ali :** May I take it, Sir, that the Government's policy today is intended to be consistent with the policy which they are bound to follow under the new constitution ?

**The Honourable Sir Frank Noyce :** I am not, in reply to a supplementary question, prepared to discuss the position which will arise on the introduction of Provincial Autonomy.

**Mr. M. Asaf Ali :** I am only asking whether the Government are following a consistent policy ?

**Mr. President (The Honourable Sir Abdur Rahim) :** The Honourable Member is not prepared to answer that question. Next question.

**Mr. M. Asaf Ali :** If the Government refuse to answer that question that is a different matter.

#### CIRCULATION OF BILLS AFFECTING WOMEN'S RIGHTS.

616. **Mr. M. Asaf Ali :** Will Government be pleased to state if they circulate Bills affecting women's rights regarding marriage, divorce, inheritance, etc., to recognised women's organisations like the All-India Women's Conference ? If not, why not ?

**The Honourable Sir Nripendra Sircar :** The information desired by the Honourable Member has been given fully in my reply to Mr. Sri Prakasa's question No. 573.

**Mr. N. M. Joshi :** May I ask whether the Government of India themselves circulate these Bills to any all-India organisation ?

**The Honourable Sir Nripendra Sircar :** This is covered by the answer I gave to my Honourable friend, Mr. Sri Prakasa, yesterday and as a matter of fact, we get opinions from what may be called all-India organisations, including women's organisations.

**Mr. Sri Prakasa :** Will Government consider the desirability of sending their Bills and such other papers directly for opinion to various organisations interested in the subjects concerned from headquarters instead of depending entirely on Provincial Governments ?

**The Honourable Sir Nripendra Sircar :** No, Sir.

**Prof. N. G. Ranga :** Will Government consider the advisability of making an announcement in the Gazette of India calling upon all these organisations of women which would like to submit their views whenever any Bills are sent out for circulation ?

**The Honourable Sir Nripendra Sircar :** That is done in every local Gazette.

**Mr. N. M. Joshi :** Are Government aware that some important all-India organisations are not consulted as regards certain important Bills on account of the fact that they are considered not to belong to any one particular province, and will the Government of India consider the question of consulting these all-India organisations ?

**The Honourable Sir Nripendra Sircar :** If instead of saying certain organisations and certain persons, my friend will say in connection with what Bill a particular organisation was not consulted, I will answer him.

**Mr. Lalchand Navalrai :** Apart from the Bills being published in the Government Gazette, may I know if any notice is given in other papers that certain Bills are for circulation, so that the public may know ?

**The Honourable Sir Nripendra Sircar :** The notification is published in the local Gazette and of course as a matter of fact every paper publishes the fact that such and such Bills are in circulation. But we take no special steps for advertising in other papers.

SHORT NOTICE QUESTIONS AND ANSWERS.

GRANT OF CONCESSION RATE FOR TRANSPORT OF FODDER BY RAIL INTO FAMINE-STRIKEN AREAS IN THE BOMBAY PRESIDENCY.

**Mr. N. V. Gadgil :** (a) Will Government be pleased to state whether applications have been received from several public institutions, and the chairman of the Famine Relief Fund in Ahmednagar in particular, for grant of concessions by the Great Indian Peninsula Railway and the Madras and Southern Mahratta Railway and other Railways to carry fodder and grass from outside the Bombay Presidency to famine-stricken areas ?

(b) What is the policy of Government with respect to these concessions and, in view of the extent and depth of famine in the Marathi-speaking districts in Maharashtra, do Government propose to direct the Railways concerned to grant as much concessions as possible in the transport of food and grass to public bodies and institutions which are doing relief work ?

**Sir Girja Shankar Bajpai :** (a) No.

(b) The matter is one primarily for consideration by Provincial Governments who have been authorised since 1920 to introduce concession rates on consignments of fodder between stations situated within their own jurisdictions. As regards import of fodder from outside the matter is one for adjustment first between the Provincial Governments or States concerned. If the sanction of the Government of India is asked to any such arrangement, the request will be sympathetically considered.

EXPLOSION AT THE MOGHALPURA WORKSHOP ON THE NORTH WESTERN RAILWAY.

**Sardar Sant Singh :** (a) Will Government state how many casualties in killed and injured occurred in the explosion at the Moghalpura workshop on the North Western Railway ? What are the names of the persons injured and killed ?

(b) What was the cause of the explosion ?

(c) Has any inquiry been made into the cause of the explosion, and has the responsibility for the explosion been fixed ?

(d) Do Government propose to grant any compensation to the families of the victims ?

**The Honourable Sir Muhammad Zafrullah Khan :** (a) According to information received up to date,

Two persons were killed outright.

Five were seriously injured ; of these three have since died.

Twenty-five received minor injuries.

*Names of those killed.*

Rallia Ram.

Tirath Ram.

*Names of those that succumbed to injuries.*

Abdulla.

Nur Mohamed.

Abdul Hakim.

The names of the others have been called for and will be laid on the table when received.

(b) The cause has not yet been determined.

(c) Separate enquiries are being held by the Superintendent, Mechanical Workshops, North Western Railway, the District Magistrate, the Police, the Inspector of Factories and the Inspector of Explosives.

The responsibility has not yet been fixed.

(d) All cases will be dealt with under the Workmen's Compensation Act.

**Mr. V. V. Giri :** Do Government propose to have an impartial inquiry into the whole matter with the representatives of the public and the representatives of the workers at Lahore ?

**The Honourable Sir Muhammad Zafrullah Khan :** I cannot answer that question at this stage. I must await the reports of the inquiries that are being held into the matter.

#### EXPLOSION AT THE MOGHALPURA WORKSHOP ON THE NORTH WESTERN RAILWAY.

**Mr. V. V. Giri :** (a) Will Government be pleased to state whether their attention has been drawn to the workshop tragedy in Moghalpura, where some workers were killed and many injured due to the alleged oxygen cylinder explosion ?

(b) Are Government aware of the panic created among the workers due to this accident ?

(c) Is it a fact that the representatives of the press were not taken into confidence and allowed to go into the workshops in order to ascertain the real state of affairs regarding the accident ?

(d) Do Government propose to hold an impartial enquiry into the exact causes of the accident, and take measures to prevent the same hereafter ?

(e) Do Government propose to grant suitable compensation to the families of the dead and to the injured workers due to this accident ?

**The Honourable Sir Muhammad Zafrullah Khan :** (a) Government are aware of the accident, but the cause has not yet been determined.

(b) No.

(c) A Press Communiqué was issued on the date of the accident.

Relatives of the victims of the accident were admitted to the workshops.

(d) Separate inquiries are being held by the Superintendent, Mechanical Workshops, North Western Railway, the District Magistrate, the Police, the Inspector of Factories and the Inspector of Explosives.

(e) All cases will be dealt with under the Workmen's Compensation Act.

**Mr. V. V. Giri :** What was the cause of the press representatives being disallowed when they made a request for going into the workshops to know the conditions at the time ?

**The Honourable Sir Muhammad Zafrullah Khan :** The very first matter to be attended to was to render necessary aid to the people who were injured and to avoid further confusion as far as possible.

**Mr. V. V. Giri :** But when the confusion was over, could they not invite the press representatives to go into the matter ?

**The Honourable Sir Muhammad Zafrullah Khan :** To hold an inquiry ?

**Mr. V. V. Giri :** They could have allowed those press representatives who wanted permission to go into the workshops and see things for themselves.

**The Honourable Sir Muhammad Zafrullah Khan :** As soon as it was practicable, the Administration issued a Press Communiqué giving all the information available.

---

### RESOLUTION *RE* INDEBTEDNESS OF AGRICULTURISTS.

**Mr. N. C. Chunder** (Calcutta : Non-Muhammadan Urban) : Sir, I beg to move the Resolution which stands in my name as follows :

“ That this Assembly recommends to the Governor General in Council to appoint a Committee consisting of both official and non-official Members, with non-official majority, to inquire into the question of indebtedness of agriculturists of the whole of India dealing particularly with the following points :

- (1) to find out :
  - (i) the approximate total debt,
  - (ii) the area of land which has passed from the hands of the agriculturists to money-lenders,
  - (iii) the area of land mortgaged with money-lenders at present.
- (2) to enquire and report on the remedies and provisions of law up till now legislated in different provinces for their amelioration and what results have been achieved by such measures in different provinces.

This Assembly further recommends to the Governor General in Council that the said Committee be authorised to incorporate in its report the ways and means and provisions of laws by which the interests of the agriculturists could be fully safeguarded and thereby extricate them from their present miserable plight.’

Sir, before I begin, I have to inform this House that I am not responsible for the drafting of this Resolution. It was sent to me and I sent it on, and the ballot having favoured me I happen to be the speaker, although I can assure you, Sir, that no one wishes more than I do that

[Mr. N. C. Chunder.]

it had fallen to the lot of some one else to move this very important Resolution. However, I cannot begin my speech better than by quoting an extract from Sir Federick Nicholson's report. Sir Federick in 1885 submitted to the Government of Madras a report on the credit systems of Europe. Sir Frederick Nicholson has been regarded as the father of the co-operative movement in India, although it took several years before his report was recognised and acted upon by Government. I shall place before this House a passage from his report on Agricultural Banks. It is this :

“ The history of rural economy in Europe, America and India has no lesson more distinct than this, that agriculturists must and will borrow. This necessity is due to the fact that an agriculturist's capital is locked up in his land and stock and must be temporarily mobilised. Hence credit is not necessarily objectionable, nor is borrowing necessarily a sign of weakness. But such borrowing may be abused and indebtedness may be a symptom and a cause of danger if the conditions of credit are unsound or defective, if borrowing is not a mere temporary productive mobilisation of capital but the result of ignorance, imprudence, recklessness, misgovernment, social defects or even social arrangements, such as the laws and customs of inheritance.”

With regard to this, I think the House will concede that these are matters of more than local or provincial importance and these are matters which should be dealt with by a committee considering the question of rural indebtedness as a whole. But before I come to make my point why there should be a committee and an all-India committee for that matter, I think I ought to show to this House that there is an appalling amount of rural indebtedness waiting to be relieved. Now, with regard to the extent of rural indebtedness. It required the Kunbis to break out into open riots in the Deccan before the Government could be moved to take this matter seriously ; and the Deccan Agriculturist Commission was the first serious attempt to deal with this question of rural indebtedness but even then the Deccan Riots Commission were not primarily intended to find out means for the relief of agricultural indebtedness but were meant primarily to find out the causes of the riots and to prevent future riots. But the Deccan Riots Commission of 1875 did very valuable work and their report covering, I think, about 1,500 pages dealt with the question of agricultural indebtedness in 12 villages in the province of Bombay. With regard to the extent of indebtedness that they found, I shall quote from a passage in their report : it says :

“ It appears that about one-third of the occupants of Government land are embarrassed with debt, that their debts average about 18 times their assessment, and that nearly two-thirds of the debt is secured by mortgage of land.”

Then, they give certain details. Then they take up the question as to the extent to which land had passed out of the hands of the cultivating class. Here they say that they cannot determine that with accuracy how much land is held in mortgage of which the occupancy is not transferred to the *sowcar*. In the villages scrutinised by the Commission in the Ahmednagar district it was found that about one-eighth of the occupancies had on the average been transferred to *sowcars*, namely, that the direct assessment payable by *sowcars* for land was about 1/8th of the whole demand on the village. But this only represents the amount of land in their occupancy as Government tenants. The increasing extent to which land is passing from the Kunbi to the *sowcar* has been illustrated

above by the growth of the money-lender class. These properties had been acquired within the last twenty years and for the most part within the last ten years before 1875.

Then came the Famine Commission of 1880, which also incidentally, as a means of preventing the distress caused by famine or increasing the power of the people to resist the distress caused by famine went into the question of rural indebtedness ; but again I must point out that they went into the question of rural indebtedness not as a question by itself of very great importance, but incidentally as arising out of the questions or problems involved in the question of famine. You will find, Sir, they say :

“ We have found no reason to believe that the agricultural population of India have at any known period of their history been generally free from debt, although individuals or classes may have fallen into deeper embarrassments under the British rule than was common in the native dynasties which preceded them.”

However, this is a matter which is very controversial, and for the purposes of my present Resolution I need not go into it except to remark that when you have a society constituted by or composed of village communities it is very difficult to imagine how individuals could have run into debts. However that may be, we are not concerned with that or whether debts existed in pre-British days or whether they came into existence after the British occupation of this country. It is admitted by this Commission and by all writers who have dealt with this subject subsequently that under the British Government since the British occupation, the indebtedness of the agriculturist has risen from year to year until they are groaning under the burden to this extent, that even so early as 1853 in Ahmednagar district the people refused to use the water of the Lakh Canal—a very important irrigation measure, because they were so desperate that they did not care whether they had a good crop or whether they had a bad crop.

**Mr. K. Ahmed** (Rajshahi Division : Muhammadan Rural) : Why did they do so ?

**Mr. N. C. Chunder** : Because they were sowing, where others would reap the benefit ; they thought that the benefit would go to the *sowcar*.

Then, Sir, came the Famine Commission of 1898 which did not contribute very much to the question of agricultural indebtedness, but the Famine Commission of 1901 dealt specially with the question of agricultural indebtedness in the Presidency of Bombay, and I shall place before this House some extracts from their Report. This is what they say :

“ It is not necessary to trace here the efforts which since 1875 have been made to remedy this lamentable state of things. Commissions have sat and reported. Acts of the Legislature have been passed and amended ; executive action of various sorts has been taken, but of all, the result has been disappointing. Comparing the statistics of sales and mortgages in the four districts to which the Relief Acts have applied with the corresponding figures in non-Act districts and weighing the evidence of the witnesses on the point, we form the conclusion that these Acts have done but little substantial good.”

And, Sir, I would submit that these Acts could do no substantial good, because this problem of agricultural indebtedness, which is itself of very great importance, was never dealt with by any Committee sitting to consider the question of agricultural indebtedness quite exclusively.

[Mr. N. C. Chunder.]

Then, Sir, coming to the exact extent of agricultural indebtedness, the difficulty has been that this subject has been hitherto treated only incidentally or as an auxiliary to some other and bigger problem, and it is impossible to ascertain what is the real extent of agricultural indebtedness, and we can only go by estimates which have been formed of such indebtedness. In 1911, Sir Edward Maclagan basing his estimate on Nicholson's estimate for Madras calculated the total for British India to be about 300 crores, but that estimate on the face of it could not be a correct one for the simple reason that Nicholson's estimate even with regard to Madras could not in 1911 be accurate, because it was made so long ago as 1885. The Agricultural Commission gave no estimate of the total indebtedness, though they also incidentally dealt with this question of total indebtedness. The Banking Inquiry Committees have given somewhat more comprehensive estimates. These have been collected in a little brochure published by Mr. Nalini Ranjan Sircar called the "Problem of Agricultural Indebtedness", in which he has appended a table. This table is taken from the Minority Report of the Indian Central Banking Inquiry Committee, and there he gives certain estimates. The total calculated on those estimates for the whole of India will be about 900 crores, but here again, Sir, you will be pleased to remember that these estimates were taken in the year 1929 or thereabouts, and since then there has been a fall in the prices of food stuffs. Therefore, even if the debt remained 900 crores as they estimated, the burden of debt is undoubtedly much more crushing at the present time. According to Sir M. Vishweshwaraya the agricultural population has a debt variously estimated at between Rs. 800 crores and Rs. 1,200 crores. The actual debt is probably not under Rs. 950 crores, or say Rs. 50 per head of the total agricultural population. I may say here that according to this learned author, the annual income of British India from agriculture is estimated at Rs. 1,568 crores, which gives an average return of Rs. 60.3 per acre of cultivated crops, including irrigated crops, and Rs. 59 per head of the total population. But the seriousness of the debt lies not so much in its volume, because there are other countries where also the agricultural indebtedness in volume is not very different from the debt in this country, but in its rate of growth. That it has been growing from 1921 up to the present time, there can be no question, and that matter is very fully dealt with by Professors Jathar and Beri at page 271 in the first volume of their very useful book entitled "Indian Economics, a Comprehensive and Critical Survey of the Economic Problems of India".

Now, Sir, having come to the proposition that there is a very large amount of agricultural debts required to be liquidated, the question is what has been the effect of this debt, how much land has passed out to money-lenders. That is a question to which I would next invite the attention of the House. Well, Sir, it is not possible exactly to state how much of land has passed out from the hands of the agriculturists to the hands of *sowcars*, because, as has been pointed out both in connection with the debate on the Deccan Agriculturists' Relief Act as also in the Report of the Deccan Riots Commission, the *sowcar* has very seldom got the land itself to be transferred in his own name, because it has always been of greater advantage to him to keep the agriculturists on the land instead of turning them out of the land. He has taken the fullest advantage of the



agriculturist's attachment to the land of his forefathers. You can easily imagine that a very great quantity of land must have passed out of the hands of the agriculturists to non-agriculturists, I mean, the ownership or proprietorship of the land though the occupancy might be in the agriculturist now a serf. When I tell you that it was the policy and it is still the policy of the British Government not to restrain transfer but to encourage it. . . . .

**The Honourable Sir Henry Craik** (Home Member) : No, no.

**Mr. N. C. Chunder** : I am told that it is not true that Government favour transfer. The Honourable Sir Henry Craik comes from the Punjab and no doubt he will say that very early in this century, at the beginning of this century, the Punjab had its Land Alienation Act. But allow me to tell him that the Punjab Land Alienation Act was more a political measure than an economic one.

**The Honourable Sir Henry Craik** : No, no. I do not agree.

**Mr. N. C. Chunder** : Well, Sir, I will refer him to the debate on the Punjab Land Alienation Act. This is what Sir Charles Rivaz said :

“ The sole and entire object of the measure which I have been explaining is, while affording ample facilities and a sufficient market for unobjectionable transfers, to arrest the further progress of this mischief, and to check, by remedial action, an ever-increasing political danger.”

**The Honourable Sir Henry Craik** : Is not that an economic object ?

**Mr. N. C. Chunder** : Now, Sir, the Honourable Mr. Tupper, after the Bill had come back from the Select Committee, said this :

“ The reasons for adding to the already existing restrictions on the transfer of agricultural land in the Punjab are both political and economic. While I admit the force of the economic reasons, which have been fully explained to-day by the Honourable Member in charge of the Bill and by the Honourable Nawab Muhammad Hayat Khan, I wish to say that it is the political reasons which have most strongly influenced my judgment in this important matter.”

**Mr. President** (The Honourable Sir Abdur Rahim) : The Honourable Member has only two minutes more.

**Mr. N. C. Chunder** : I do not say that Government have not done anything in this matter, in the provinces. If my Honourable and learned friend, Mr. Aney, cares to speak on this subject, he will be able to tell you what the Central Provinces Government have done in this matter, and there has been a brochure by Mr. Malani, published by the Indian National Congress which sets out the various remedial measures which have been adopted by the Central Provinces Government, and not the least of them is no doubt the Debt Conciliation Act. With regard to Bengal also, the Bengal Money-lenders Act which was passed by the Bengal Legislative Council in 1933 and the Bengal Agricultural Debtors Act of 1935 are meant to relieve agricultural indebtedness and the distress caused by agricultural indebtedness. But it is not enough that each province should be left to take care of its own agricultural indebtedness. It is, as I have submitted, an all-India question. I am reminded that agriculture is a transferred subject. So are roads, but does my Honourable friend suggest that the Central Advisory Board for Roads should be abolished ? Does my Honourable friend suggest that the problem of road transport should not be dealt

[Mr. N. C. Chunder.]

with as an all-India question? Similarly, take the case of agriculture. It is a matter of all-India importance, but apart from that, when the Banking Enquiry Committee met, when the Royal Commission on Agriculture met,—since then much water has flown down the Sutlej, the Jumna and the Thames. Even in England, now-a-days, it is admitted that the doctrine of *laissez-faire* would not do. Even in England. Take for example the Wheat Act of 1932....

**Mr. President** (The Honourable Sir Abdur Rahim) : The Honourable Member's time is up.

**Mr. N. C. Chunder** : I am about to finish. In the British Dominions also, for instance in South Australia a Debt Adjustment Act was passed in 1929 for the relief of farmers. In New South Wales the Crown Lands Amendment Act of 1932 provides for the general writing down of interest obligations due to the crown by 22½ per cent., and the Farmers' Relief Act of 1932 was passed combining temporary moratorium with positive State assistance. In New Zealand also the Mortgagers' Relief Act of 1931 and the National Expenditure Adjustment Act of 1932 deal with questions of relief of agricultural indebtedness. In 1931 in South Africa a Farmers' Special Relief Act was passed. So, elsewhere in the British Dominions attempts are being made to deal with this problem of agricultural indebtedness as a national problem, and I cannot understand why in India it should not be dealt with as an all-India problem. (Applause.)

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

"That this Assembly recommends to the Governor General in Council to appoint a Committee consisting of both official and non-official Members, with non-official majority, to inquire into the question of indebtedness of agriculturists of the whole of India dealing particularly with the following points :

(1) to find out :

(i) the approximate total debt,

(ii) the area of land which has passed from the hands of the agriculturists to money-lenders,

(iii) the area of land mortgaged with money-lenders at present.

(2) to enquire and report on the remedies and provisions of law up till now legislated in different provinces for their amelioration and what results have been achieved by such measures in different provinces.

This Assembly further recommends to the Governor General in Council that the said Committee be authorised to incorporate in its report the ways and means and provisions of laws by which the interests of the agriculturists could be fully safeguarded and thereby extricate them from their present miserable plight."

There are a number of amendments of which notice has been given. To seek to substitute another Resolution for the one that has been moved, one in the name of Dr. DeSouza and the other in the name of Pandit Nilakantha Das. Does Dr. DeSouza wish to move his amendment?

**Dr. F. X. DeSouza** (Nominated Non-Official) : Yes, Sir.

I rise to move the amendment that stands in my name :

“ That for the original Resolution, the following be substituted :

“ That this Assembly recommends to the Governor General in Council to take immediate action on the recommendations of the Royal Commission on Agriculture, the Banking Enquiry Committee and the Civil Justice Committee for relieving agricultural indebtedness in India and for that purpose to appoint a Special Officer with three non-official advisers to suggest measures in consultation with Local Governments on the lines of those recommendations ’.”

Mr. President, I trust that the Honourable Member who has just sat down will not think me impertinent if I congratulate him on the lucidity with which he has marshalled his facts and the forcefulness with which he has pressed his conclusions. I entirely agree with him so far as his facts are concerned and his conclusions are concerned but the reason why I have sent in my amendment is that I have to join issue with him with regard to the machinery which he proposes to bring into play for the purpose of giving effect to his conclusions. Sir, during the last six years, the Royal Commission on Agriculture presided over by the present Viceroy of India, the Civil Justice Committee presided over by that eminent jurist, Chief Justice Rankin, on which I had the honour to serve as a member and the Banking Inquiry Committee which reported in 1931 have exhaustively inquired into the subject-matter of this Resolution. I cannot accept the view of Mr. Chunder when he said that the subject of agricultural indebtedness was not directly in issue in the inquiry of those committees. If he glances at the report of the Banking Inquiry Committee he will find that three elaborate chapters have been devoted to the inquiry as to the extent of the agricultural indebtedness, as to the best means of relieving that indebtedness and as to the failure of the steps hitherto taken for the purpose of alleviating that indebtedness. I think, therefore, as lawyers would say, the matter was directly and substantially in issue in these three committees. (*An Honourable Member* : “ Therefore, *res judicata* ? ”) Yes, it is *res judicata* and therefore it is unnecessary in my humble opinion to start another inquiry or to set up another commission for the same purpose.

**Sir Muhammad Yakub** (Rohilkund and Kumaon Divisions : Muhammadan Rural) : The Civil Procedure Code has been amended since you retired ?

**Dr. F. X. DeSouza** : I am well aware of that. but I am keeping myself in touch with all the latest amendments to the Code and especially in regard to the subject of agricultural indebtedness in which I take great interest.

This Resolution is what I may call a hardy annual. During the last six years during which I have served in this Assembly, at least three Honourable Members have moved Resolutions to the same effect but there is a striking difference in the present case. Those Resolutions were moved by Moslem members whose religion forbids the charging of interest and who may be considered as representing the indebted classes but today the Resolution has been moved by a Hindu member representing what I may call the capitalist class and belonging to a profession to whom chronic indebtedness is not always an unmixed evil. It looks as though we have commenced to look upon this ques-

[Dr. F. X. DeSouza.]

tion not in terms of class but in terms of the nation. Let us hope that this is a phase which brings the question a step nearer the solution.

Sir, it is idle to deny that agricultural indebtedness existed in pre-British India but the relations in those days between the money-lender and the agriculturist debtor were far more cordial than they are today. There are reasons for that. In the first place the village community was strong and was a check upon the extortionate money-lender. In the second place the State did not bother itself about the recovery of the debts as she does today. With the advent of British rule was introduced the machinery of the Courts which enforced the technical provisions of the various Codes, the Civil Procedure Code, the Contract Act and the Evidence Act. With what result? I cannot describe it better than in the language of Mr. Darling. Says Mr. Darling: 'With the establishment of the Civil Courts and the decline of the village community, the reign of the money-lender began. Once the munsiff and the lawyer were enthroned in the Courts (These are not my words, with all deference to the lawyer members of the Assembly) legality and chicanery were constantly enforced into unholy embrace, to the confusion of justice and equity; and as a cultivator remarked, the law instead of being used as salt became the whole diet.'

Thus, another great boon of British rule which was genuinely intended as a boon has turned out to be the farmers' curse. There is no doubt that rural indebtedness has increased during British rule. (*An Honourable Member*: "No.") I will substantiate what I say. My Honourable friend, Mr. Chunder, gave facts and figures to show how that increase arose. Sir Edward Maclagan in 1911 said:

"The writings of Monroe and Elphinstone and others make it clear that there was much debt even at the beginning of our rule. But it is also acknowledged that the indebtedness has risen considerably during our rule and more especially during the last half a century."

The Banking Enquiry Committees attempted to estimate the extent of this indebtedness. It estimated about Rs. 900 crores as the debt in 1931 for the whole of India. The Punjab Committee estimated Rs. 50 crores for the Punjab in 1921, which rose to 135 crores in 1929 and represents, having regard to the depreciation in the value of primary commodities to the agriculturist, the colossal figure of Rs. 270 crores in 1930. The Congress also estimate a debt burden much on the same lines. In their manifesto they say that the debt rose from 9 milliards in 1929 to 16 milliards today.

Sir, the bulk of the population, about seventy per cent. at least as remarked by the Royal Commission on Agriculture, are born in debt, live in debt and die in debt (Hear, hear), and they say that the unfortunate part in the situation in this country is this that this debt is not wiped out even by the death of the debtor. In other countries upon death debts descend to the heir only to the extent of the assets left by the deceased person, but, Sir, in this country, owing to the influence of the capitalist State and of the lawyers, it is held that there is always a pious obligation on the part of the son to pay his father's debt, and this debt increases in volume in almost a geometrical progression. The result is this. To a great extent the cultivator

labours not for profit, nor for a net return, but for a bare subsistence. Sir, His Excellency the Viceroy the other day in his inspiring address to the joint Session of the Legislatures laid down that the strongest plank in his policy during his term of office was going to be the improvement of public health and an improvement in the nutrition of man and beast. Now is it possible to carry out in any degree this noble aim of the Viceroy's policy? How can you possibly improve the public health of the agriculturist, when he has not the means to buy the means of health? (Hear, hear.) How can you improve public nutrition if the indebted agriculturist has not the means to buy nourishing food? Sir, it seems to me that before the policy laid down by His Excellency can be carried out, the most important step is the relief of agricultural indebtedness, otherwise it would be like building a house on a foundation of sand.

**Mr. President** (The Honourable Sir Abdur Rahim) : The Honourable Member has only one minute more.

**Dr. F. X. DeSouza** : I am very sorry, Sir. As I have said, these three Commissions have reported and formulated certain conclusions and it is unfortunate that the Government of India have not taken any action at least on the bulk of their recommendations.

**The Honourable Sir Henry Craik** : That is not true.

**Dr. F. X. DeSouza** : The Honourable the Home Member interjected : " that is not true ", but I venture to think that when I went through the Report of the Agricultural Commission the other day and also that of the Banking Enquiry Committee's Report and endeavoured to find out what steps have been taken by the Government, I found very little indeed had been done to carry out those recommendations. (Hear, hear.) Sir, it is said that is the duty of the Local Governments. Sir, it is not open to the Government thus to transfer their responsibilities under this head to Local Governments.

**An Honourable Member** : Agriculture is a transferred subject.

**Dr. F. X. DeSouza** : No doubt agriculture is a transferred subject, so is health.

**Mr. S. Satyamurti** (Madras City : Non-Muhammadan Urban) : But finance is not !

**Dr. F. X. DeSouza** : The other day, Sir, His Excellency the Viceroy announced that he is going to form a Central Board of Public Health. Although public health is a transferred subject. Again as my Honourable friend, Mr. Nirmal Chunder Chunder, pointed out, roads also are a transferred subject but the question is an all-India question ; so, education is a transferred subject, but India is one country, India is one nation. the policy has to be laid down and carried out by the Government of India. It is not open to them to wash their hands and say, " Oh, the matter is for Provincial Governments ". Why then do the Government of India appoint these Commissions? Why does this Assembly sanction such large amounts for these Commissions which, though bearing on a transferred subject, have an all-India importance. Sir, I am afraid my time is up and I do not wish to detain this House any longer. I move.

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

“ That for the original Resolution, the following be substituted :

‘ That this Assembly recommends to the Governor General in Council to take immediate action on the recommendations of the Royal Commission on Agriculture, the Banking Enquiry Committee and the Civil Justice Committee for relieving agricultural indebtedness in India and for that purpose to appoint a Special Officer with three non-official advisers to suggest measures in consultation with Local Governments on the lines of those recommendations ’.”

The discussion will now proceed on the original Resolution as well as the amendment.

**Mr. Basanta Kumar Das** (Surma Valley *cum* Shillong : Non-Muhamadan) : There is an amendment standing in my name, and I rise to move that amendment. It runs as follows :

“ That for clause (1), including all the sub-clauses, the following be substituted :

- ‘ (1) To find out, Province by Province, or area by area, as is considered suitable, with comparative statements for specified periods :
- (i) the approximate total debt of the agriculturists (a) in money, (b) in kind, e.g., paddy or other produce,
  - (ii) the amount and the extent of such debt in each case due to—
    - (a) landlord-creditors, (b) moneylenders including banks, (c) Government (for agricultural or taccavi loans), and (d) Co-operative Societies,
  - (iii) the amount and the extent of the arrears of rent with interests accrued and accruing thereon,
  - (iv) the areas of land which have passed from the hands of the agriculturists to their own landlords and to other creditors on account of payments of debt in each case.....”.....

**Mr. President** (The Honourable Sir Abdur Rahim) : Order, order. I find that what the Honourable Member proposes is that “ for clause (1), including all the sub-clauses ” etc., etc. I do not find in the amendment, so far as I have been able to look into it, anything dealing with clause (2),—any recommendation or remedies proposed. It is not a substitution.

**Mr. Basanta Kumar Das** : Yes, Sir, my amendment is certainly a substitute for clause 1.

**Mr. President** (The Honourable Sir Abdur Rahim) : Then, it cannot be moved now. **Mr. Kabeer-ud-Din Ahmed**.

**Pandit Govind Ballabh Pant** (Rohilkund and Kumaon Divisions : Non-Muhammadan Rural) : Can't Mr. Basanta Kumar Das's amendment be moved now ? It will save time if all amendments are moved at this stage ?

**Mr. President** (The Honourable Sir Abdur Rahim) : **Pandit Govind Ballabh Pant** says that it is only an amendment to the original Resolution, and the other amendment moved by Dr. DeSouza is a substitution. If Dr. DeSouza's amendment is not carried, in that case all these amendments, including that of the Honourable Member, Mr. Basanta Kumar Das, can be moved. If Dr. DeSouza's amendment is carried, the original Resolution is gone and with it these amendments

**Pandit Govind Ballabh Pant** : Then the amendment of Mr. Basanta Kumar Das will be taken up after you have put the original Resolution.

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

**Mr. K. Ahmed** : Sir, I take objection to the amendment of Mr. Basanta Kumar Das, because it does not come within the scope of the Resolution. Anyhow, I oppose the Resolution as well as the first amendment of Dr. DeSouza. But my Honourable friend, Mr. Morgan, from Bengal, who belongs to the European Group, has asked me to allow him to speak first and if the Chair has no objection and the House also has no objection, I am willing to speak after he has spoken. (*Honourable Members* : "You go on now.") I am in the hand of the Honourable Members of the House, and I will very loyally carry out their wishes, but if they like me to give way to Mr. Morgan of the European Group who wants to speak on this subject, I have no objection. (*Honourable Members* : "You go on.") Very well. Now, Sir, my Honourable friend, Mr. Chunder, in his Resolution wants a Committee composed of officials and non-officials but with a non-official majority to inquire into the question of the indebtedness of the agriculturists and he has mentioned certain points under clause 1 which he has called (i), (ii) and (iii). That is the ancient form of English for the Roman figures, but that is also correct. Be that as it may, the fact is that he has lost sight of the main grievances of the agriculturists in the villages as he is not only a representative of the capitalists as Dr. DeSouza has stated. I know the Mover of the Resolution very intimately, being his next-door neighbour, and I cannot be satisfied by calling him a capitalist alone. (*An Honourable Member* : "What are you ?") That is not relevant. (*Laughter.*) My friend is not only a capitalist and a lawyer from generation to generation, but he is also a Zamindar of Bengal and also possesses house property in the City of Calcutta. Sir, we all know how tactfully these landlords forget the interests of the tenants, and I have got to say something about it. Look at sub-clause (ii) of part 1 of the Resolution. Owing to indebtedness the area of land has passed from the hands of the agriculturists to money-lenders. Sir, the amount of money that these landlords take in the shape of arrears of rent comes to lakhs and lakhs and probably crores of rupees and interest runs for arrears, 12½ per cent. to 25 per cent. How many plots of land are sold daily and the zamindars purchase their lands in auction sale for the arrears of rent ? It is the inability of the tenants at this time of distress which has been going on for the last few years when the Western world has been making rapid strides. The question of depression has come and it is going to roll on until the eleventh hour when the tenants and the masses will no longer be able to bear the burden of the indebtedness. I am not accusing my Honourable friend, the Mover of the Resolution, so much as he has from the very beginning told us that it was not his Resolution and therefore he was not responsible for the wording of the Resolution at all. But it must have come out from my Honourable friend who is now looking at me.

**Mr. S. Satyamurti** : No. Seth Haji Abdoola Haroon.

**Mr. K. Ahmed** : Look at the names of those Honourable Members who gave notice of this Resolution. Many of them belong to the Congress Party, but they escaped this bitter lot and unluckily it has fallen to the lot of a Nationalist, who are divided among themselves. Now, Sir, I will

[Mr. K. Ahmed.]

come to the point. (Laughter.) 90 per cent. of the population of India are agriculturists and it is they who are asking for the benefit that is set out in your Resolution. You are leaving aside these 90 per cent. whose lands are sold to the zamindars in auction sale for arrears of rent, and you are misrepresenting this fact in your Resolution and say that today the property has been forfeited, not to the landlords and to the zamindars, but to the money-lenders and creditors who kindly lent money at the time of distress to these 10 per cent. population. According to the law, which exists in this country in the form of the Civil Procedure Code, for non-payment of debts including interest, you can always get their lands transferred and passed from the hands of the agriculturists to zamindars for arrears of rents, but why do you try to misrepresent facts in that Resolution? Where is that group or the number of members who pose themselves as the great benefactors of the country, who claim to command the majority votes in this House, and who have come into this House with the help of those poor people amongst the agriculturists? Why have they moved this Resolution? Is it not because they want to gain cheap popularity and to show to the world outside that they have got passed this Resolution in the Assembly? Let them boldly say that they have made a mistake. Let my friend, the transferor of that Resolution, Mr. Chunder, and my friend, Dr. DeSouza, who moved an amendment, say honestly whether they are justified in asking this House to pass this Resolution by the omission of such important point for which the 90 per cent. of the agriculturists are made victims? Where is the logic, how is my friend, Dr. DeSouza, justified, in coming here and telling us, "Oh, I have an amendment to the Resolution". It is like a man who has no legs to stand on going up to a lame man and telling him 'I have got a bamboo which you can have'. In such a case both the lame man and his helpmate will fall to the ground. This is the position of the Mover of the amendment. Sir, you have left out 90 per cent. of the people of India who are the agriculturists and whose lands are sold to the landlords and zamindars for arrears of rent. Having left them out, you merely go to deal with 10 per cent. of the population, and in support of your Resolution you are misquoting extracts from Sir Edward Maclagan's report and also from the Report of the Agriculturists' Relief Act and you are misapplying them. What is the meaning of all that? (Laughter.) It means you are putting the horse behind the cart; you misrepresent and you mislead the people, and make yourself hopeless. Remember that this Assembly consists of experienced men, lawyers and barristers from the provinces, and Honourable Members representing all the districts and subdivisions: they are all staring at you. (Laughter.).....

**Pandit Lakshmi Kanta Maitra** (Presidency Division : Non-Muhamadan Rural) : We are all staring at you.

**Mr. K. Ahmed** : Look at the ornaments, who have earned their reputation, on the bench and the bar; they are all looking at you and the whole country and the masses are also doing the same; they are all watching what you are doing. (Laughter.) Look how you misrepresent the country? God knows best. (Laughter.) Whether your Resolution will see the light of the day or not, heaven knows best. I cannot here anticipate and forecast like a Brahmin who wears a sacred thread. I am here only to tell you the substance of what you have moved, and where you are landing?



**Mr. President** (The Honourable Sir Abdur Rahim) : The Honourable Member has only one minute more.

**Mr. K. Ahmed** : Therefore, I want to say that the Resolution which my Honourable friend has tabled does not include many of the essential ingredients, and so I say that the Resolution is out of order. (Loud Laughter.) And it is in order to say good-bye to my friend for the moment that Dr. DeSouza has moved his amendment suggesting that a special officer should be appointed,—for what ? To watch and see what has been done since the Royal Commission on Agriculture wrote out their Report. Remember, His Excellency Lord Linlithgow is here, and my friend wants to go faster than him. (Laughter.) The Civil Justice Committee presided over by Mr. Justice Rankin.....

**Mr. President** (The Honourable Sir Abdur Rahim) : The Honourable Member's time is up.

**Mr. K. Ahmed** : Very well, Sir, I shall finish in a second.

**Mr. President** (The Honourable Sir Abdur Rahim) : Order, order...

**Mr. K. Ahmed** : With these words, Sir, I shall have to conclude. I had many other points to deal with, because the subject is so important, but I think I have hit upon the points rightly. Sir, I say that this Resolution must be out-voted. (Laughter.)

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

---

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

---

**Sir Girja Shankar Bajpai** (Secretary, Department of Education, Health and Lands) : Mr. President, ... Mr. Deputy President, but I hope what I have said is an indication of events to come.

**Mr. Deputy President** (Mr. Akhil Chandra Datta) : You are too optimistic.

**Sir Girja Shankar Bajpai** : No, Sir, I am prophetic, being a Brahmin. I am sure, Sir, the House is greatly indebted to my Honourable friend, the unfortunately absent friend, the Mover of this Resolution, for giving us an opportunity of discussing a subject which is admittedly of paramount and national importance. If I may, Sir, quote from what the Banking Inquiry Committee had to say on the subject of rural indebtedness :

“ The question is one of the utmost importance. The prosperity of the country and the successful development of trade, industry and commerce entirely depend upon the improvement in the general economic condition and in the increase in the buying power of its population engaged in and dependent on agriculture. To achieve this, it is necessary that the problem of indebtedness, its causes and its liquidation should be effectively solved.”

There may be differences of opinion between us and Honourable Members opposite as to where the source of responsibility or initiative for dealing with this question lies. There may be differences of opinion between us as to the method by which a particular aspect or part of the problem should be solved ; but, as regards the importance of the subject,

[Sir Girja Shankar Bajpai.]

there can be, and there is, no difference of opinion. And, I should like to add, Sir, that our sense of the importance of the debate today is marked by the presence in our midst of that distinguished and senior member of my service, Mr. Darling, whose knowledge and experience of the subject are unique, and whose authority on the subject is universally acknowledged.

Sir, if I may proceed straight to the Resolution, I feel that the best and the most convenient way in which I can discuss it is to take it in its two logical parts. The first part is exploratory; the intention is to ascertain what the volume of agricultural indebtedness is, what the extent of transactions in land by transfer and the encumbrances upon agricultural land, are. The second part of the Resolution, Sir, seeks to establish remedial measures for the purpose of dealing with this problem. Now, my friend, Mr. Chunder, suggested that although there had been a number of Committees and Commissions which had discussed or examined this question of rural indebtedness.....

**An Honourable Member :** Where is the Mover ?

**Sir Girja Shankar Bajpai :** He is not here; that is obvious. My friend, Mr. Chunder, suggested that although there had been a number of Committees and Commissions which had examined this question as part of some wider problem, possibly as a side issue, nothing had been done by the Government of India, or for that matter by the Local Governments to give it that comprehensive and complete survey which its importance demands. I submit, Sir, that my friend was not altogether fair to his own apparently profound study of the literature on the subject, because the Banking Inquiry Committee devoted a considerable time to the ascertainment of the problem as also to the formulation of suggestions as to the lines on which the problem should be dealt with. I shall not attempt an enumeration of the chapters which are devoted to it, but I can say this, that the subject was most comprehensively and competently examined by that Committee. It is not merely that, Sir. Apart from what the Banking Inquiry Committee did,—and their Report was published in 1931,—the Government of India convened in 1934 a Committee of provincial representatives, Finance Members and others, to examine primarily this one question of rural indebtedness, and I hope to show to the House, by way of recital of what action has been taken by the Local Governments as a result of the impetus and impulse given by this Conference in 1934, a great deal has been done to tackle the problem. Of course, perfection may not have been achieved, but at any rate a great measure of success has been achieved and a good deal of headway made towards the solution of this problem.

Now, Sir, the first task which the exploratory part of the recommendation or Resolution seeks to assign to the proposed Committee is the ascertainment of the volume of indebtedness. As was stated both by Mr. Chunder and Dr. DeSouza before we adjourned for lunch today, the Banking Inquiry Committee did attempt an estimate of the burden of agricultural indebtedness. It may be, and probably, is true, that since 1931 the burden of indebtedness has increased; but, as against that, you have to bear in mind two considerations: first, to the extent that the burden of that indebtedness may have increased because of the agricultural depression and the consequent need for borrowing by the cultivator

in order to enable him to pay the Government demand, Governments in the provinces have adopted a liberal policy of suspensions and remissions of revenue. And the second consideration, Sir, to be borne in mind is that the machinery which has been created by Local Governments in order to adjust indebtedness and scale it down, whether on a voluntary or obligatory basis, to that extent also the burden of indebtedness has been determined, and the fixation of rates for the future has helped to alleviate or remedy it. But the main point which I wish to make in regard to that is this. It is not of any great practical importance to know by what percentage or by what absolute amount the burden of indebtedness as it existed in 1931 has changed since ; the practical question of importance is whether machinery exists for the purpose of determining the amount of debt and also suggesting ways and means as to how it is to be discharged, and I hope, Sir, that my friends will wait for the promised recital of what has been done in that direction by Local Governments before they make up their minds as to whether this part of the investigation is necessary.

Then, Sir, again in the exploratory part of the Resolution, there is reference to an investigation of encumbrances on land, and the extent to which land has been transferred from agricultural to non-agricultural classes. Sir, my friend, Mr. Chunder, read out today from the Report of the Deccan Agricultural Riots Commission ; he stated that they had found the task of ascertaining the extent to which such transfers had taken place difficult. I submit, Sir, that the difficulties of 1884 have not vanished merely by the passage of time ; and what I feel in regard to this particular suggestion is that the investigation proposed is both cumbrous and unnecessary,—cumbrous because it is likely to be prolonged and it is likely to prove extremely expensive, prolonged possibly to this extent that by the time it is finished the agriculturist may be finished too unless something is done in the meanwhile to save him,—unnecessary for this reason that, unless the idea is, as a result of these investigations, to impose restrictions on the transfer of agricultural land, restrictions which according to the latest and highest authority would tend to restrict the volume of credit that may be available to the cultivator, I doubt whether the results following from these investigations would be of much value.

Now, Sir, I pass on from what I have to say on the subject of the explanatory part of the Resolution to the remedial part. There again, I think a very convenient peg on which to hang my remarks is a classified statement of the main recommendations of the Banking Inquiry Committee. The Banking Inquiry Committee suggested first or placed first in order of their remedies the pursuit of a vigorous policy of debt conciliation on a voluntary basis by Local Governments. Their second recommendation was that as a complement to this, provision shall be made for the fixation of instalments in which repayments shall be made, as also fixation of rates of interest, on the amounts assessed, as due for repayment. Sir, their third recommendation was in regard to the provision of facilities for repayment. We have heard one or two Agricultural Debt Conciliation Acts mentioned. Actually the number is considerably more than that, and though I fear I shall not have the time at my disposal to deal with the provisions of every one of these Acts,—it may be possible for Honourable Members who may follow me from these Benches to do that—I can, at any rate, give the House an idea of the number of provinces in which such legislation has been accomplished.

[Sir Girja Shankar Bajpai.]

There is the Madras Debt Conciliation Act, 1936, the Bengal Relief of Indebtedness Bill is under consideration as a result of the special enquiry made by the Economic Enquiry Committee appointed by the Government of Bengal.

**An Honourable Member :** In Bengal an Act has already been passed.

**Sir Girja Shankar Bajpai :** My Honourable friend coming from Bengal may have more up-to-date information. I am reading from the information which reached me at the end of July last. I am not talking here about the Bengal Moneylenders Act ; I am talking of the Bengal Relief of Indebtedness Bill, the provisions of which are comparable to those of the Madras Debt Conciliation Act, 1936, the Punjab Relief of Indebtedness Act, a Bill of which the basic principle is debt conciliation on a voluntary basis. (Interruption.) I hope that perennial source of disparaging declamation, my Honourable friend Prof. Ranga, will hold his fire until his turn comes. Then, Sir, there is the United Provinces Agriculturist Relief Act for the small agriculturists, the United Provinces Encumbered State Act for the landlord, the Punjab Relief of Indebtedness Act, 1934, the Central Provinces Debt Conciliation Act, 1933. I may complete the enumeration by informing the House of the fact that only the other day in the Bombay Legislative Council the Bombay Government agreed to the principle of a private Bill on the subject which has been referred to a Select Committee.

**Mr. N. V. Gadgil** (Bombay Central Division : Non-Muhammadan Rural).: It is only a private Member's Bill.

**Sir Girja Shankar Bajpai :** The fact of its being a private Bill does not in any way detract from the value of the declaration of the Government attitude, which was that they accept the principle of the Bill and agreed to its reference to a Select Committee.

**Mr. N. V. Gadgil :** That only shows that Government did not do anything till last week.

**Sir Girja Shankar Bajpai :** If the idea really is to apportion praise and blame for the past and not to concentrate on what has been already achieved or is likely to be achieved, then it seems to me that I cannot follow my Honourable friend. That is my point.

**Mr. M. Asaf Ali** (Delhi : General) : What about the Centrally Administered Areas ?

**Sir Girja Shankar Bajpai :** As my Honourable friend knows, we do not have any one Act to cover the Centrally Administered Areas. My Honourable friend has from time to time made enquiries as to what was being done as regards the Delhi Province. I have taken the opportunity to inform him that the question of the extension of the relevant Punjab Act to Delhi Province, is under the active consideration of the Chief Commissioner.

I had mentioned second in the order of the Banking Enquiry Committee's recommendation the proposal that provision shall also be made for the fixation of instalments and rates of interest. If my Honourable friends will peruse the Acts to which I have referred, they will find that machinery for that purpose has also been provided. One of the most

important recommendations of the Committee related to the provision of facilities for the purpose of repayment. Honourable Members are aware that in the United Provinces, Government itself has assumed responsibility under certain circumstances for the repayment of determined debts. The main recommendation of the Banking Enquiry Committee was the multiplication of Co-operative Land Mortgage Banks. What is the record in regard to that? The Madras Co-operative Land Mortgage Bank Act, 1934, aims at the provision of Banks for that purpose. In Bombay recently the Local Government have agreed for the establishment of a Central Land Mortgage Bank guaranteeing debentures for the Bank up to fifty lakhs of rupees. Then, the Bengal Government have agreed to the establishment of Land Mortgage Banks in selected areas. Finally in the Central Provinces and Berar, ten banks have already been established and the House may be interested.....

**Mr. M. Asaf Ali :** The Honourable Member's time is up.

**Sir Girja Shankar Bajpai :** I happen to be the Member in charge of this Resolution and therefore I can speak for half an hour, if not longer.

**Mr. Deputy President (Mr. Akhil Chandra Datta) :** He is the Government Member to whose Department this Resolution relates, and so he can speak for half an hour.

**Mr. M. Asaf Ali :** I hope some other Government Member will not claim the same privilege later on.

**Sir Girja Shankar Bajpai :** I hope my Honourable friends opposite will give us credit for at least as much efficiency in staff work as seems to prevail on the other side.

**Mr. S. Satyamurti :** It is practised very much on the other side !

**Sir Girja Shankar Bajpai :** I am very glad to hear that my Honourable friends opposite are very modest regarding their own achievements.

Well, Sir, I was on the point of reading out what the President of the representatives of a Conference of Land Mortgage Banks, Central Provinces, had to say on the subject of the value of these banks the other day. What he said was :

“ With the establishment of ten Land Mortgage Banks in the Province with the object of helping the poor agriculturists, the influence of the *Sahukar* in the villages has weakened considerably and rates of interest are much reduced.”

Now, Sir, having disposed of these parts of the Banking Enquiry Committee report, I might go on to certain other recommendations of the Committee which also dealt with the problem of agricultural indebtedness and its resultant evils. The two evils which they found to be prevalent and to which they devoted a good deal attention were first the absence of any proper system of accounting, with its consequent opportunities for oppressive and fraudulent manipulation of accounts and secondly, the excessive rates of interest that were in vogue. Here again, I am afraid the time at my disposal would not permit me to give a detailed statement of the provisions of these, but on the subject of accounts, there have been no less than five Acts passed in the course of the last few years. There is the Madras Debtors Protection Act, 1934, there is the Bengal Moneylenders Act, 1933, there is the Punjab Regulation of Accounts Act, 1930, there is

[Sir Girja Shankar Bajpai.]

the Central Provinces Moneylenders Act, 1934, and there is the Burma Moneylenders Act, 1934. (interruption.) I hope my Honourable friend will supplement this list later on when he gets an opportunity to speak. It would be of help if I am allowed to proceed without interruption just now. Coming to the question of rates of interest, I have a table which summarises the information collected by the Banking Enquiry Committee and alongside of that I shall show the action taken by Local Governments. As regards Madras, they found that the rates of interest varied from 12 to 36 per cent. or even 48 per cent. Bombay, 12 to 25 per cent., Bengal, 10 to 37½ per cent. minimum and maximum, 37½ per cent. to 300 per cent. In United Provinces, 7½ per cent. urban to 18 to 37½ per cent., rural. In the Punjab, six per cent. to 12 per cent. on secured land loans, and no limit as regards unsecured loans. In Central Provinces and Berar, 12 to 24 per cent., in Bihar and Orissa, 18½ per cent. to 37½ per cent., Assam 12 to 75 per cent. or an average of 37½ per cent. Well, Sir, there again Honourable Members will find that Local Governments have not been inactive inasmuch as the Bengal Moneylenders' Act, 1934, the United Provinces Usurious Loans Act, 1934, the Punjab Relief of Indebtedness Act, 1934, the Central Provinces Usurious Loans Amendment Act, 1934, the Assam Moneylenders' Act, 1934, all deal with the question of the fixation of rates of interest. And connected with that is the question of the statutory recognition of the principle of *damdupat*; on that point also provision has been made recognising and enforcing that principle in the Madras Debt Conciliation Act, 1936, the Bengal Moneylenders' Act, 1934, the Punjab Relief of Indebtedness Act, 1934, and the Central Provinces Moneylenders' Act, 1934.

Well, Sir, I have completed my recital of what has been done by the Government of India and the Local Governments, whether in the field of exploration purviewed by the Resolution or in the field of remedial measures. Honourable Members would ask, "Yes, that is all right, but what about the suggestion that we make for the appointment of a committee to suggest ways and means, after exploring what results have been achieved by this legislation in the provinces, in order to improve things?" That is the question which my Honourable friends would ask. My answer to that is this. If they have followed with some attention the chronology of this legislation they will find that most of it dates back to 1934; in other words, less than two years have elapsed since the bulk of this legislation was undertaken and completed. There has not been time enough to assess the result satisfactorily of the working of this series of Acts which I have mentioned. And further, Sir, Honourable Members ought not to forget the constitutional position. The Royal Commission on Agriculture had considered this problem in 1929, the Banking Inquiry Committee had considered this problem in 1931. Last but not the least either in importance or in prestige, the representatives of the provinces who met in 1934 laid great stress upon recognising the correct source of authority and power for dealing with these questions. I shall with your permission read two extracts from the Finance Department Resolution dealing with this subject. First, as regards legislation and other remedial action. This was what the conference said:

"The general view of the conference was that the diversity of the agricultural classes in India was so great, both in respect of land tenures and general economic status, that any legislative measures to afford relief must be primarily provincial."

Then, again, speaking of land mortgage banks, an expedient or institution recommended by the Banking Inquiry Committee for the repayment of debts, specially long-term debts, this is what they said :

“ Whatever the possibilities of future development may be it is clear that the responsibility for policy as regards establishing land mortgage banks must rest with the provincial Governments.”

Sir, not only have we these authoritative pronouncements on this subject but we have another factor, a very important constitutional fact to bear in mind. We are within sight of Provincial Autonomy. In another six or seven months we will have Ministers selected from Councils elected in their turn on a very much wider and much broadened electorate.

**Mr. S. Satyamurti :** But without money !

**Sir Girja Shankar Bajpai :** My Honourable friend recognises what the financial position is ; we need not go into that at this stage. The point that I wish to make is that it is not right of us, apart from the other considerations which I have mentioned, either to assume that these new ministries will not pay adequate attention to this all-important problem, or to assume that they should not be given an opportunity of examining it and dealing with it themselves. So far as the Government of India are concerned, it was stated in the course of the day, or rather in the course of the debate earlier, “ But it is not enough for the Government of India to say that this is a provincial matter. There is the Road Board, there is the Central Advisory Board of Education, there is the Imperial Council of Agricultural Research. The Government of India have already in these transferred fields assumed a certain measure of responsibility. Why should they disclaim all responsibility in regard to this problem which they themselves recognise to be of national importance ? ” I am not for a minute saying that the Government of India disclaim responsibility. The point that I wish to make is that we must recognise the limitations of the Government of India. We must not in our zeal for solving this problem overlook the clarity of the constitutional demarcation. The point to remember is this, that the Government of India can help effectively and practically in one manner only, and that is by bringing the provinces together to discuss how events have progressed, and to devise plans for the future. The Government of India can also, because of the interest which has been shown by Honourable Members in this subject, undertake not merely to watch the situation for themselves but also to keep the House informed of the result of the reports that they may receive or call for from time to time from Local Governments. But for the rest, in so far as the convening of a conference or committee is concerned, I submit, what must have been inferred from my remarks already, that the time is not yet. We have to wait for it until the benefits or defects, as the case may be, of this volume of legislation which I have described have become manifest. Then we can either have a conference or a committee, but not yet. And one final word. The sympathy of Honourable Members opposite for the agriculturists and their interest in this problem are not open to dispute. But at the same time sympathy, if it is to be fruitful, must not be precipitate in action. It must await its own moment, and when that moment strikes the Government of India will be found ready to do their share.

**Sir Muhammad Yamin Khan (Agra Division : Muhammadan Rural) :** Sir, in Muhammadan times no interest was allowed and a

[Sir Muhammad Yamin Khan.]

Muslim is not allowed to charge interest from the Muslims. Hindu law allowed interest up to a certain degree and no Hindu was allowed in the old days to charge interest which may exceed the principal amount. And that was the law of *damdupat* which still prevails in certain parts of India. But a novel measure was brought in the Imperial Council of India in 1855 and that allowed interest to be charged without any limit. And that law which gave this power to the money-lenders has been the cause of the ruination of the whole of India and its agriculture and its advancement. What we find at present is that the money-lender has got no sympathy with the agriculturist and has got no interest in the advance of agriculture. He is concerned only with the return that he can get in the shape of interest, without any sympathy with the agricultural population. He lends money at exorbitant rates of interest and ruins these people. The effect of the Act of 1855 has been that all the zamindaries have passed out of the hands of the zamindars and gone into the hands of those moneylenders who, as I have just said, have shown no sympathy towards the agriculturists. Among the moneylenders who have become zamindars, at least in my province, are moneylenders to the tenants also. The zamindars in the old days never thought of becoming moneylenders to their own tenants. But whenever a moneylender becomes a zamindar he not only realises rent at exorbitant rates but also charges exorbitant rates of interest from his own cultivators. That is what makes men the poorest in the world. The agriculturist in India at present is suffering very much at the hands of the moneylenders and his condition is really the worst in the world. The man who works the whole day and night in the field, the man who labours throughout the year working hard in the cold winter nights without any clothes and in the hot days of summer, whenever the crops are ready to be cut, the moneylender takes away everything for his own use. The poor fellow cannot get even a single meal a day : but the whole blame is put on the zamindar or the Government while the real person who is the cause of all this suffering is not really mentioned, the moneylender, because he is rich and he controls the press and the platform ; and the moneylender manages to throw all the blame on the zamindar and on the Government. I say all this is due to the ruinous policy of the Government. Government has shown the cold shoulder to the people on whose prosperity and strength they stand. The sympathy of the Government with the agriculturist is merely nominal and not real, as it ought to have been. This novel procedure which was not known to India for thousands of years was introduced in 1855 and within fifty years has ruined the whole country....

**Dr. Bhagavan Das** (Cities of the United Provinces : Non-Muham-  
 3 P.M. madan Urban) : On a point of information : will the  
 Honourable Member kindly inform the House what  
 is the cause which has been compelling the agriculturists to incur these  
 debts ?

**Sir Muhammad Yamin Khan** : I will tell him if he has the patience  
 to hear me. Everybody knows that when a cultivator has to culti-  
 vate his land, he has not got sufficient means to invest any money in  
 the land. He has to borrow for purchasing bullocks, he has to borrow



for his seed, he has to borrow money for different purposes, and he falls into the hands of a class who have no sympathy with him. My friend, Dr. Bhagavan Das, comes from my province and he will tell the House whether it is a fact or not that the tenants in the United Provinces have to pay compound interest at 2 per cent. per month at six-monthly rests : that is the rate of interest that is charged from the poor cultivator.....

**Dr. Bhagavan Das :** May I be permitted to answer the question my Honourable friend has put to me ? He wants to know from me what I consider to be the cause why the agriculturists are compelled to incur debts : It is because the land revenue is too high and because the rents are too high, and because there is too much litigation due to the nature of the laws and too little relief given when crops fail.

**Sir Muhammad Yamin Khan :** The rent is not very high : the other things are not so high as the rate of interest....

**Mr. S. Satyamurti :** But why do they borrow except generally to pay land revenue ?

**Sir Muhammad Yamin Khan :** They cannot help ; they cannot pay their dues without borrowing : that is the system. A man who borrows Rs. 100 has to pay Rs. 40 as interest over and above the Rs. 100. But the rent he will have to pay will be at the most 5 or 6 rupees. But he pays to the moneylender at least five times as much : and if my Honourable friend wants to collect the information he can go to any village and he will find that the interest paid is about five times as much as the rent, including the Government land revenue. When this is the condition prevailing, and there is no check on the rate of interest, the measures brought up in the United Provinces Council, like the Agriculturists Relief Act, are not sufficiently good : they give no relief to the poor tenant : they give some little relief to the small zemindar and some relief to the big landlords, because the Bill passed by the Council was vetoed by the late Governor, Sir Malcolm Hailey : as the moneylenders shouted a lot from all platforms and the Bill as originally drafted was destroyed.

**An Honourable Member :** I only wanted to know what is your practice on your land.

**Sir Muhammad Yamin Khan :** We do not advance any money to our tenants on interest : no zemindar of any mind will ever do that. It is only the moneylender who will do it. Myself and the other zemindars live on the prosperity of the tenant : in their prosperity lies ours and we look after the tenants like our own children. It is the moneylender who treats them absolutely differently....

**An Honourable Member :** What is the test of a real zemindar ?

**Sir Muhammad Yamin Khan :** Unfortunately, very few of these zemindars are left now : they have been wiped off by the new class of zemindars, the moneylenders. My friend, the Secretary in the Education Department says " Please wait and the time will come when you will see what we are doing ". The patient is dying and he means, I suppose, that we should wait until the patient is dead. What kind of an argument is this that we should wait till the poor agriculturist is wiped off ? My Honourable friend says " We, the Government of

[Sir Muhammad Yamin Khan.]

India, do not want to shirk our responsibility". But, Sir, all the time he is shirking his responsibility. It is the responsibility of the Government of India to come forward and see that the people who are really the backbone of this country, who are the real persons in this country, on whom any Government can stand, that these people get some kind of relief which would give them something to live on and be happy : without their prosperity no Government or country can live. For the sake of a handful of people who have got money..... (Interruption.) The only remedy at present is.....

**Mr. Deputy President (Mr. Akhil Chandra Datta) :** The Honourable Member has got only two minutes more.

**Sir Muhammad Yamin Khan :** If clause (2) of the Resolution is acted upon by the Government it will give some relief and save these poor people. While Government is issuing loans at 2½ per cent. and banks are not giving more than 1½ per cent. per annum, why should they allow any moneylender to charge more than 3 or at the most 4 per cent. in the villages on good security ? My idea is that all outstanding debts should be considered repaid if the principal amount and interest at 3 per cent. or at the most 4 per cent. has been paid in all and nobody should be allowed more than that amount : the rest of the dues should be wiped off. With these words I support the Resolution.

**Mr. P. J. Griffiths (Bengal : Nominated Official) :** After the very clear exposition of the general policy of the Government by my Honourable friend, Sir Girja Shankar Bajpai, I do not propose to discuss at length the general aspects of this Resolution. I propose rather to indicate briefly how this problem of indebtedness strikes a district officer from rural Bengal and further to illustrate the position by reference to what has been done and what has been effected in my own province of Bengal. Let me say at the outset that, in spite of the suggestion to the contrary made by my Honourable friend, Sir Muhammad Yamin Khan, the sympathy of Government and of its officers with the agriculturist is far from being nominal. It is and has been continuously real, but unlike much of the sympathy which is wasted in the modern world, the sympathy of the Government is based not on sentimentalism but on a stern appraisal of facts and on contact with realities. At the outset of this discussion I must ask all Honourable Members of this House to endeavour to distinguish between sympathy and sentimentality. We are faced at the start with a dilemma. We realise the necessity for curbing the capacity of the moneylender....

**Mr. S. Satyamurti :** And of the Government !

**Mr. P. J. Griffiths :** But we also realise that to the ordinary villagers of this country, the peasants, the help of the moneylender is a very real necessity.

**An Honourable Member :** And the end of the Indian Civil Service.

**Mr. P. J. Griffiths :** Mr. Satyamurti is talking loftily about the end of the Indian Civil Service. The end of the Indian Civil Service.....

**Mr. S. Satyamurti :** My Honourable friend ought not to take my name in vain. I did not say a word about the Indian Civil Service.

**Mr. P. J. Griffiths :** If by chance I have mistaken the oft-heard voice of Mr. Satyamurti : I apologise. The end of the Indian Civil Service may be seen, but the end of the moneylender will not be seen in our time or after it. In prosperous times we may talk loftily of the rapacious moneylender. But let there be a drought, let there be a flood—to whom does the villager go for help ? Not to the Congress. He goes to the village moneylender, because the village moneylender is the only person who is on the spot and who has the means and the willingness to help him. Government does what it can, but Government is even at a greater distance than my Honourable friend, Prof. Ranga. The moneylender is on the spot and the help of the moneylender is essential. We therefore have to devise some scheme which while curbing the rapacity of the moneylender, will not destroy his existence.

The position of Government in this matter rests upon three main theses, the first of which is that a committee at this particular juncture would serve no useful purpose. We have had committees in almost every province of India during the last three years. These committees have collected and collated a great deal of information, and that information has, in several provinces, been embodied in legislation. Nor have the authorities stopped with legislation. They have proceeded with such practical remedial measures as conciliation boards. (Interruption.) My Honourable friend talks with a good deal of ignorance about what has been done in the province of Bengal. Those conciliation boards are of comparatively recent growth and it is yet far too soon to judge. . . . . (Interruption.)

**Mr. Deputy President (Mr. Akhil Chandra Datta) :** Let the Honourable Member proceed with his speech uninterrupted.

**Mr. P. J. Griffiths :** It is yet far too soon to judge to what extent that legislation and those conciliation boards are contributing to the solution of this problem. If a fresh committee were set up, what fresh material could be placed before it ? All the available material was placed before those recent committees. What, then, would be gained by setting up a fresh committee to consider exactly the same materials ?

In Bengal, we have approached this problem from an entirely practical standpoint. We have tried to start at the beginning and discover the causes which compel the cultivator to spend his life fettered by the chains of debt. The first fact that emerged from our enquiries was that we had two separate problems to deal with, firstly, the problem of relieving the cultivator of the present burden of debt, and secondly, the entirely different problem of preventing him from incurring fresh debt. Strange as it may seem, Mr. Deputy President those two problems are entirely distinct. They are distinct because they operate at different times and under different circumstances. It is mainly in times of prosperity that the cultivator incurs heavy additional debt. That may seem paradoxical but it is true. In prosperous times the standard of living rises and at the same time credit becomes high and moneylenders are willing to lend. We are therefore faced with the strange position that at prosperous times the burden of debt tends to increase. In dealing with this question as to how to prevent an increase in the burden of debt, many of us, certainly myself, for many years laboured

[Mr. P. J. Griffiths.]

under a misapprehension. We believed—or, at any rate, I believed—that money-lending on the scale which then existed was essential to the maintenance of cultivation. That was a mistake shared by many others besides myself. It was demonstrated to be an error when the slump years came and the number of mortgages executed in Bengal per year fell by over 50 per cent. In spite of that fall in the number of mortgages executed, cultivation is still continuing. Many of us then learnt for the first time that, although money-lending might be necessary, money-lending on the scale which was previously practised was not essential to the maintenance of cultivation. Past history suggests that, when prosperous times again come, the number of money-lending transactions will again increase. This gives rise to the suggestion that some kind of restriction on borrowing or alternatively on land alienation may be necessary. But there are grave practical difficulties in the way of any such solution. Those who are acquainted with Bengal, those who are familiar with the Bengal Tenancy Act will know what tremendous value the ryot attaches to the transferability of his occupancy right. Suggest any modification in that right of transferability, suggest any restrictions on land alienation and in Bengal under the permanent settlement and under the Bengal Tenancy Act you will raise an outcry at once. The main point which I wish to make here, however, is that all kinds of restriction on borrowing, all kinds of restriction on land alienation, must primarily have some connection with the conditions of land tenure which prevail in the province concerned. It follows therefore that any legislation of this kind must be not central but provincial and must take due account of those varying conditions of land tenure.

Our next problem was how to provide relief from the existing burden of debt. Broadly speaking, if you wish to relieve the peasant of the burden of debt, there are two ways of doing it. Either you can compel him to utilise the margin of income over expenditure, if any, for the liquidation of debt, or else you can lend yourself to some system of partial repudiation or scaling down of debt. With this end in view, very careful enquiries were made in Bengal in 1934 under the aegis of that well known statistician, Professor Mahalanobis. 6,633 villages were examined. The tenants in those villages were classified into four classes, first, the class with no debts, second, the class whose debts were less than two years' income, third, the class whose debts were less than four years' income and fourth the class whose debts were more than four years' income. That inquiry showed that over 17 per cent. of the population of rural Bengal had debts amounting to more than four years' income. It also showed that on the average the margin of expenditure over income was Rs. 22 per annum while the average burden of debt was Rs. 182. That inquiry left no room for doubt that any system of reduction of debt by the use of the margin of income over expenditure was out of the question. We were therefore led to the conclusion that some method of scaling down debts and interest was necessary. For this purpose in 1934 conciliation boards were set up in the Chandpur Division of the Tipperah District. These boards were purely voluntary and the first step was to shew Mahajans and debtors alike that it was to their common interest to bring their cases to these boards and arrive at an amicable settlement.

It may sound strange to certain Members of this House that money-lenders, that hated class of people, should have been willing to accept an amicable settlement and reduction of debt but figures speak for themselves and I would ask the careful attention of Members of this House to the very remarkable figures which were obtained in one sub-division of one district of Bengal as the result of 18 months work. Eleven thousand cases were brought up in that sub-division. The total amount involved was 19 lakhs of rupees and up to date of receipt of this report five thousand cases had been disposed of involving claims of 11 lakhs of rupees. Those claims had been scaled down by the consent of the mahajans—by joint amicable settlement—from 11 lakhs of rupees to 7 lakhs of rupees—I know that it must be painful to Prof. Ranga to hear that the mahajans could ever make a reasonable concession, but I am telling him the facts. 11 lakhs of rupees were scaled down to 7 lakhs and of that 7 lakhs five lakhs had been paid. What is the net result? Of the total debt of 11 lakhs, only two lakhs are now pressing like a millstone round the neck of the cultivator. A reduction from 11 lakhs to 2 lakhs is no small achievement. It was in the light of this experience that in 1936 the Government of Bengal introduced and passed the Bengal Agricultural Indebtedness Act. The object of that Act is to provide for the setting up of two types of conciliation boards. First and foremost there are the voluntary boards which will act along the same lines as the other conciliation boards and secondly, for those obstinate cases where the mahajans refuse to listen to reason or where the debtors refuse to listen to reason, there remain the compulsory conciliation boards. The time at my disposal prevents me from narrating what has already been done by these boards. I have just received today a letter from the Collector of Mymensingh in which he says that 21 boards have now been established, 61 are in process of establishment and that by the end of this month it is expected to have 200 debt settlement boards which will cover one third of the district. He adds that there is great enthusiasm in the district in connection with the activities of these boards.

I submit, Sir, that Provincial Governments have shown by these activities that they are fully alive to the importance of this problem and they are taking every possible step to deal with it and at this juncture when these activities are in their early days, it would be unwise, it would be unsound for the Central Legislature to interfere in the matter.

**Mr. G. Morgan** (Bengal : European) : The subject raised by this Resolution is perhaps one of the most important that could possibly engage the attention of this House, and I intervene in the debate today in order to express the sympathy of the European Group with the object which the Resolution has in view.

Rural indebtedness is not a new problem. It is a problem which has engaged the various administrations in India over a long period of years—I was going to say almost since the time when the memory of man runneth not to the contrary. There are certainly records to show that it has been before the Governments of India since 1772 when the Circuit Committee in Bengal was appointed to frame rules for the adjustment of debts and the regulation of rates of interest. As to the problem itself that, no doubt, is as old as the villages of India.

[Mr. G. Morgan.]

It may be said that if the problem is one of such antiquity and has been engaging the attention of Governments for so long, why is it that such a Resolution is proposed in this House as the one now under debate? It may be said that if the problem is so old surely something could have been done about it by now. I do not know that either of those observations is justified. We must remember that rural indebtedness is a problem of great complexity which has hitherto proved itself to be insoluble, in that it has failed to yield to the various measures which have been tried. That is not to say that nothing has been done, or that the measures which have been taken are to be condemned as misguided or insincere. A great deal has in fact been done, and is still being done, to bring about those improved conditions which we all desire to see in the vast rural areas of India. This House has voted funds for rural development, Acts have been passed by local Legislatures, marketing boards have been set up, research institutes established, irrigation schemes put into operation, and so forth, all with the object of improving rural conditions, and any thing which contributes towards the improvement of rural conditions cannot be entirely barren of good results. The very fact that the aggregate of these beneficent activities must present an impressive picture and yet the plight of the rural areas still leaves a great deal to be desired, serves to indicate the very vastness of the problem which has to be tackled. I do not believe that the problem of rural indebtedness can be entirely divorced from the problem of agricultural reconstruction, and, if that be true, it is perhaps necessary to add that the pace of agricultural reconstruction is determined by the measure of active co-operation which is forthcoming from the villages.

I believe it has been said that "the cultivator is born in debt, increases his debt throughout life, and dies more hopelessly in debt than ever". I notice that my Honourable friend does not instruct his proposed Committee to enquire into the causes of the cultivators' indebtedness. Perhaps he agrees that they are too well known. Indebtedness is caused by a number of circumstances, some of which are within the control of the cultivator, and some of which are by the very nature of the work upon which he is engaged, outside his control. We may, I think, with all the information at our disposal, make at any rate a rough classification.

In the first place, there are ancestral debts which are inherited from generation to generation; there are debts incurred through improvident expenditure on domestic ceremonies, such as marriages. I do not myself think that those account for a very large proportion of the total, but the remedy for debts of that nature can only come with the progress of social education. Then, there are the debts which are caused through the failure of crops, the replacement of cattle, and the rebuilding of houses destroyed by fire, flood and storm. These latter debts are for the most part outside the control of the cultivator; they are circumstances which are always present, and which cannot be eliminated from agriculture. Then, finally, one might mention the usurious rates of interest which the cultivator is called upon to pay because his credit is not good. I believe the rate of interest varies between 36 per cent. and 60 per cent., and it is easy to see that with such rates of interest, a small debt can soon grow to formidable proportions.

**Dr. Bhagavan Das :** May I interrupt.....

**Mr. G. Morgan :** I am not giving way.

In the Resolution it is suggested that the proposed Committee should find out the approximate total debt. If only an approximate figure is wanted, that is already available. The Provincial Banking Enquiry Committee in 1931 estimated the total debt of the rural population at Rs. 900 crores. That was five years ago and I think, having regard to the collapse in the price level of primary commodities which has intervened since then, we should not be far out if we assumed that the total debt of the rural population today is in the neighbourhood of Rs. 1,000 crores. The total value of all the crops from the whole of India amounted in 1928-29 to Rs. 1,034 lacs. In 1933-34 it had declined to Rs. 473 lacs. Moreover, it is clear from such figures as are available that the prices of agricultural commodities have fallen in a much greater degree than those of manufactured goods, from which it may be assumed that the purchasing power of the cultivator has not only been curtailed—a circumstance which must necessarily restrict the market for manufactured goods, to say nothing of restricting the consumption of fertilizers and other aids to improved cultivation,—but that the cultivator has been thrust deeper into debt. I do not think, therefore, we should be far out if we placed the total debt today at Rs. 1,000 crores.

If this contention is right the problem of rural indebtedness is one of vital and paramount importance which must be faced if India is to achieve anything like her economic possibilities. When we remember that 80 per cent. of the population of India is engaged in agricultural pursuits, and that the purchasing power of the rural areas is the true basis of India's economy, it is clear that the existence of this vast burden of debt, restricting and retarding progress, is bound to have serious detrimental consequences on the economic development of India. From that point of view, as I say, all parts of this House will be in sympathy with the motive which has prompted the tabling of this Resolution.

In this Resolution, my Honourable friend goes on to refer to "the ways and means and provisions of laws by which the interests of agriculturists could be fully safeguarded and thereby extricate them from their present miserable plight". I do not know whether it requires a special Committee to discover what the Co-operative Societies, the Land Mortgage Banks, and the Debt Conciliation Boards are doing, or to ascertain the provisions of the various Acts which have been passed by the Provinces for the alleviation of rural indebtedness. As I have already said, I do not think this problem can be tackled separately. Whatever good may follow from the provision of machinery for the settlement of existing debts or from the provision of cheap credit facilities for the cultivator, it is likely to be rendered nugatory if the cultivator is still called upon to carry debts on account of past improvidence, or misfortunes, or if he is not in some way encouraged to avoid the accumulation of fresh debts. The problem is partly educational, and no solution can be entirely effective or successful until the cultivator himself realises the necessity for the avoidance of all unnecessary debts. The main problem, however, is to increase the cultivator's income. An improvement in agricultural prices is the first and most urgent requirement. There are also many other directions in which the problem might be tackled. There is the suggestion for the consoli-

[Mr. G. Morgan.]

dation of holdings. I am told that in some parts of the Punjab if holdings were consolidated the cultivator's income would be almost doubled. Then there is the cultivation of ancillary cottage industries, such as dairy farming and so forth, so that the cultivator may have other sources of income. There is the improvement of livestock; and improved transport and marketing facilities. I believe all these measures and others which will readily occur to Honourable Members are inextricably bound up with the solution of the problem of rural indebtedness, and the progress towards a successful solution of that problem will be determined to a large extent by the thoroughness with which these other matters are tackled.

In the nature of things the problem of rural indebtedness is necessarily a provincial problem and must be tackled by provinces themselves. What may be a suitable solution in one province may not fit the needs of another province. I do not think there can be any uniform solution, and while as I say, I join with the Mover in his desire to do something to bring about those conditions in which the villager "may cultivate with his own oxen the fields of his fathers free from all anxiety", I do not think the appointment of this Committee can really be of much help to us, or indeed is the proper way to tackle a problem which, after all is said and done, must remain a matter for the Provinces themselves.

**Mr. M. L. Darling** (Government of India : Nominated Official) : Mr. Deputy President, I trust that I shall not be thought presumptuous for venturing to speak in this House on the first day on which I have the privilege of sitting in it. My excuse is that it is also the last. This is not an easy position for me to fill and the position has not been made easier by the very kind and flattering remarks made about me by my Honourable friend, Sir Girja Shankar Bajpai, remarks which may I fear raise hopes unduly. Sir, the first point I wish to make is this, that I do not propose to speak so much as an official as a humble student of rural economics. This subject of agricultural debt I have studied now for the inside of twenty years and though my studies have been mainly concerned with the Punjab, they have necessarily compelled me to travel beyond the confines of my province, and I have fortunately been able to do this to some little practical effect through the opportunity given me a year or two ago by the Government of India to travel all over India and Burma and see village life in all parts of this great empire.

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

Sir, a point that struck me in studying this question is that the problem is not entirely a provincial one. Every province, no doubt, has its particular circumstances and its particular conditions of land tenure and customs and so on, but there are certain general considerations which seem to me to apply, very broadly, to the whole of India. If I venture to make this claim it is because, firstly, the Royal Commission on Agriculture said that certain conclusions which I had reached and which were published many years ago applied far beyond the Punjab, and also because when I went round India a year or two ago I found amongst those competent to judge a general agreement as to the



fundamental causes of debt, and even, I think, as to what remedies can be applied to the problem.

I propose, first of all, to look at the question from the point of view of the Punjab and to tell you what is happening in my own province. As a result of the fall in prices, credit was restricted to such an extent that people began to speak of a rupee famine. This process has been still further accentuated by the legislation which has been passed in the province in the last two years, of which Sir Girja Shankar Bajpai gave you some account. The effect of this legislation is this. The land of a statutory agriculturist cannot be sold in execution of a money decree. The most that the decree-holder can do is to apply for temporary alienation of the judgment-debtor's land for not more than 20 years, and even then provision has first to be made for the maintenance of the judgment-debtor and his family; and in the case of small holders where the average holding varies from 5 to 15 acres it can be readily understood that this does not usually leave much over for the decree-holder. Further, the agriculturist's plough cattle, his implements and his seed cannot be attached, nor can his crops except cotton and cane. Further, if he is sued, the interest charges can be examined and if they are found to be excessive they can be reduced. In this connexion, one of the legislative changes recently made has been to make certain provisions of the Usurious Loans Act mandatory and to fix rates of interest which may be deemed to be excessive. In the case of secured debts the rate for compound interest is 9 per cent. per annum and for simple interest 12 per cent. In the case of unsecured debts the rate is 18½ per cent. Further, when a cultivator dies, his ancestral land is not liable for the payment of his debts and he is also not liable to arrest. I think the House will agree that that puts the cultivator in a very strong position *vis-a-vis* the money-lender, so strong, in fact, that the Punjab Government is now definitely of opinion that no further legislation should be undertaken until creditor and debtor have been given time to adjust themselves to the new position. The Honourable Member who spoke in favour of the second Resolution paid me the compliment of quoting from a book which I wrote 12 years ago, a compliment which one does not always appreciate. He quoted a passage indicating that the moneylender was in a tremendously strong position. That was the case 30 to 40 years ago, but now the pendulum has swung almost completely back to the position which we found existing in the province 80 years ago when it came under our administration.

The effect of all this may be illustrated by a few cases that have recently come to my notice. A friend of mine went into a village the other day and examined the accounts of five money-lenders and compared the accounts of two years before the fall in prices with two years after the fall. He found that the amount advanced had been reduced by 55 per cent., that the number of loans had fallen by about the same proportion, and even more interesting, that unsecured loans had vanished almost completely, from 44 to less than 10 per cent. Another small point came out from his examination. Three of the money-lenders that he examined were professional money-lenders, or *sahukars*, and two of them were agriculturist money-lenders. He found that the professional money-lenders had reduced their advances by 66 per cent., whereas the agriculturist money-lenders had reduced theirs by

[Mr. M. L. Darling.]

only 30 per cent. I mention this because that is, I think, the weak point, perhaps the Achilles heel, in the invulnerability which now clothes the cultivator in the Punjab. The agriculturist money-lender has certain advantages under the new legislation as against the professional money-lender, and it remains to be seen what will be the effect of this. All one can say at present is that he is tending to replace the professional money-lender and that is one of the less satisfactory features of the legislation that has been passed.

Then, as to re-payment. Inquiries that I have made very recently from various members of the Co-operative Department who are in close touch with the village life throughout the Punjab leave no room for doubt that a certain amount of old debt is being automatically paid off or settled as a result of the economic disabilities of the cultivator. All my informants, with perhaps one or two exceptions, agree that the amount of debt repaid in this way is appreciable, and in the canal colonies it is said that the process is proceeding rapidly. To give you some idea of the way in which these settlements are made, I may mention the case of a man who had 2 squares, that is to say, a man who owned more than 50 acres, who settled a debt of Rs. 3,200 for Rs. 600; another man settled a debt of Rs. 1,400 by handing over 4 goats, said to be worth Rs. 38. In yet another case a man settled a debt of Rs. 500 by handing over a she-buffalo which was worth about Rs. 60. I mention these cases to show the House that, though the position of the cultivator has steadily deteriorated economically as a result of the fall in prices, from the point of view of agricultural debt, if any deterioration has occurred at all, it is nothing like as great as some Members' speeches suggest may have been the case. My own view is that in some ways he has gained by the fall in prices. He has been compelled to reduce his expenditure within reasonable limits and to consider the difference between necessary and extravagant expenditure, between productive and unproductive expenditure. Further, so far as debt is concerned, he has so far had the last word. It is he who has declared the moratorium which so many legislators have wished Government to declare on his behalf. Sir, I believe that, if one were to examine the conditions of village life all over India, one would find that in the last five or six years, through force of circumstances, comparatively little debt has been repaid apart from settlements. In the Punjab, at least, there has been a partial moratorium.

Now, I come to the question whether we are going to gain anything by further enquiries. My own view is that so admirably stated by my Honourable friend, Sir Girja Shankar Bajpai. I have really very little to add to the arguments that he brought forward against further enquiry. The Mover of the Resolution started by a reference to Sir Frederick Nicholson's monumental report, a report in two large volumes which is still worth study. But if all the reports published since then were to be piled up in front of me here, you would hardly see me, and we shall be only the worse for adding to them. Moreover the salient features of this question of debt are now sufficiently well known. For example, no one doubts that debt in this country is very large: the exact figure people may dispute, but no one can possibly question

that in terms of the resources of the country, it is excessive. At the same time, in saying that I would like to remind the House that the same may be said of a dozen or 20 other countries in the world at the present moment. I could mention several of them, but as the time at my disposal is short, I will mention a single case only, the case of Italy. I take that because economic conditions in Italy are in some respects not very different from those in this country; particularly in Southern Italy. I find from a statement made in the Chamber of Deputies in 1933 that a rural population of 17 millions was carrying a debt of 224 crores. Compare with that the Punjab, which with a population of 15 millions carried about then a debt of about 140 crores. Further, it is well known that very few agriculturists in this country are out of debt, that debt to a very large extent is unproductive, that interest rates are high and that credit is greatly restricted—all these things are now within the full knowledge of every one of us who is interested in this difficult and complex subject, and even the causes of debt are no longer much in dispute. There is only one point which can still be regarded as a matter of controversy, and that is the question of debt legislation about which my Honourable friend, Sir Girja Shankar Bajpai, gave you a detailed account. To me personally it is a question whether this legislation is going to work for the benefit or for the disadvantage of the cultivator. Myself, I have always doubted whether this was the best way of dealing with the question, and I am fortified in that view by the opinion expressed by the Bombay Banking Enquiry Committee which, I think, wrote in their Report that the more the money-lender is restrained by law, the worse the borrower fares. At the same time I am bound to admit that extraordinary times such as we have been passing through require extraordinary remedies and it was probably wise in the circumstances to make experiments with different forms of legislation which 20 or 30 years ago, we should, most of us, have agreed savoured more of mediaeval than of modern times. But at the same time, as my Honourable friend, Sir Girja Shankar Bajpai, pointed out, the time for examining the effects of this legislation has not yet arrived. Most of these laws have been passed in the last year or two, and it takes a good many years before the full effect of the legislation can be ascertained. For example, there is the Regulation of Accounts Act which was passed in the Punjab in 1930, it is still a question whether that Act is going to be effective or remain a dead letter. I would, therefore, very strongly deprecate having an enquiry on that ground; and as to other grounds, as I have already stated, the general features of the problem are so well known that I do not think myself that we are going to get much further forward with it by having another enquiry. In fact, I would go further and say that another enquiry at the present moment might be an obstacle to progress because every one then would begin to postpone further action until the results of the enquiry were known.

Now, I come to the most vital aspect of the question, that is the question of remedies. These are still matters of great debate. But there is one thing to which I would draw the attention of the House. That is that as result of all the enquiries that have been made in the last 10 or 15 years, a large number of experiments are now being made in different parts of India. Madras, for instance, leads in the field of

[Mr. M. L. Darling.]

Land Mortgage Banks, the Central Provinces leads in the field of Conciliation Boards, and I think I may claim that my own Province, the Punjab, leads in the field of Consolidation of holdings. Now, all these three experiments seem to me definitely helpful and hopeful. Other experiments that are being made, such as the limitation of interest and the intensive restriction of credit are in my view much less hopeful. Madras with 70 Mortgage Banks is now showing that it is possible to lend money at six per cent. to people who are using it to repay their old debts and who may be counted upon, in the large majority of cases, to repay their loans punctually. That is an experiment and Madras has launched it so successfully that, in their case at least, it has almost emerged from the experimental stage. This example is being followed, I am glad to say, in almost every other province in India. I can speak with certainty in regard to the Central Provinces, Bombay, Bengal and the United Provinces. In my own province, the Punjab, which was the first in the field, I am sorry to say that we are finding it very difficult to make any progress because of a piece of legislation which was passed thirty years ago—the Land Alienation Act. The Land Alienation Act was mentioned in the House today as being a political measure. Whatever it was in its origin, there is no doubt whatever that it remains on the Statute-book as one of the most important economic measures passed in our Province. (Hear, hear.) At the same time though it has undoubtedly done great good, like every other law, it has its defects, and one of its defects is that it is making the working of Mortgage Banks extremely difficult. However, that is by the way. For India generally Mortgage Banks present a hopeful line of advance.

As to Conciliation Boards of which my Honourable friend, Mr. Griffiths, gave us an interesting example in the case of Bengal, that undoubtedly seems to be a very promising way of dealing with the question. For instance in the Central Provinces, according to a report which I received today, last year they reduced debt by 42 per cent. This agrees very closely with the figures given us by my Honourable friend, Mr. Griffiths, which, accordingly to a rapid calculation that I have made, show a reduction of 36 per cent. This agrees too pretty closely with the figures for a Board which the Punjab Government have set up in Panipat, which show a reduction of 39 per cent. It looks as if these Conciliation Boards would be able to reduce debts anyhow on paper, by something in the neighbourhood of 40 per cent. If they can do that, I think this House will agree that that will be a very useful measure of agricultural relief. In the Central Provinces, they have succeeded to such an extent that 28 Boards have now been set up. In my own Province we have not been quite so quick to move as in Central Provinces, and so far we have set up five Boards only. But I have no doubt that if we achieve the success that has been achieved in Central Provinces, we shall multiply their number. But one has to remember that in the Punjab at least,—I do not know what the figures are in other provinces,—the cost per board is Rs. 12,000 a year, and that a board cannot be expected to operate usefully in an area larger than a tahsil, and in the Punjab we have about 120 tahsils. There comes in the question of finance which always dogs us.

Then there is consolidation of holdings, and there definitely the Punjab leads. At the same time from what I saw of the same work being done in the Central Provinces 2 years ago, they are not very far behind us. In the Punjab we have now consolidated about 600,000 acres, the effect of that, as one speaker pointed out, is very much to increase the cultivator's surplus. That brings me to my last point which is this. All these measures, hopeful as they are for dealing with the immediate necessities of the case, leave the fundamental point untouched and that is.....

**Several Honourable Members :** The Honourable Member has exceeded his time.

4 P.M.

**Mr. M. L. Darling :** I must apologise to the House for taking up so much of its valuable time but in another three minutes I will conclude with my last point, which is the most important of all, and that is that the measures of which I have been speaking and which are, I think, hopeful as a means of dealing with an emergent situation, are definitely palliatives and leave the main problem untouched. This problem is—how are you going to make the Indian peasant a better borrower and a more punctual repayer? And the point of that question is—if you increase his standard of living, if you wipe off his debt, however much better he may be for the next five, ten or even fifteen years, in another generation his position, I hold, will be exactly the same as it was before you applied these remedies. And that is shown by past experience. These conciliation boards are by no means a new experiment. They have been set up before in the Central Provinces and in Bihar and in Bundelkhand; and invariably, when they have not been accompanied by other measures, the net result has been that after ten, fifteen or twenty years the Indian peasant has been just as indebted as he was before. And that is why I should feel inclined to despair of this problem but for one thing, and that is the gospel of co-operation. If we had not got the co-operative movement among us, I should be inclined to despair of ever being able to get the Indian peasant out of debt, the reason being that the fundamental causes for his being in debt are not simply economic but very largely a matter of character, largely too a matter of the social and caste customs under which he lives, which make it impossible for him to do many things that every small holder in Europe must do if he wishes to make both ends meet and maintain a decent standard of living.

**Mr. President (The Honourable Sir Abdur Rahim) :** The Honourable Member has exceeded his time limit.

**Mr. M. L. Darling :** I will take just one minute more. When I speak of this co-operative movement I claim to speak not only for the 700,000 co-operators in the Punjab but also for the 35 lakhs of co-operators in India. If any one 25 years ago had said that in the short space of a generation you would have in the Punjab 23,000 societies with 700,000 members controlling 12 or 13 crores of capital, one-third of which they own themselves, one would have been regarded as an impatient idealist. But that is the fact today and that is the hope for the future.

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

“ That the further discussion of this Resolution do stand adjourned to the 8th October, next.”

[Mr. S. Satyamurti.]

My reasons are very simple and brief, and I will state them. The further discussion of this Resolution can afford to wait till the 8th October, because, whatever decision the House comes to and whatever action the Governor General in Council decides to take thereon, can wait for two weeks more. But the next Resolution on the agenda is one in support of which any action to be taken must be taken by the House in this Session, otherwise it will be much too late. This Resolution deals with elections and the freedom and the purity of these elections, in which I am sure all sides of the House are equally interested.

**Mr. President** (The Honourable Sir Abdur Rahim) : The Honourable Member knows that adjournment of the debate can only be granted on substantive grounds and not to advance any particular Resolution, because that is fixed by ballot with which the Chair cannot interfere.

**Mr. S. Satyamurti** : Sir, I will give my substantive grounds. The House will have to decide, after listening to me and to such other arguments as other Honourable Members may advance, as to what is in the best interests of the House ; and I submit it is for the House to decide whether the decision on this question which has been discussed so far since this morning may not wait till the 8th October. Secondly, I submit that after all the elections are coming on early in January and February, and we want to see that this House has an opportunity of pronouncing on the question raised there.

**Mr. President** (The Honourable Sir Abdur Rahim) : The next Resolution can surely be reached, because there are two more days for Resolutions.

**Mr. S. Satyamurti** : No, Sir. I want to submit that, for each day, there is a separate ballot, and if it is not moved today, it lapses.

**Mr. President** (The Honourable Sir Abdur Rahim) : Is it not possible to reach it by agreement ?

**Mr. S. Satyamurti** : You may kindly send for and look at the results of the ballots for the next two days. If I may make a suggestion for your sympathetic consideration, I should like to suggest, without anticipating your decision, that we can have a vote on this Resolution at a quarter to 5 P.M. and we can reach the second Resolution and move it, and we can go on with the discussion the next day. Because, once we move it, it gets precedence on the next day, according to our rules and standing orders. So either you can kindly allow us to make this adjournment motion or be good enough to accept a closure at a time when, after the voting, there will be sufficient time left for us to move this motion.

**Mr. President** (The Honourable Sir Abdur Rahim) : I will see what other Members have got to say and I will see if the debate can be closed for a vote to be taken.

**Mr. S. Satyamurti** : We have had nine speakers, but none from our side, so far.

**Mr. Basanta Kumar Das :** Sir, I tabled an amendment to the first clause of the Resolution with a view to amplifying the terms of reference embodied in that clause and to give a fairly exhaustive enumeration of the points for inquiry; but, Sir, you have ruled that the amendment should come at a later stage. As we are hard pressed for time, I have decided not to move the amendment but to speak on the Resolution. To the Honourable Members of this House the question of rural indebtedness is certainly a matter of deep thought, and I am sure the points which I was going to give do not require any elaboration or explanation from me. This is another reason why I refrain from moving my amendment. Sir, the question of rural indebtedness is certainly a very old one. How to improve the condition of the agriculturists of India is no doubt a complicated problem and in any attempt to solve it and bring about an allround amelioration of the condition of the agriculturists the first question that stares us in the face is certainly this all-engrossing question of rural indebtedness. Sir, in spite of what has been said by Sir Girja Shankar Bajpai and other Honourable Members on behalf of Government, it can be safely asserted that much has not yet been done in connection with this and the plight of the agriculturists is going from bad to worse and the necessity for a well planned scheme to be put into immediate execution for effectively tackling the problem has become absolutely necessary.

Sir, the indebtedness of the agriculturists of India, who form almost 77 per cent. of the total population of the country, is undoubtedly chronic and appalling and I put it to the House to consider the fact that the extent of the indebtedness of the agriculturists found by the Banking Inquiry Committee in 1930 to have been 900 crores of rupees has mounted up now to at least 1500 crores of rupees, while the total revenue to Government in rupees is only 36 crores and the total value of the principal crops is only 475 crores of rupees. Therefore, I most earnestly request the Honourable Members to visualise for one moment the miserable condition, the half starved and half naked condition of the peasants in the villages and the struggling plight of the poverty stricken middle class agriculturists and to say if the time has not yet come to make a bold and determined effort to remove the rural indebtedness of the country. No doubt the question of agricultural indebtedness is also a complicated problem; but I submit no one will dispute the fact that the best interests of the country demand that this should be faced with a determination to solve it in the best possible way.

Sir, in spite of what we have heard from Government Members the justification for moving this Resolution will be found from the facts I am now placing before the House. The Central Government never thought of relegating this question to the provinces when it appointed the Central Banking Inquiry Committee. And we know the Labour Commission, the Agricultural Commission and the Banking Inquiry Committee have all recommended various measures to be undertaken by the Central Government and according to them hereditary indebtedness of peasants ought to be abolished by law and that a special rural insolvency Act ought to be enacted. They further recommended that the Usurious Loans Act ought to be suitably amended in order to make the Courts declare any rate of interest higher than 6 per cent. illegal and to cancel all the illegal arrears of interest. The system of granting agricultural loans and the *taccavi*

[Mr. Basanta Kumar Das.]

system of advancing credit has been found to be a failure bringing misery to the agriculturists as I shall presently show. It is not too much to plead therefore, that it ought to be radically amended. It is a legitimate demand that the Civil Procedure Code, sections 60 and 61, ought to be radically amended so as to abolish the detention and arrest of civil debtors. The proposed Bill which is now before the House does not go far enough. A minimum holding of the peasant and also a minimum quantity of grain ought to be exempt from attachment for civil decrees. The present section 61 of the Civil Procedure Code is not very useful. Then, again, Sir, the Banking Inquiry Committee indeed recommended that Government ought to establish immediately a system of Debt Conciliation Boards and help to scale down the burden of debts and that debt, eventually to be paid, has to be paid in a large number of instalments, where the creditors insist upon immediate repayment. The Government ought to offer them debentures or funds and regain that money in instalments from the peasants. But instead of doing any of these things, the Government has conveniently got the Economic Conference of 1934 to recommend in favour of provincial action and thus shelve its own responsibility. And, Sir, we have heard from the Honourable Mr. Griffiths and Honourable Mr. Darling what their two provinces are doing. But I put it to the House to consider whether the measures which have been adopted are not half-hearted and dilatory. I, therefore, assert that most of the Provincial Governments have so far failed to take any timely action. Even those Governments like the Punjab, the United Provinces, Bengal and Central Provinces and Assam which have passed some legislation have taken such an unconscionably long time that most of our peasants had to lose their lands in order to meet the moneylender's demands. Even after passing legislation, the Punjab, Bengal and also Assam have been very unwilling to render effective help to our peasants. The Central Provinces have pleaded want of funds for its failure to appoint sufficient number of conciliation boards. The Madras Act is perfectly useless since both the creditors and debtors have to agree upon the decision of the board before it can be enforced. The Bombay Government has been still flirting with a Bill for the last three years. A Bill in the Assam Legislative Council is only under consideration and has been really drawn up on the lines of the Madras Act. What is most needed immediately is the declaration of a moratorium for three years. The enactment of an all-India enabling Act, to help all the provinces to fall in line and to take timely action, to amend suitably the Reserve Bank Act, the Civil Procedure Code, the Usurious Loans Act, the Insolvency Act have all become an imperative necessity. Any more delay is dangerous. To talk any longer of this question being mainly provincial is to continue to do grave injustice to the great millions of our peasants. To talk of the sympathy of the Viceroy and Government of India for peasants, while refusing to do anything substantial to relieve this great and cruel burden of indebtedness, is sheer hypocrisy. (Applause.)

Sir, in any inquiry to find out the approximate amount of debt, it will be necessary to find out to whom the agriculturist is becoming indebted. But the landlords and moneylenders including the bankers no doubt come in first as the creditors of the agriculturists and naturally occupy a large part of our attention ; and when we think of the indebtedness of the agri-



culturist it has been the usual charge against landlords and moneylenders that they deprive the agriculturist of his lands and contribute largely to his misery. But, in an inquiry into the causes of agricultural indebtedness, giving the moneylenders and the landlords their proper share of the blame, the Government and the cooperative societies will also be found to be great contributory to the miserable plight of the agriculturists. If the landlords and moneylenders take away the lands of the agriculturists, the Government and the cooperative societies also do not do less and cannot be free from that charge. Sales of revenue paying estates of the agriculturists in Bengal, in Assam, and I am sure in other parts of India, for arrears of revenue, are not infrequent. In those parts of the country where permanent settlement prevails, as for instance in Bengal and the district of Sylhet in the province of Assam, the Government holds also a position of landlord, being the owner of *khas* lands which are generally settled directly with the tillers of the soil. An examination of the position of the Government as landlord will undoubtedly reveal such facts as will show that the policy which the Government follows in regard to assessment and realisation of revenue for these *Khash Mehal* lands is a policy which also contributes greatly to the indebtedness of the agriculturists. Then, Sir, while Government as a landlord is a creditor of the agriculturist and it also holds as a grantor of agricultural or taccavi loans, a prominent position of a creditor by the side of moneylenders. If this position of the Government has anything to do in aggravating the agricultural indebtedness of the people, should certainly be a point for inquiry. I have personal experience of how Government figures as a creditor and I therefore insist on that as a point for inquiry in order to ascertain how far the Government in its capacity as a creditor for agricultural and taccavi loans granted to the agriculturists with a view to help them in their distress, maintains its benevolent attitude when attempts are made for the realisation of these loans. These loans are granted on an undertaking taken from the borrowers that they will be paid up within a short period. When the debtors fail to pay up these debts within these stipulated periods on account of failure of crops or for some other reason, it is usually the case that distress warrants are issued against defaulting debtors for seizing their movables for the realisation of the unpaid dues. It is not often the case that the borrowers fail to pay up the dues even after such distress warrants are issued, with the inevitable result that they stand deprived of their movables for the payment of their debt to the Government. It can, therefore, be easily imagined how the Government creditor contributes to and even aggravates the miserable plight of the agriculturists. I may tell the House that I am not at all overdrawing the picture of how agriculturists indebted to the Government for agricultural loans have their misery enhanced by the harsh methods that are usually adopted for realising Government dues on account of Government loans. From my own district I can supply numerous instances to substantiate the case I am making. I am confident that there are many Honourable Members in this House who can speak of such experience and lend their support to the position I have taken up. My Honourable friend, Dr. Khan Sahib, told me that in Mohmand and Khalil parts of Peshawar District in North-West Frontier Government men take their place by the side of the agriculturists when the harvest is collected and take possession of the crops and other Government dues and do not give them even time to store up the crops.

[Mr. Basanta Kumar Das.]

Then, Sir, coming to the question of how far rural co-operative societies are of help and advantage to the agriculturists I may say that it has been also my unpleasant experience to notice numerous cases of agriculturists getting into difficulties for the loans taken by them from the co-operative societies of which they become members. The agriculturists' capacity to pay up the debts is always dependent upon the yield they get from their lands. Loans taken from co-operative societies are generally short term loans and the agriculturists not being able to pay up the loans within the periods stipulated find them in the same distressful predicament as in the case of loans taken from Government. Herein comes the necessity of amending the law relating to co-operative societies.

Sir, these are some of the points which I wanted to place before the House. Of the other points about which I am now unable to speak for want of time and on account of a party mandate to economise time in order to get to the next Resolution, the two most important points which I want to stress for the inquiry to be undertaken are to find out the areas of lands rendered waste and unproductive by periodic floods, railway embankments, construction of roads, waterhyacinth and other causes and the areas of lands classed as culturable waste fit to be brought under cultivation by irrigation, canalisation and by bunding up water courses.

Sir, I support the Resolution and resume my seat.

**Several Honourable Members :** Let the question be now put.

**Mr. President** (The Honourable Sir Abdur Rahim) : As regards adjourning the debate, I am afraid that cannot be done, but I am prepared to sit late in order to dispose of this Resolution and to allow the next Resolution to be moved.

**Mr. R. F. Mudie** (Government of India : Nominated Official) : I only wish to state one or two points. I do not wish to deal with the great difficulty of the task set to the committee. I think that point has been sufficiently disposed of. But I would ask Honourable Members of this House to consider the problem which is now facing Local Governments, or, if they would prefer it, the problem which will face the committee. When I say the problem still facing Local Governments, I do not wish to imply that Local Governments have not done a great deal. The province which I myself come from, the United Provinces, has probably done more than any other province. But I wish the House to consider the problem that the provinces had to solve. In 1930-31 they were faced with a situation of rural bankruptcy and most of their legislation was naturally directed to liquidating and reducing debts. For instance, the United Provinces passed six Acts. Four of these were devoted almost entirely to the liquidation of debt, and the other two to the regulation of lending in future. Just before the fall in prices the landlords' debt in the United Provinces was about 55 crores and the total value of zamindari fees in the United Provinces were valued at about 470 crores. Even then it was estimated that between 5 and 10 per cent. of the zamindars in the United Provinces were bankrupt. As soon as prices fell landed property decreased in value by about 25 per cent. and the number of bankrupt zamindars probably rose to about 12 or 15 per cent. of the whole, and many more were rapidly becoming bankrupt. The plight of the tenants was worse. The value of produce of the United Provinces before prices fell was over 200 crores. It fell in six months to 100

crores, and the debt of the tenants and small cultivators was practically equal to the annual produce of their fields. Probably 15, 20, or 25 per cent. of the tenants must have been bankrupt. It was natural in these circumstances that the United Provinces Government and the United Provinces Legislature should concentrate on the liquidation of debt, and that was the same I think in all provinces. But I submit, as my Honourable friend, Mr. Darling, has pointed out, that the real problem has not yet been faced. Mere liquidation or reduction of debt by Encumbered Estates Acts, or conciliation committees, or whatever other method you may employ, will do no permanent good at all. In 1881 the Jhansi Encumbered Estates Act was passed and it had no permanent effect whatsoever. In 1903 another Encumbered Estates Act had to be introduced and it had to be followed by the Bundelkhand Alienation of Land Act. The real problem that Provincial Governments have now to face is not the amount of debt—if that amount had been lent productively the state of India would have been different from what it is today,—nor is it necessarily the growth of the debt. The real problem is the nature of the debt. There are two important aspects. One is the large amount of money that is lent for unproductive purposes, and the other is the very high rate of interest charged on productive loans. In the United Provinces the Banking Enquiry Committee found that two-thirds of the debt was borrowed for unproductive purposes. In the cases of tenants and small cultivators only about one-third was unproductive, but in the case of the larger zamindars the unproductive debt was about 90 per cent. Money that is borrowed for unproductive purposes is pure waste and in the interest of every one unproductive borrowing should be curtailed. As regards the rate of interest on productive loans the rate in the Agra district, when I was there, in 1929, was over 22 per cent., I mean the average rate.

**Cr. Ziauddin Ahmad** (United Provinces Southern Divisions : Muhammadan Rural) : What is the maximum rate ?

**Mr. B. F. Mudie** : The maximum was about 37½ per cent. Now, that is the very difficult problem before the provincial Governments—how to curtail one kind of borrowing and at the same time encourage the flow of capital at a reasonable rate of interest into another very similar channel. That is the problem.

**Sir Ghulam Hussain Hidayatallah** (Sind Jagirdars and Zamindars : Landholders) : May I ask a question of the last speaker ? Borrowing for the purpose of paying assessment is it productive or unproductive ?

**Mr. B. F. Mudie** : I do not intend to be led away into that maze, but I shall explain to my Honourable friend that the percentage of the United Provinces land revenue to the value of the produce is now 5 per cent. and before the fall in prices it was 3 per cent.

**Pandit Govind Ballabh Pant** : The percentage is 5 per cent ?

**Mr. B. F. Mudie** : Yes.

**Pandit Govind Ballabh Pant** : One of the biggest zamindars of the United Provinces is sitting in front of him and he can consult him.

**Mr. B. F. Mudie** : I don't give way. That is the problem and as my friend, Mr. Darling, has said, the methods of solving the problem are well known. They are co-operation, land alienation Acts, the formation of land mortgage banks and of banks dealing with short term agricultural credit.

[Mr. R. F. Mudie.]

I do not wish in any way to deprecate what has been done about the co-operative societies but I naturally take a slightly less rosy view than my Honourable friend, Mr. Darling. In his province, largely due to his efforts, co-operation has been, I understand, a very great success. In the United Provinces where conditions are different, and the land tenure is different, it has not been such a success. I would not like to put all my money on the co-operative house in the United Provinces. Another obvious remedy is a Land Alienation Act. I have no time to deal with the possibilities of such an Act. The forms of restriction that will apply to one part of India will not be suitable in another. The Bundelkhand Act is based on the Punjab Act. It works fairly well in Bundelkhand but every one has agreed that though a restriction may be advisable in the United Provinces, the Bundelkhand Act cannot be transplanted *verbatim* across the Junna. As regards Land Mortgage Banks, the action of Government must depend very greatly on the conditions of land tenure. Land mortgage banks might help a few zamindars in the United Provinces. When I say a few, I mean about 300 thousand but it would not touch the problem of financing the cultivation of 6 million cultivators. If you have a ryotwari settlement or a zamindari settlement as it is in the Punjab, land mortgage may be useful but it is not going to help the United Provinces. The United Provinces problem is the most difficult of all. The solution of the problem of financing, at a reasonable rate of interest, people who have very little credit. Solutions have been attempted in various countries. I would only recommend those Members who are interested in the subject to study what has been done in the United Kingdom by the Agricultural Credits Act, 1928, and to what has been done in Egypt by the Agricultural Credit Bank. These obvious remedies, although they may be examined by each Local Government, will have to be applied in different ways by different provinces. While therefore hoping that the Resolution of this House will encourage Local Governments to examine this fundamental problem in relation to their own circumstances, I cannot support the appointment of a committee.

**Dr. Ziauddin Ahmad :** We have repeatedly discussed on the floor of this House a number of Bills dealing with labour problems owing to the persistence of my friend, Mr. Joshi, whom I do not see in the House and the patronage of my friend, the Honourable Sir Frank Noyce, and his able supporter the Honourable Mr. Clow. We have also seen a number of Bills to protect the orphanage of Bombay, popularly known as the Mill Owners Association, with the generous patronage of the Honourable Sir Joseph Bhole, but I am sorry that in spite of the fact that about three-fourths of the population of this country live on land, we have done very little to improve the condition of this class of people. We have no doubt shed crocodile tears on several occasions, as we are shedding crocodile tears now but really we have not taken any action to improve their condition. Each time the argument is brought forward that it is a transferred subject and that it is really for the provinces to take action. I say it is really not for the provinces but for the Government of India to tackle this problem, as I shall show. It is fortunate that at present we have at the head of the Government a person who takes very great interest in agricultural problems and if nothing is going to be done during the next five years, I am sure that nothing will be done during the next quarter of a century. So, this is not the time for the Government to shove their responsibility on Provincial Governments, but to take it up themselves. There are really three problems

to face. I will mention them first and deal with them in turn later on. (1) According to my calculation based on the figures given by the Banking Inquiry Committee, the amount of interest paid by the agriculturists on agricultural debt is about  $2\frac{1}{2}$  times the revenue of the Government of India and on a major portion of this no income-tax is paid. (2) The second problem is the problem of co-operative banks and also land mortgage banks. (3) The third problem refers to the raising of the prices of agricultural products. I will take these items in turn. My friend, Mr. Griffiths, has given a case and said that the moneylender is a real necessity. It reminds me of a story of a person who had a dream that a person gave him a slap and also a rupee. When he got up, he found that marks of the slap were there but the rupee was not to be found. Mr. Griffiths reminded us of one part of the story and left out the other part, which has always been in existence before British rule came to this country. At that time after every twenty or thirty years the moneylenders were destroyed, their books were burnt and the moneylenders and the agriculturists started again with a clean slate; but on account of 150 years of peaceful rule in this country, the debts have accumulated to an enormous extent and there is absolutely no question of wiping off the debt and destroying the papers of the moneylenders.

**Mr. Sri Prakasa** (Allahabad and Jhansi Divisions : Non-Muhammadan Rural) : Then destroy the Government also every thirty years.

**Dr. Ziauddin Ahmad** : I am referring to the argument of Mr. Griffiths. You are not Mr. Griffiths. If we were allowed to follow the old method, there would not have been this accumulation of debt. No doubt, several Provincial Governments have taken actions to meet the problem of agricultural indebtedness. My friend, Mr. Darling, to whom we are very thankful for coming to us today, has given some illustration of what has been done in the Punjab by means of conciliation boards. He is an expert on the subject and we hope that other Provinces will utilise his experiences. My friend, Mr. Griffiths, has also given some examples of what happened in Chandpur but in both cases I inquired what was the original sum borrowed by agriculturists, the original principal on which that amount was piled up. My friend also said that 11 lakhs were reduced to 7 lakhs but he did not say what was the principal on which that amount of 11 lakhs was reached. So in each case we have to consider the original principal. No doubt the actions that had to be taken by some Governments are really very wholesome and they will to a certain extent relieve the agriculturists, but not entirely. The conciliation boards if adopted everywhere may do some good. At the same time, we should find out, as my friend, Mr. Darling, has pointed, some satisfactory methods of doing it. Otherwise for twenty years the same conditions will recur, and again the moneylenders will be wiped off, not by the old methods, but by the newer method, by means of conciliation boards, and the only way by means of which this can be more permanently cured is as my friend, Mr. Darling, and my friend from my own Province, Mr. Mudie, suggested,—*viz.*, that we should establish land mortgage and co-operative banks for lending money on reasonable rates of interest. Sir, during the discussion of the Reserve Bank Bill we pressed from the Opposition side very strongly on the Government that they should reserve at least a crore of rupees every year from the profits of the Reserve Banks, to be given to those banks, because, without this capital, they will not be able to carry on their work with any great advantage. My friend, Mr. Mudie, said about the United Provinces that there is no money

[Dr. Ziauddin Ahmad.]

and unless we get some definite capital from the profits of the Reserve Bank, it will not be possible for us to establish those banks on sound lines, and this problem will not be effectively solved. This really is a very important problem but unfortunately the Honourable the Finance Member who had charge of the Reserve Bank Bill at that time never saw any village and had very little sympathy with the villagers. Of course I pointed out on that occasion that his whole knowledge of village life was something like the knowledge of anatomy of Avicenna, who wrote a book on anatomy upon a *post mortem* examination of one monkey. So Sir George Schuster once in his life-time saw a single village in the vicinity of Delhi and the whole of his knowledge of the rural population was limited to that one particular, casual visit and so he never appreciated the real problem. But I hope the present Government, under the guidance of an able Governor General, who is an expert in agriculture, will now come forward and set aside a substantial sum from the profits of the Reserve Bank for this particular purpose. Now, Sir, I come to the third problem, which is a very important problem, that of raising the price level of agricultural products. My friend, Mr. Morgan, drew attention to this particular fact. He said that the prices of cotton textile had gone up from 100 to 114, while the price of cotton had gone down from 100 to 74. The same is the case with other commodities. Now I ask the three representatives of the three provinces who have spoken whether they can effectively solve this problem of raising the price level. May I ask Mr. Darling, who represents the Punjab, whether the peasants of the Punjab get economic prices for the wheat which they sell? Certainly not. So unless the price level of these articles is raised, it is impossible to achieve prosperity. This problem can only be solved by the Government of India and not by the action of any individual Provincial Government. The Finance Member will say that it is not his province, and how can he raise the price level of agricultural products? But may I ask him—has he not raised the price level of the rupee? Sir, the world market for the rupee is not 1s. 6d. but is only 1s. 3d. or 1s. 2d., he has raised it artificially by enactment, and he raised the price level of a rupee from 1s. 2d. to 1s. 6d. Can he not adopt a similar method to raise the price level of three important commodities in India, *viz.*, cotton, rice and wheat? If, therefore, you can raise the price level of these, then the price level of all the other agricultural products will be raised simultaneously in sympathy with the prices of these important articles. These are three very important problems and if the Government of India shoved on their responsibility to Local Governments, the time will come when the agriculturists will get up and themselves solve the problem—as they did solve them in the past.

**The Honourable Sir Henry Craik :** Sir, I think the House has been very fortunate today in having a debate on this extremely important and interesting problem, and it has been specially fortunate in having the benefit of the advice of so well-known and thoughtful an economist as Mr. Darling (Hear, hear)—whose books on the economy of the Indian village I would like to take this opportunity of commending to the careful study of all Honourable Members of this House. I am sure the House will agree with me that it owes a debt to Mr. Darling for coming to us today and giving us the benefit of the very many years' thought and study which he has given to this subject. (Hear, hear.) Now, Sir, I think previous speakers on these Benches have very fully explained

the objections to the precise Resolution before the House, *vis.*, the appointment of a committee. I do not for a moment regret that the Resolution has been moved ; still less do I regret any of the speeches with which it has been supported, but I must say that the arguments in favour of the appointment of a committee strike me as singularly jejune and wanting in reality. Some of the speakers have really seemed to be extraordinarily ignorant of what has already been done to try and tackle the problem of rural indebtedness. They seemed to be quite unaware that provincial Legislatures have passed some twenty-five to thirty Acts on the subject during the last two years and that somewhere about twenty-five more Bills are at this very moment under the consideration of provincial Legislatures. These measures deal with a number of possible solutions of the problem. There is, in some cases, the compulsory scaling down of debt, with, in some cases, the provision of a better security to the creditor. I think that is the feature of one of the United Provinces Bills. There is the compulsory limitation of the rates of interest, and a compulsion placed on the moneylenders to register and to furnish periodical accounts. There is the establishment of conciliation boards of which we have had a very interesting picture from two of the speakers on these Benches,—in some cases voluntary conciliation boards and in others compulsory conciliation boards. There have been other measures such as the establishment of land mortgage banks in certain provinces and certain subsidiary measures for the relief of debtors such as the abolition of imprisonment for debt, the security of holdings from attachment, and such measures as we have heard described for the consolidation of holdings and for the promotion of co-operative credit. All these measures have been either introduced or greatly intensified in their action within the period of the last two years. But neither the Government of India nor any Local Government is at the moment in a position to say which of these measures, taken singly or in combination, affords the best solution of the problem. But that these measures have accomplished a great deal already, I have no doubt whatever. The position seems to be now that, although there is this immense burden of debt on paper hanging round the neck of the peasant, at the moment, so far as I am aware, nobody is trying to recover either the principal or the interest with any success. The debtor is not paying because he has not got the money to pay and the creditor or the great majority of creditors are not trying to recover because they know that they cannot recover. Thus there is, in effect, what is really a moratorium. The bulk of this debt is at the moment in a sort of frozen state. I do not say for a moment that it is not a great evil because it hangs round the cultivator's neck like the old man of the sea hanging round the neck of Sindbad the sailor. No doubt, when prices improve the creditor will again bring pressure to bear on the debtor. But at the moment the thing is mostly on paper and there cannot be the slightest doubt that the money-lender has to a great extent abated the traditional rapacity of his profession. The figures quoted by Mr. Darling are the best illustration of that that I can think of.

These various legislative measures have been introduced and passed by Local Governments in close consultation with the Government of India. We have asked them to let us know as soon as they are in a position to do so what they consider their effect has been and to give a most careful appreciation of their effect on the debt situation. Such replies as we have received are mostly to the effect that it is still too early to give considered

[Sir Henry Craik.]

appreciation, but so far as the situation can be appreciated, the effect has certainly been favourable. There has been, of course, a considerable drying up of credit, but that perhaps is not a bad thing and certainly, as I have said, the moneylender is less rapacious and less insistent in his demands.

Now, let me turn to the proposal put forward in the Resolution that we should appoint a Committee. Very many strong reasons against that have been given but let me add one more. In my opinion if such a Committee were to be appointed, it would prove not really a help but a positive embarrassment to Local Governments in their handling of these problems. Six months hence, when provincial autonomy is introduced, Local Governments would be perfectly entitled to say to a Committee appointed by the Central Government wandering round the provinces and making inquiries into what would then be purely provincial subjects: "We do not want you, kindly get out. We have already got all the information we want. We have already got our Legislature elected, mind you, on a far wider franchise than this House. We have already got our Legislature which is perfectly competent to deal with these problems. You are only getting in our way; please stand aside". I am quite confident the autonomous Provincial Governments would take that view and would consider this Committee more of a hindrance than a help. Further, even if it were for the Central Government to deal with this problem—and I do not say that in certain circumstances certain remedies might not have to be applied from the Centre,—we should not want a Committee to help us to decide on such remedies. We have enormous amount of information at our disposal. We are already very well aware what the problem is and we are in a very good position without the assistance of any Committee to decide what are the best remedies to be taken, if it is to be decided that there must be some remedy to be applied from the Centre. So, I submit that there is nothing to be gained by appointing a Committee. Let the House recognise that not only has the problem so far been tackled by Local Governments but that it is at the moment being tackled by the Local Governments and that when Local Governments, a few months hence, attain complete provincial autonomy on these subjects, they will not thank us but, on the contrary, they would probably be rather unkind to any Committee that we may appoint. Therefore, let the House give its verdict, if the Honourable the Mover wishes to press his Resolution, against the appointment of a Committee.

**Mr. M. Asaf Ali** : I move, Sir, that the question be now put.

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

"That the question be now put."

The motion was adopted.

**Mr. President** (The Honourable Sir Abdur Rahim) : I will put to the House the amendment of Dr. DeSouza first. The question is :

"That for the original Resolution, the following be substituted :

'That this Assembly recommends to the Governor General in Council to take immediate action on the recommendations of the Royal Commission on Agriculture, the Banking Enquiry Committee and the Civil Justice Committee for relieving agricultural indebtedness in India and for that



purpose to appoint a Special Officer with three non-official advisers to suggest measures in consultation with Local Governments on the lines of those recommendations."

The motion was negatived.

**Mr. President** (The Honourable Sir Abdur Rahim) : Then there are a number of amendments.

**Mr. M. S. Aney** (Berar Representative) : They have not been moved.

**Mr. President** (The Honourable Sir Abdur Rahim) : I will now 5 P.M. put the original Resolution. The question is :

"That this Assembly recommends to the Governor General in Council to appoint a Committee consisting of both official and non-official Members, with non-official majority, to inquire into the question of indebtedness of agriculturists of the whole of India dealing particularly with the following points :

- (1) to find out :
  - (i) the approximate total debt,
  - (ii) the area of land which has passed from the hands of the agriculturists to money-lenders,
  - (iii) the area of land mortgaged with money-lenders at present.
- (2) to enquire and report on the remedies and provisions of law up till now legislated in different provinces for their amelioration and what results have been achieved by such measures in different provinces.

This Assembly further recommends to the Governor General in Council that the said Committee be authorised to incorporate in its report the ways and means and provisions of laws by which the interests of the agriculturists could be fully safeguarded and thereby extricate them from their present miserable plight."

The Assembly divided :

AYES—74.

Abdul Matia Chaudhury, Mr.  
Abdullah, Mr. H. M.  
Aney, Mr. M. S.  
Anwar-ul-Azim, Mr. Muhammad.  
Asaf Ali, Mr. M.  
Ayyangar, Mr. M. Ananthasayanam.  
Azhar Ali, Mr. Muhammad.  
Badi-uz-Zaman, Maulvi.  
Bajoria, Babu Baijnath.  
Bhagavan Das, Dr.  
Chaliha, Mr. Kuladhar.  
Chattopadhyaya, Mr. Amarendra Nath.  
Chettiar, Mr. T. S. Avinashilingam.  
Chetty, Mr. Sami Venecatchelam.  
Chunder, Mr. N. C.  
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.  
Fazl-i-Haq Piracha, Khan Bahadar  
Shaikh.  
Gadgil, Mr. N. V.

Ghiasuddin, Mr. M.  
Ghuznavi, Sir Abdul Halim.  
Giri, Mr. V. V.  
Govind Das, Seth.  
Gupta, Mr. Ghansham Singh.  
Hans Raj, Raizada.  
Hidayatallah, Sir Ghulam Hussain.  
Hosmani, Mr. S. K.  
Jedhe, Mr. K. M.  
Jehangir, Sir Cowasji.  
Jogendra Singh, Sirdar.  
Joshi, Mr. N. M.  
Kailash Behari Lal, Babu.  
Khan Sahib, Dr.  
Khare, Dr. N. B.  
Lahiri Chaudhury, Mr. D. K.  
Laljee, Mr. Husenbhai Abdullabhai.  
Maitra, Pandit Lakshmi Kanta.  
Malaviya, Pandit Krishna Kant.  
Mody, Sir H. P.  
Mudaliar, Mr. C. N. Muthuranga.  
Muhammad Ahmad Kazmi, Qazi.  
Murtaza Sahib Bahadur, Maulvi Syed.  
Paliwal, Pandit Sri Krishna Dutta.  
Pant, Pandit Govind Ballabh.

## AYES—contd.

Raghbir Narayan Singh, Choudhri.  
 Rajah, Rao Bahadur M. C.  
 Raju, Mr. P. S. Kumaraswami.  
 Ranga, Prof. N. G.  
 Saksena, Mr. Mohan Lal.  
 Sant Singh, Sardar.  
 Satyamurti, Mr. S.  
 Sham Lal, Mr.  
 Shaikat Ali, Maulana.  
 Sheodass Daga, Seth.  
 Siddique Ali Khan, Khan Sahib Nawab.  
 Singh, Mr. Ram Narayan.  
 Sinha, Mr. Satya Narayan.

Sinha, Mr. Sri Krishna.  
 Sinha, Raja Bahadur Harihar Prasad  
 Narayan.  
 Som, Mr. Suryya Kumar.  
 Sri Prakasa, Mr.  
 Thein Maung, Dr.  
 Thein Maung, U  
 Umar Aly Shah, Mr.  
 Varma, Mr. B. B.  
 Viseenji, Mr. Mathuradas.  
 Yakub, Sir Muhammad.  
 Yamin Khan, Sir Muhammad.  
 Ziauddin Ahmad, Dr.

## NOES—41.

Abdul Hamid, Khan Bahadur Sir.  
 Acott, Mr. A. S. V.  
 Ahmad Nawaz Khan, Major Nawab Sir.  
 Ahmed, Mr. K.  
 Ayyar, Diwan Bahadur R. V. Krishna.  
 Bajpai, Sir Girja Shankar.  
 Bhat, Mr. M. D.  
 Buss, Mr. L. C.  
 Chapman-Mortimer, Mr. T.  
 Craik, The Honourable Sir Henry.  
 Dalal, Dr. R. D.  
 Darling, Mr. M. L.  
 Das-Gupta, Mr. S. K.  
 Dey, Mr. B. N.  
 Grant, Mr. C. F.  
 Griffiths, Mr. P. J.  
 Grigg, The Honourable Sir James.  
 Hudson, Sir Leslie.  
 James, Mr. F. E.  
 Jawahar Singh, Sardar Bahadur Sardar  
 Sir.  
 Khurshaid Muhammad, Khan Bahadur  
 Shaikh.

Metcalfe, Sir Aubrey.  
 Morgan, Mr. G.  
 Mudie, Mr. R. F.  
 Mukherjee, Rai Bahadur Sir Satya  
 Charan.  
 Naydu, Diwan Bahadur B. V. Sri Hari  
 Rao.  
 Noyce, The Honourable Sir Frank.  
 Rau, Mr. P. S.  
 Robertson, Mr. G. E. J.  
 Roy, Mr. S. N.  
 Sarma, Sir Srinivasa.  
 Scott, Mr. J. Ramsay.  
 Sen, Mr. Susil Chandra.  
 Sharma, Mr. D.  
 Sher Muhammad Khan, Captain Sardar.  
 Singh, Rai Bahadur Shyam Narayan.  
 Sircar, The Honourable Sir Nripendra.  
 Spence, Mr. G. H.  
 Thorne, Mr. J. A.  
 Tottenham, Mr. G. R. F.  
 Zafrullah Khan, The Honourable Sir  
 Muhammad.

The motion was adopted.

## RESOLUTION RE INTERFERENCE FROM PUBLIC SERVANTS IN THE ENSUING ELECTIONS.

**Dr. Khan Sahib** (North-West Frontier Province—General) : Sir, I beg to move the following Resolution :

“ That this Assembly recommends to the Governor General in Council to take immediate steps to secure that Public Servants do not interfere directly or indirectly in the ensuing elections to the Reformed Legislatures.”

Sir, it is a very important question.....

**The Honourable Sir Henry Craik** : Sir, I suggest that as the question is very important the House may now adjourn.

**Mr. President** (The Honourable Sir Abdur Rahim) : Does the Honourable the Mover want to make a speech ?

**Dr. Khan Sahib** : Yes, Sir.

**Mr. President** (The Honourable Sir Abdur Rahim) : He can speak on the next day.

Motion moved :

“ That this Assembly recommends to the Governor General in Council to take immediate steps to secure that Public Servants do not interfere directly or indirectly in the ensuing elections to the Reformed Legislatures.”

The Assembly then adjourned till Eleven of the Clock on Friday, the 25th September, 1936.