THE LEGISLATIVE ASSEMBLY DEBATES

Official Report

Volume IV, 1944

(1st to 13th November 1944)

TWENTY-FIRST SESSION OF THE FIFTH LEGISLATIVE ASSEMBLY, 1944

Chamber Fullgatte 18.10.73.





LEGISLATIVE ASSEMBLY.

President: The Honourable Sir Abdur Rahim, K.C.S.I.

Deputy President : Mr. Akhil Chandra Datta, M.L.A.

Panel of Chairmen: Mr. Abdul Qaiyun, M.L.A Nawabzada Muhammad Liaquat Ali Khan, M.L.A. Mr. K. C. Neogy, M.L.A. Sir HENEY Richardson, M.L.A.

-. Socrolary . Mian Muhanmad Rafi, Barrister-at-Law.

Assistants of the Secretary: Mr. M. N. KAUL, Barrister-at-Law. Khan Bahadur S. G. HASNAIN.

Marshal : Captain Haji Sardar Nur Ahmad Khan, M.C., 1.0.M., 1.A.

Committee on Petitions: Mr. AKHIL CHANDRA DATTA, M.L.A. (Chairman). Nawabzada MUHAMMAD LIAQUAT ALI KHAN, M.L.A. Mr. Govind V. Drshmukh, M.L.A. Mr. N. M. Joshi, M.L.A. Sardar Sant Singh, M.L.A.

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LEGISLATIVE ASSEMBLY

Monday, 13th November, 1944

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

MEMBER SWORN:

Mr. L. S. Vaidyanathan, M.L.A. (Government of India: Nominated Official).

STARRED QUESTIONS AND ANSWERS

(a) ORAL ANSWERS

COMMUNAL COMPOSITION IN HIGHER POSTS OF OFFICERS UNDER THE INFORMATION AND BROADCASTING DEPARTMENT.

262. *Sardar Sant Singh: (a) Will the Honourable Member for Information and Broadcasting please state the number of posts carrying monthly salaries of Rs. 500 to Rs. 750, Rs. 750 to Rs. 1,000, Rs. 1,000 to Rs. 1,500, Rs. 1,500 and above in (i) his Department (Information and Broadcasting), (ii) the National War Front—Central Organisation, (iii) the Advertising Section, (iv) Song Publicity Organisation, (v) Exhibition Section, (vi) the Counter Propaganda Directorate, (vii) the office of the Chief Press Adviser, (viii) the Information Films of India, (ix) the Bureau of Public Information, and (x) the office of the Controller of Broadcasting?

(b) How many of these posts under each category are held by (i) Europeans, (ii) Anglo-Indians, (iii) Hindus, (iv) Muslims, (v) Sikhs, and (vi) others?

The Honourable Dewan Bahadur Sir A. Ramaswami Mudaliar: (a) and (b). I lay a statement on the table.

Statement showing the number of Officers drawing Rs. 500 per mensem and above under the adminis trative control of the Information and Broadcasting Department and the communisies to which they belong.

	Euro- peans.	Anglo- Indians.	Hindus.	Muslims	Sikhs.	Others.	Total.
Main	Department	(including	, Simla	Office)			
Officers drawing salaries fron	n	• •		-			
Rs. 500 p. m. to Rs. 750		1	3	3	· 1		8
Rs. 750 to Rs. 1,000	• • •	••	1	1	••	••	2
Rs. 1,000 to Rs. 1,500	. 2	••	3	••		••.	5
Rs. 1.500 and above	. 2	••	1	1	` 	•	4
,	Natio	mal W ar F	"ront				-
Rs. 500 to Rs. 750	·	••		••	••	1	1
Rs. 750 to Rs. 1,000 .		 ·		2		ī	3
Rs. 1,000 to Rs. 1,500			2	î ·			8
Rs. 1.500 and above .				ī			ī
	A doe	rtising Bro	mch	_	••	••	-
Bs. 500 to Rs. 750				1			1
Rs. 750 to Rs. 1.000	• • • •			-		••	-
Rs. 1,000 to Rs. 1,500	· · · ·		••			••	
Rs. 1.500 and above .	• •	••	••		••	••	•
105. 1,000 and 00000 .	Sona P	ublicity Org	mination		••	••	••
Rs. 500 to Rs. 750	Song 1	activity of		·· 1			,
Rs. 750 to Rs. 1.000	• ••	••	· ;	-	••	••	· ;
	• ••	••		· ;	••	••	1.
Rs. 1,000 to Rs. 1,500	• ••	••	••	•	••	••	
Rs. 1,500 and above	Wan Se	rvices Exh		••	••	••-	••
Rs. 500 to Rs. 750	1 47 5	nunces Ista	10111071				
	• ••	••	•;		••	••	
Rs. 750 to Rs. 1,000 .	• •	••	1	2		••	8
Rs. 1,000 to Rs. 1,500	. 3	•	T	••	T	••	D 1
Rs. 1,500 and above .	·	1	D	- 4-	• •	••	1
	Counter P	ropagan da	Director	ане ,		•	
Rs. 500 to Rs. 750 .	• • • •	••	3	1	· •••	Z	0
Rs. 750 to Rs. 1,000 .	• ••	••	••	1	1	•:	Z
Rs. 1,000 to Rs. 1,500	• •:	••	(م یر	1	••	1	Z
Rs. 1,500 and above	. 1	••	••	·	••	••	

LEGISLATIVE ASSEMBLY

	Euro- peans	Anglo- Indians	Hindus	Muslims	Sikhs	Others •	Tota
• • • • • • • • • • • • • • • • • • •	Chi	ef Press A	dviser				
Rs. 500 to Rs. 750 .			· · ·	••	. .	• •	
Rs. 750 to Rs. 1,000		••	1	••	••	2	3
Rs. 1,000 to Rs. 1,500	1	••	••	••		••	1
Rs. 1,500 and above .	••	••	1	• •	••	••	1
at T	Infor	nation Fils	ms of Ind	lia			
Rs. 500 to Rs. 750 .			10	1	••	2	13
Rs. 750 to Rs. 1,000 .	. 1	•••	6	••	••	1	8
Rs. 1,000 to Rs. 1,500	. 1	••		••	••	••	1
Rs. 1,500 and above	. 1					1	2
	Bure	ny of Publi	ic Inform	ation			
Rs. 500 to Rs. 750			8	2	· · · `	• • •	10
Rs. 750 to Rs. 1,000	. 1	1	3	1	× ••	1	7
Rs. 1,000 to Rs. 1,500			2	. 1			3
Rs. 1,500 and above	• ••		1	••	• •		1
• • • •		All Ind ia I	Radio			•	
Rs. 509 to Rs. 750			2	1		• •	3
Rs. 750 to Rs. 1.000 .		••	3	•	••	1	4
Rs. 1.000 to Rs. 1,500			1	1	•••	1	3
Rs. 1,500 and above .	1	••	• ••	1	•• *	• • •	2
		Sum	m.(1991				
From Rs. 500 to Rs. 750			26	10 ·	1	5	43
From Rs. 750 to Rs. 1,000	. 2	ī	16	7	ī	6	33
From Rs. 1,000 to Rs. 1,500	. 8		9	5	ī		25
From Rs. 1,500 and above	. 5	1	3	3		2 1~~	18
Total	. 15	3	- ,	25	3		114

RECONSTRUCTION COMMITTEES.

263. *Mr. Govind V. Deshmukh: Will the Honourable Member for Planning and Development please state if all the Reconstruction Committees intended to be constituted in February; 1943, are now constituted; if so,

(i) the number of meetings held of each of the Reconstruction Committees, and the conclusions reached, if any, by these committees;

(ii) the decisions taken by the Government as a result of the conclusions reached; and

(iii) the steps taken to give effect to the decisions taken by the Government?

The Honourable Sir Ardeshir Dalal: Yes; Sir. I law on the table of the House a statement showing the number of meetings held of the various Policy Committees.

(ii) The function of these Committees is to advise Government on any matters placed before them and this advice is taken into consideration by Government when formulating its plans.

(iii) I would invite the Honourable Member's attention to the second report on Reconstruction planning.

Statement giving the names of Policy Committees and the number of meetings so far held

Name of Policy Committee General Policy Committee	Number of meetings so far held
Policy Committee No. 1 on Resettlement and Re-	,
employment	1
Policy Committee No. 2 on Disposals, Contracts and	
Government Purchases	- Nil.
Policy Committee No. 3A on Transport	Nil
Policy Committee No. 3B on Posts and Aviation	1
Policy Committee No. 3C on Public Works and Electric	
Power	1
Policy Committee No. 4A on Trade and Commorce	3†
Policy Committee No. 4B on Industries	1
Policy Committee No. 4C on Shipping	Nil (A meeting is being
Policy Committee No. 5 on Apriculture, Forestry and	called on the 7th
Fisheries.	1 December.)

†Includes two meetings held by Commoree Department before April 1943.

Mr. Govind V. Deshmukh: No answer has been given to the latter part of "(i), namely, "the conclusions reached, if any, by these Committees"?

The Honourable Sir Ardeshir Dalal: May I explain to the Honourable Member that definite issues on which decisions of Committees are required are not placed before them. What happens is that discussion on general lines takes place and the views of the Committee are noted by Government and taken into account in formulating their policy.

Mr. H. A. Sathar H. Essak Salt: There must be a report of the opinions noted down by the Government.

The Honourable Sir Ardeshir Dalal: The proceedings of the Committee are taken down by the Government.

Mr. H. A. Sathar H. Essak Sait: And published?

The Honourable Sir Ardeshir Dalal: That will be replied to in answer to a further question.

Sardar Sant Singh: How are the reconstruction committees constituted?

The Honourable Sir Ardeshir Dalal: I do not quite follow the Honourable Member. They are constituted of people whom we regard as representative of public opinion on such matters.

Sardar Sant Singh: How is the personnel formed for these committees? Is it on the recommendation of the Chamber of Commerce or the industry concerned or is it merely nomination by the Government of India, and if it is nomination, then on what principle nomination takes place?

The Honourable Sir Ardeshir Dalal: The non-officials are nominated by the Government of India on the basis of their own knowledge of such gentlemen. Apart from that, there are representatives of Provinces and also some representatives of States on that Committee together with the representatives of the Central Government and representatives of the Chambers of Commerce.

Mr. N. M. Joshi: May I ask whether Government is aware that on these Committees, labour is not adequately represented at all and whether Government propose to take any steps with regard to representation of labour?

The Honourable Sir Ardeshir Dalal: No, Sir. The Honourable Member for Labour is very keen on the representation of Labour on these Committees and as a matter of fact labour Members are represented on all of them.

Mr. Govind V. Deshmukh: Is there any representation of agriculturists on these Committees?

- The Honourable Sir Ardeshir Dalal: Yes, Sir, definitely.

Dr. Sir Zia Uddin Ahmad: Does the list give information only for one year, that is, 1944 or does it give a list from the commencement of War?

The Honourable Sir Ardeshir Dalal: There is a complete list.

Prof. N. G. Ranga: What is the relation between these Committees and the Reconstruction Committee of Council?

The Honourable Sir Ardeshir Dalal: The Reconstruction Committee is the Reconstruction Committee of the Executive Council of Government.

INSTALLATION OF BROADCASTING STATION AT NAGPUR.

264. *Mr. Govind V. Deshmukh: Will the Honourable Member for Information and Broadcasting please state if he is aware that a demand for a Broadcasting Station at Nagpur, C. P., has been constantly made and brought to the notice of the Government of India. and that they have made promises more than once to establish it there? If so, having regard to the circumstances mentioned below will the Government establish it now:—

(i) rapid expansion of Nagpur, the capital city of the Province; and

(ii) the city's importance from the point of its situation, being a central place and on the air routes of trade, industry and administration?

The Honourable Dewan Bahadur Sir A. Ramaswami Mudaliar: Yes. As promised before, the claim of Nagpur to have a broadcasting station will be considered as part of the next programme of development to be undertaken. At present it is not possible to establish any new broadcasting station owing to the difficulty of importing the requisite equipment from abroad in the present war conditions. Mr. Govind V. Deshmukh: In view of the circumstances mentioned in parts (i) and (ii) and the fact that there are aerodromes round about Nagpur, will this Nagpur Broadcasting Station be considered an emergency war measure and priority given to it?

The Honourable Dewan Bahadur Sir A. Ramaswami Mudaliar: No, Sir. I regret that it is not possible to consider it as an emergency war measure, notwithstanding the circumstances mentioned by the Honourable Member.

Mr. Lalchand Navalrai: Is the Honourable Member aware that many more promises were given as regards Karachi and is the Honourable Member aware that Karachi is much more important in all respects and will the Honourable Member consider the advisability of taking up the construction of a Broadcasting Station at Karachi sooner than Nagpur and before the war ends?

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

STABILIZATION OF PRICES.

265. *Dr. Sir Zia Uddin Ahmad: (a) Will the Honourable the Finance Member please state if it is not a fact that the prices of nearly all the articles in the United Kingdom in the year 1944 are the same as they were in October, 1939?

(b) Why did the Government of India not attempt to stabilize the prices when these prices have been stabilized in England?

(c) Is it not a fact that the Government of India in order to stabilize its prices purchase commodities in London at the price of 1939?

The Honourable Sir Jeremy Raisman: (a) The answer is in the negative.

(b) The Government of India have attempted to stabilise prices but, the conditions in India and England being different, the methods and procedure adopted for the stabilisation of prices as well as the time of their adoption have necessarily also been different. There was moreover a considerable body of opinion that prices in India before the war were undesirably low.

(c) It is not a fact.

Dr. Sir Zia Uddin Ahmad: Is it not a fact that price index in the United Kingdom has risen about 28 per cent., and in most cases much less than 28 per cent., while the rise in price index is sometimes 800 per cent. and 400 per cent. in India?

The Honourable Sir Jeremy Raisman: The information before me shows that the increase in wholesale price in the United Kingdom since August 1939 for all articles is 71 per cent., for food, tobacco, 76 per cent. and for industrial materials and manufacture, 68 per cent. That is a good deal more than what the Honourable Member has been suggesting.

Dr. Sir Zia Uddin Ahmad: What are the corresponding figures for India? The Honourable Sir Jeremy Raisman: The corresponding figures for all articles, 142 per cent., for food, tobacco and other agricultural commodities, 162 per cent., for industrial materials and manufactures 131 per cent.

Mr. T. S. Avinashilingam Ohettiar: Apart from the official figures of rice in prices which the Government get, is the Honourable Member aware that actually in the market, people have to pay more?

The Honourable Sir Jeremy Raisman: I am aware that owing to local conditions and difficulties, prices in particular areas are sometimes even higher than these.

Prof. N. G. Ranga: May I know what percentage of price of industrial commodities have come to be stabilised by Government?

The Honourable Sir Jeremy Raisman: I am afraid I cannot say that in answer to a supplementary question. I am not sure I understand the question at all.

Prof. N. G. Ranga: What percentage of industrial goods have come to be stabilised in their prices?

The Honourable Sir Jeremy Raisman: If what the Honourable Member means is what part of the whole field has come under control quantitatively, then I require notice. Mr. T. S. Avinashilingam Chettiar: In view of the admission of Government that the index figures are under-stated, will they take steps to get the real figures of the rise in prices?

The Honourable Sir Jaremy Raisman: These figures represent the average position; in local areas you may get a higher index or a lower index than these. Dr. Sir Zia Uddin Ahmad: Have the Government of India taken any action to reduce the price index and bring it down to the level of the United Kingdom? If not, why not?

The Honourable Sir Jeremy Raisman: It has been the constant endeavour of the Government of India to moderate the rise in prices that was taking place. They could not set themselves a specific target such as that in the United Kingdom, or if they did, they would not have been able to achieve it owing to the different conditions in India.

Dr. Sir Zia Uddin Ahmad: Is it not a fact that the process or the method that they have adopted in order to reduce the price is that they want to take away by force or by various other methods the notes under circulation? And does he think that by this method the prices will be lowered?

The Honourable Sir Jeremy Raisman: The Government of India have not concentrated simply on an attempt to mop up surplus currency. They have at the same time pursued other lines such as direct control of the prices of goods and control of supplies.

APPOINTMENTS IN THE PLANNING AND DEVELOPMENT DEPARTMENT

266. *Dr. Sir Zia Uddin Ahmad: (a) Will the Honourable Member for Planning and Development be pleased to explain the number of new appointments which have been made in the Planning and Development Department of the Government of India?

(b) What is the total number of persons appointed in this Department-

(i) whose salary is above Rs. 750; and

(ii) whose salary is below Rs. 750?

How many of these are Mussalmans?

(c) Why was the Resolution of 1934 by the Home Department reserving 25 per cent. places for the Mussalmans not followed in this new Department?

(d) If the Resolution of 1934 is not applied on the ground that posts in this Department are considered to be technical, will the Honourable Member name some posts which are not technical?

The Honourable Sir Ardeshir Dalal: (a) The Department was constituted on the 1st August, 1944 by the absorption of the staff of the War Resources and Reconstruction Committees of Council. The appointments made since then are—

(i) Officers (all drawing over Rs. 750)-three, of whom one is a Muslim.

(ii) Ministerial staff, including Superintendents (all drawing less than Rs. 750)-12, of whom three are Muslims.

(iii) Stenographers-three, of whom none is a Muslim.

(b) (i) Officers-seven, of whom one is a Muslim.

(ii) Ministerial Staff-34, of whom eight are Muslims.

(iii) Stenographers-seven, of whom none is a Muslim.

(c) and (d). The Home Department Resolution of 1934 which, as the Honourable Member is aware, applies only to direct recruitment and not to recruitment by promotion was followed as far as practicable in making appointments in my Department. Unfortunately no qualified Muslim stenographer was available.

Dr. Sir Zia Uddin Ahmad: If the Department was opened in August last how does the question of promotion arise? Every appointment would be a new appointment and transfer from other Departments would not constitute promotion, which usually takes place in the same Department.

The Honourable Sir Ardeshir Dalal: That is correct.

Dr. Sir Zia Uddin Ahmad: Then how can my Honourable friend avoid the Besolution on the ground that these appointments are promotions? The Honourable Sir Ardeshir Dalal: But we appointed as many Muslims as we could.

Dr. Sir Zia Uddin Ahmad: Apart from that, the Honourable Member said that the Resolution of 1934 cannot be applied to promotions, but as far as his Department is concerned the question of promotion does not arise.

The Honourable Sir Ardeshir Dalal: That is correct.

Mr. N. M. Joshi: Do Government propose to accept the suggestion recently made by me that they should publish an annual report giving the number of officers and other employees in the various Departments and sections arranged according to communities, so as to avoid these questions?

The Honourable Sir Francis Mudie: If the Honourable Member will look into the library of the House he will find a statement of a somewhat similar nature.

Sardar Sant Singh: Is there any publication in the library which gives. information for each Department community-wise of the posts occupied by them along with emoluments, apart from the General Civil List?

The Honourable Sir Francis Mudie: The Honourable Member may kindly put down a question.

Mr. Lalchand Navalrai: Have people been taken in this Department from other Departments or new people have been recruited?

The Honourable Sir Ardeshir Dalal: I have explained what new recruitments have been made since the Department was constituted and what has been taken over from the War Resources Committee of the Reconstruction Committee of the Council. But technically as they were taken over in a new Department the Honourable Member is correct that they must be regarded as new appointments.

DESIRABILITY OF INCREASING DEARNESS ALLOWANCE FOR STAFF OF AUDIT AND ACCOUNT OFFICES.

†267. *Seth Yusuf Abdoola Haroon: (a) Will the Honourable the Finance Member be pleased to state whether it is a fact that permanent staff in Audit and Account Offices in India has not been afforded any relief except Rs. 14 per month as Dearness Allowance up to Rs. 200?

(b) Is it a fact that unlike other offices of the Central Government men in Audit and Account Offices have been afforded no opportunities to officiate as Superintendent in their offices?

(c) Is it a fact that in all the Audit and Account Offices in India there is more than half temporary staff and that the permanent staff has to discharge more duties and undertake responsibilities on this score?

(d) Do Government propose to afford more generous and immediate relief to the poverty-stricken permanent staff in the Audit and Account Offices in the shape of more Dearness Allowance or in revising the existing scales of pay? If not, why not?

The Honourable Sir Jeremy Raisman: (a) No. In common with other Central Government servants the permanent staff in Audit and Accounts Offices are eligible for the war allowance and concessional travelling allowance, details of which were given in my reply to the Honourable Member's starred question No. 176 on the 8th November 1944. In addition, ministerial Government servants in Bombay, Calcutta and Delhi, whose pay does not exceed Rs. 500 a mouth, are now eligible for a house rent allowance, and those in Delhi for a conveyance allowance as well.

(b) Promotions to the grade of superintendents in Audit and Accounts offices are normally made only from amongst men who have passed the Subordinate Accounts Service Examination.

(c) Temporary staff in all offices of Audit and Accounts average a little less than a half. In order to relieve the additional burden inevitably thrown by war conditions on permanent staff, a training reserve has been sanctioned

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

by the Auditor General in all his offices. This training reserve has been in existence for some time and will be continued for so long as circumstances require it.

(d) I would refer the Honourable Member to my reply to part (d) of nis Starred Question No. 176 of the 8th November 1944. I do not consider it appropriate to undertake the revision of permanent scales of pay at the present time.

DESIRABILITY OF PLACING POSTAL AUDIT OFFICES UNDER DIRECT CONTROL OF AUDITOR GENERAL.

†268. *Seth Yusuf Abdoola Haroon: (a) Will the Honourable the Finance Member please state if it is a fact that all the Civil and Military Account and Audit Offices in India are under the direct administrative control of the Auditor General of India?

(b) Is it a fact that barring the above offices, only four Postal Audit offices in Delhi; Calcutta, Nagpur and Madras are in the administrative control of the Auditor General through the Accountant General, Posts and Telegraphs, Simla? (c) Why should the above four offices, in the interest of economy and better

administration be not placed directly under the Auditor General of India? (d) Will the Government be pleased to consider the propriety or otherwise of

abolishing the Office of the Accountant General of Posts and Telegraphs, Simla, and placing the four Postal Audit Offices under the direct control of the Auditor General by having a separate section to deal with their affairs, with an extra Assistant Auditor General to cope with the increased work? If not, why not?

The Honourable Sir Jeremy Raisman: (a) The Indian Audit Department is under the administrative control of the Auditor General of India. Military and Supply Account Offices are under the administrative control immediately of the Military Accountant General, and ultimately of the Financial Adviser War and Supply; their work is test audited only by staff under the Auditor General.

(b) In addition to the four Postal Offices, the Railway Audit Offices and the Offices of the Audit Department, Defence Services, are also administered by the Auditor General of India through officers of the rank of Accountant General.

(c) and (d). Government do not consider that it would be in the interests of economy and good administration, or even practicable to absorb the office of the Accountant General, Posts and Telegraphs in the office of the Auditor General and abolish the post of Accountant General, Posts and Telegraphs which is one of the heaviest charges in the Indian Audit Department. The work done in Postal Audit Offices requires the day to day administration of a very senior officer with special knowledge of the working of the Posts and Telegraphs Department.

REFUSALS OF LEAVE IN AUDIT AND ACCOUNTS OFFICES.

†269. *Seth Yusuf Abdoola Haroon: (a) Will the Honourable the Finance Member please state if it is a fact that in Audit and Account Offices men have to wait long for the grant of leave on average pay for want of a leave reserve?

(b) Is it a fact that men actually sick are refused leave for want of a leave reserve and when they produce medical certificates in support of their leave they are sent to the Chief Medical Officer for countersignature of their Medical certificates even for a month's leave on Medical ground?

(c) Do Government propose to issue necessary instructions to the heads of all Departments to grant leave freely to all those who apply for leave on account of their own illness or the illness of their family members and to stop sending medical certificates for less than a month's leave to the Chief Medical Officers for countersignature?

(d) Will the Government be also pleased to consider the feasibility of raising the leave reserve in Audit and Account Offices from 10 per cent. of the sanctioned strength to 15 per cent. as before to facilitate the grant of leave freely to the most needy people? If not, why not?

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

The Honourable Sir Jeremy Raisman: (a) A leave reserve exists in all Audit and Accounts offices. Government are not aware that staff in these offices have to wait unduly for leave, though war conditions undoubtedly preclude the grant of leave as freely, or for such long periods, as in normal times.

(b) Government are not aware that medical leave has been refused or deferred except in cases where malingering is suspected.

(c) The Auditor General has alreedy issued instructions that short annual leave should be freely granted. No instructions can expediently be issued precluding heads of offices from obtaining the countersignature of the competent medical officer on medical certificates if they have reason for doubting the necessity or extent of the leave recommended in them. Government have no reason to believe that Heads of Audit offices have abused their discretion in this matter.

(d) No. The leave reserve in Audit and Accounts offices is 12¹ per cent. of the sanctioned strength of each grade and not 10 per cent., and this in the opinion of Government is adequate.

REST AND RECREATION ALLOWANCE FOR STAFF OF AUDIT AND ACCOUNTS OFFICES

†270. *Seth Yusuf Abdoola Haroon: (a) Will the Honourable the Finance Member please state if it is a fact that the Government of India have recently sanctioned the grart of travelling allowance up to a maximum of Rs. 300 to Government servants not drawing dearness allowance of Rs. 14 per month?

(b) Is the Central Government aware of the fact that in most of the Audit and Account Offices the maximum of the clerical grade is up to Rs. 200 and that very few members of the clerical grade in any Audit and Accounts Offices have been benefited by the above recreation measure?

(c) Do Government propose to extend the above concession to all the nongazetted staff of the Audit and Account Offices, as a special case, as in their category neither any emergency cadre has been introduced, nor has any other relief measure (except the dearness allowance) been sanctioned for the permanent staff of these Offices? If not why not?

The Honourable Sir Jeremy Raisman: (a), (b) and (c). I would refer the Honourable Member to the reply which I gave to his starred question No. 178 on the 8th November 1944.

UNIFIED SCALE OF PAY FOR TEMPORARY STAFF IN AUDIT AND ACCOUNTS OFFICES.

1271. *Seth Yusuf Abdoola Haroon: (a) Will the Honourable the Finance Member please state if it is a fact that unified scale of pay has been recently sanctioned for the temporary staff in the Audit and Account Offices in India?

(b) Is it a fact that although this unified scale of pay will afford some relief to those getting less than Rs. 100 as their pay it affords practically no relief to those getting above Rs. 100 and to those who have reached the maximum of their old scale of pay?

(c) Do Government propose to consider the feasibility of revising the existing scales of pay for all such old employees of the Audit and Accounts Offices who have grown grey in the service of the Department or to grant some other compensatory allowance till such time their scales are also revised?

(d) Is it a fact that the scales of pay in the Audit and Accounts Offices are lower than those in vogue in the Imperial and Provincial Secretariats?

(e) Why should the existing low scales of pay in the Audit and Accounts Offices not be immediately revised as requested by the Audit and Accounts Offices Conference in its Session held on the 5th and 6th June, 1944, at Karachi which are as under:

Subordinate Accounts Service—Rs. 400—30—700; Divisional Accountants—Rs. 280—20—500; Upper Divisional Clerks—Rs. 150—15—450; Lower Divisional Clerks—Rs. 100—5—150—10—300; and Sorters Class in Postal Audit Offices—Rs. 60—4—160. The Honourable Sir Jeremy Raisman: (a) Yes. Permanent staff may also elect the unified pay scale sanctioned for temporary staff for the period it is in force.

(b) The introduction of the unified scales of pay was primarily intended not to afford relief, but to facilitate recruitment and to prevent drift of staff from one Central office to another. A certain proportion of clerks in Audit and Accounts Offices will, however, on qualifying, be promoted to 'A' grade the scale for which rises to Rs. 200 per mensem.

(c) I would refer the Honourable Member to the reply I have given to-day to part (d) of his starred question No. 267.

(d) The scales of pay in the Imperial Secretariat are higher, the relative position in the provinces is not uniform.

(e) The existing scales of pay were fixed having regard to the relative responsibilities of the work to be done, and, as already indicated. I do not consider it appropriate to undertake the revision of permanent scales of pay at the present time.

SALE OF SOUTH AFRICAN GOLD IN INDIA.

272. *Mr.^{*} K. S. Gupta: (a) Will the Honourable the Finance Member please state the total amount of South African gold sold in India from the 1st April, 1944 to the 1st October, 1944?

(b) What is the purchase price of an ounce of gold from South Africa?

(c) What is the sale price of an ounce of the same in India?

(d) What is the agency by which the above said gold is sold in India?

(e) What is the total profit accrued by the sale of South African gold in India during the years 1941, 1942 and 1943?

(f) Is England or India to enjoy the profits by such sales?

(g) If India is denied the privilege of enjoying the profits, why?

(h) Did the Government of India make any representations in the matter? If so, would they be placed on the table? If not, why not?

The Honourable Sir Jeremy Raisman: (a) to (e). As I said in reply to Sterred question No. 191 asked by Mr. T. T. Krishnamachari on the 8th November, 1944, gold sales are made by the Reserve Bank on behalf of the Governments of the U. K. and the U. S. A. The Government of India are not aware of the origin of this gold and cannot say what quantity of the gold sold in India on behalf of these two Governments came from South Africa.

(f) to (h). I would invite the Honourable Member's attention to my remarks during the Budget debate on the 7th March, 1944, in reply to Mr. Krishnamachari's criticism regarding the alleged profit on gold sales.

Prof. N. G. Ranga: Is it a fact that the sale price of gold is fast going down and Government expect it to go down still further at the end of the war?

The Honourable Sir Jeremy Raisman: It is a fact that the price of gold has been declining recently. As regards the future, I would prefer not to make a statement.

Prof. N. G. Ranga: Is it a fact that the National War Front has been telling people that the price of gold is likely to go down at the end of the war and therefore people would be better advised to contribute to war loans rather than invest their money in gold?

The Honourable Sir Jeremy Raisman: I believe they have been advertising to this effect.

. Prof. N. G. Ranga: In view of the present tendency of the price of gold to come down will the Honourable Member take steps to stop the sale of gold to private individuals who would otherwise suffer a loss?

The Honourable Sir Jeremy Raisman: Nobody is compelled by the Government of India to buy gold and the individuals in question are presumably quite as capable of judging the trends as my Honourable friend or myself.

Prof. N. G. Ranga: Is it a fact that there is no private sale of gold by Government in England or America arranged for the doubtful benefit of private individuals there?

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The Honourable Sir Jeremy Raisman: I have not got detailed information. but I believe my Honourable friend is correct.

Dr. Sir Zia Uddin Ahmad: Have the Government of India given authority to the Reserve Bank to sell gold at prices higher than world parity prices? If so, where does the additional profit go?

The Honourable Sir Jeremy Raisman: As regards the first part, I cannot disclose the instructions, if any, given by the Government of India to the Reserve Bank. As regards the second part, I have already dealt with that.

Dr. Sir Zia Uddin Ahmad: In whose pockets does that go and in what way is that excess profit paid? Is it not by the reduction of our one thousand crores credit in the United Kingdom?

The Honourable Sir Jeremy Raisman: I have already replied to a large number of questions on that point.

SALE OF SOUTH AFRICAN GOLD IN INDIA.

-273. *Mr. K. S. Gupta: (a) Is the Honourable the Finance Member aware of the bitter comment in the Union about the flagrant case of profiteering by Britain by making a middleman's profit of sixty per cent.?

(b) Does the Union claim that this profit should legitimately go to South Africa?

(c) What is the view of the Government of India in the matter of enjoying the profits?

(d) What is the object of selling South African gold in India? Should not the margin between the London and Indian prices go to India?

(e) Is it a fact that the British Government agreed to give the Union facilities for sharing in the sale of gold on the Indian market to the extent to which the Union's import requirements justified this?

(f) Are the Government of India aware of the feeling in India that it has done nothing so far to safeguard Indian interests and that it is high time the India Government did something to secure a fair deal for themselves?

(g) Is the agreement between the Treasury of the Union and the Bank of England available for the Government of India? If so, would it be laid on the table? If not, why not?

The Honourable Sir Jeremy Raisman: (a) and (b). I have seen some press reports from South Africa criticising the fixed price paid for gold purchased by the U. K. Government from South Africa as compared with the prices prevailing in India, and claiming that South Africa should get the benefit of the higher prices

(c) The Government of India are not concerned in the arrangements between the U. K. and South Africa.

(d) As I have stated in my reply to question No. 272 today, no gold is sold on behalf of the South African Government. As regards the object of sales by H. M.-G. and U. S. A., I would refer the Honourable Member to para. 48 of my speech on the Budget for 1944-45. As regards the latter part of the question I have nothing to add to my remarks on the 7th March, 1944, during the debate on the Budget (pages 941-42 of the Legislative Assembly Debates, Vol. II, No. 8).

(e) The Government of India are not aware of the arrangements between H. M. G. and the South African Government.

(f) The answer is in the negative.

(g) The Government of India are not aware of any such agreement between the Treasury of the Union and the Bank of England.

Prot. N. G. Ranga: What are the special reasons that have persuaded Government to start this sale of gold to private individuals in this country?

The Honourable Sir Jeremy Raisman: I have already explained that in my-Budget Speech. Broadly speaking, the reasons were anti-inflationary.

Mr. T. S. Avinashilingam Chettiar: May I know from the Honourable-Member what is exactly meant by the agreement which he has referred to in reply to part (g) of the question? The Honourable Sir Jeremy Raisman: I said in reply that the Government of India are not aware of any such agreement. In reply to part (c), I said the Government of India are not concerned in the arrangements between the United Kingdom and South Africa.

Mr. T. S. Avinashilingam Chettiar: Does the Honourable Member mean that there are some arrangements with which the Government of India are not concerned, or does he mean that there are no arrangements?

The Honourable Sir Jeremy Raisman: I have said that the Government of India are not aware of any such agreement between the Treasury of the Union and the Bank of England.

Mr. T. S. Avinashilingam Chettiar: Is there any agreement between the: Government of the United Kingdom and the Government of South Africa?

The Honourable Sir Jeremy Raisman: The question I was asked is about an agreement between the Treasury of the Union and the Bank of England. I do not know about any other agreement, either.

Mr. T. S. Avinashilingam Chettiar: With reference to part (c), the Honourable Member replied, if I have heard him correctly, that he is not concerned with any agreement between the United Kingdom and the South African Government.

The Honourable Sir Jeremy Raisman: I said I am not concerned in the arrangements between His Majesty's Government and the South African Government.

Mr. T. S. Avinashilingam Chettiar: Does he mean that there is an arrangement with which he is not concerned?

The Honourable Sir Jeremy Raisman: I am not aware, and I am not con--- cerned.

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

SECURING SILVER FROM AMERICA.

274. •Mr. K. S. Gupta: (a) Will the Honourable the Finance Member please state if it is a fact that the Government of India decided to secure 100,000,000 ounces of silver from the United States of America?

(b) When was the decision taken, and for what purpose?

(c) Is it the intention of the Government of India to make use of the metal to serve as an anti-inflationary device? Has the purpose been served? If so, what are the effects on currency and prices in the country?

(d) How many crores of rupees worth of silver have been sold by the Government of India since the beginning of the war?

(e) Is the sale of silver carried on in order to finance their programme of repatriation of sterling debt?

(f) What is the price realized by the sale of an ounce of silver in the manner above stated? Is it not a fact that the Indian purchaser had to pay at that time twice the amount for the same quantity?

(g) Is it not a fact that the silver sold by the Government of India accumulated over a series of years by paying not only the market price but also a special duty on silver on every ounce imported ranging from two annas to seven annas?

(h) Is it not a fact that something like eight annas in the rupee was lost by such sales by the Government of India?

(i) What is the total loss sustained by the Government of India by the above transactions?

The Honourable Sir Jeremy Raisman: (a) and (b). The attention of the Honourable Member is invited to the Press Communiques dated the 15th June and 11th July, 1944, issued on this subject. I am, however, not prepared to disclose the date on which the decision was taken -

(c) Yes, partly. Sales of silver tend to reduce the volume of currency incirculation and to lower silver prices.

(d) Information regarding the total sales of silver is published in the Central Appropriation Accounts (Civil) for each year, copies of which are supplied to Honourable Members. In conformity with their past practice in the matter Government are not prepared to disclose their recent silver transactions.

(e) to (i). I would invite the Honourable Member's attention to the replies I gave to parts (a), (b) and (d) of Mr. K. C. Neogy's starred question No. 62 on the 16th September, 1942.

Prof. N. G. Ranga: Why are the Government of India purchasing large quantities of silver?

The Honourable Sir Jeremy Baisman: This question relates to a large quantity of silver which the Government of India have obtained from the Government of the United States of America.

Prof. N. G. Banga: Is it in return to the purchases that the United States of America are making in this country or is it a part of the Lease-Lend transactions?

The Honourable Sir Jeromy Raisman: It is a separate Lease-Lend transaction.

Dr. Sir Zia Uddin Ahmad: What is the answer to part (i) of this question? The Honourable Sir Jeremy Raisman: In answer to part (i), along with other parts. I made a reference to certain replies I gave to a previous question.

Prof. N. G. Ranga: In pre-war days the Government of India have themselves been in possession of large quantities of silver for the disposal of which they did not know what to do. Will the Government of India consider the advisability of stopping any further purchase of silver which is accumulating in this country and which they will have to dispose of again at the end of the war?

The Honourable Sir Jeremy Raisman: As my Honourable friend is aware, I think circumstances alter from time to time. There have been times when the Government of India was embarrassed by an excess of silver and there have been times when the contrary was the case. The Government of India consider that at the present time the possession of large quantities of silver may be ertremely useful to them in assisting to control the economic situation.

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

LAND LEASES EXECUTED IN ALMORA CANTONMENT.

275. *Mr. Badri Dutt Pande: (a) Will the Honourable the Defence Member be pleased to state whether the house proprietors of the Almora Cantonment executed any leases for the land they occupy within the present limits of the Almora Cantonment?

(b) On what date or dates and in what year or years were these leases executed, and were the same registered?

(c) What is the period of these leases, and on what annual rent, if any, have these been granted?

(d) What is meant by "old grant" under which the Almora Cantonment land is said to be held by the fourteen proprietors of the houses?

(e) When were these grants applied for, and when were these granted? Is there any notification of these grants having been made?

(f) Who were the original grantees?

(g) Which are the two cases where the land within the Almora Cantonmentis privately.owned?

(h) From where can the copies of these old grants be obtained?

(i) What were the terms of the old grant?

Mr. C. M. Trivedi: (a), (b) and (c). Of the 17 sites held by private persons for residential purposes in the Almora Cantonment, 16 are held on "Old Grants" and one on lease. This lease was executed in May of this year and was registered at the office of the Sub Registrar, Almora District. The period of the lease is 30 years renewable to 90. The annual rent reserved is Re. 1 only.

(d) The sixteen sites for which no leases exist are presumed to be held under the terms of Governor General's Order No. 179 of 12th September, 1836. This tenure is commonly known as an 'Old Grant' under which Government retain their proprietary rights in the land.

(e) There are no records traceable to show when these Old Grants were applied for or granted.

(f) A statement showing the names of the original grantees as far as they are known from the records available is laid on the table.

(g) The two cases are-

(i) Survey No. 40-A Dharamshala owned by one Sukhdeo.

(2) Survey No. 88—A Takia owned by one Musammat Naziran wife of Chotea Sakhawat.

(h) and (i). The terms of what is known as "Old Grants" are contained in General Order of the Governor General in Council No. 179, dated the 12th September, 1836, published on page 9 of the Book entitled "Rules, Regulations and Orders issued from time to time by the Governments of the Bengal, Madras and Bombay Presidencies and the competent military authorities between the years 1789 and 1899, in respect of the grant of sites of lands and the occupation of lands and houses in Cantonments in British India". This publication is available for inspection at the offices of the Cantonment Board, Almora, and the Military Estates Officer, Lucknow Circle, Lucknow Cantonment.

Statement showing the names of the past and present grantees of sites on Old Grant terms in the Almora Cantonment

Serial No.	Survey No.	Description	Name of present owner.	Name of Previous Grantee.
1	4/1	Butt Cottage .	B. Har Singh	••
2	28	Bungalow .	B. Badri Dutt Joshi	
8	31	House	L. Jagannath Sah, Basant Lal Sah and Pyare Lal Sah, sons of L. Ishwari Lal Sah.	L. Ishwari Lal Sah.
4	85	Becket House	Jugdish Chandra Joshi, Mohan - Chandra Joshi, Nabin Chandra Joshi, sons of Pt. Lachmi Datt Joshi and Pt. Hari Datt Joshi.	Pt. Laxmi Datt, Jamna Datt and Hari Datt Joshi.
5	55	Bungalow .	R. S. Lala Anti Ram Sah & Sons	••
6	57	Bungalow .	Lala Lachmi Ram Sah Thulgaria, S/o Bhawani Das and Lala Gopal Sah S/o Amar Nath Sah	Late L. Moti Ram Sah.
7	74	Bungalow .	Nazir Ahmed, S/o Nabi Bux .	K. S. Sheikh Mohd. Husain and Nazir Ahmed.
8	107	No. 4 " The Plaisance ".	L. Dwarks Persad Sah, L. Shrikrishan Persad Sah and L. Shanker Lal Sah, sons of L. Gopal Sah.	L. Eshwari Lal Sah.
9		Bungalow .	Lala Debi Lal Sah	••
10		Bungalow .	Pt. R. D. Bhatt	
11	,	Bungalow .	Jugdish Chandra Joshi, Mohan Chandra Joshi, Nabin Chandra Joshi, sons of Pt. Lakshmi Datt Joshi and Pt. Hari Datt Joshi.	Pt. Lakehmi Batt, Jumna Datt and Hari Datt Joshi, sons of R. B. Pt. Badri Datt Joshi.
11		Bungalow .	Pt. Durga Datt Joshi	
143	136	Bungalow	Jagdish Chandra Joshi, Mohan Chandra Joshi, Nabin Chandra Joshi, sons of Pt. Lakshmi Dutt Joshi and Pt. Hari Datt Joshi.	
14	142	Bungalow (River View)	L. Debi Lal Sah, S/o L. Keshab Lal Sah.	Mr. Inder Lal.
10	5 145	Bungalow (Brighten Lodge).	L. Debi Lal Sah, S/o L. Keshab Lal Sah.	Lala Keshab Lal Sah and Mr. Inder Lal.
1	5 149		Lala Inder Lal, Nand Lal Durga and Pursi Sah.	•

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POLICY BE OWNEBSHIP OF TREES STANDING ON CANTONMENT LANDS.

276. *Mr. Badri Dutt Parde: (a) Will the Honourable the Defence Member please state whether the Government of India, Army Department Notification No. 31434/5-A.D., deted May 28, 1926, regarding the policy of the Government on the ownership of trees standing on cantonment lands still holds good?

(b) Has there been any fresh notification in case the policy of the Government regarding the ownership of trees standing on cantonment land as laid down in the above notification has been revised or changed?

(c) Do the Government still stick to their answer given to starred question No. 591 (d) asked by Sardar Mangal Singh, M.L.A., and answered on the floor of this Assembly on September 11, 1986? If not, what have been the considerations compelling Government to revise the instructions mentioned as having been issued in the reply to starred question No. 591(d)?

(d) If fresh instructions have been issued, when were they issued, and were any objections from the persons affected or likely to be affected invited before issuing them?

Mr. C. M. Trivedi: (a) and (b). Yes. The policy of Government is still the same, although in order to cope with the acute shortage of firewood that is general throughout India, these instructions were amplified but not superseded by the issue of further instructions under which Military Estates Officers and their Agents (Cantonment Executive Officers) were directed to market, without interfering with the occupier's use and enjoyment of growing timber, all dead and useless trees in cantonments. These instructions have been recently modified to the extent of directing that dead and useless trees in the compounds of bungalows are not to be cut down without the consent of the bungalow owner.

(c) Yes. The latter portion of the Honourable Member's question does not, therefore, arise.

(d) The instructions were issued in 1943 and 1944. Objections were not invited.

Mr. Badri Dutt Pande: Whom do the trees that are in the compounds of private owners belong?

Mr. C. M. Trivedi: The trees belong to Government unless the terms of the lease contains a provision to the contrary.

CHARGES FOR TREES FELLED IN ALMORA CANTONMENT BUNGALOW COMPOUNDS.

277. *Mr. Badri Dutt Pande: (a) Has the attention of the Honourable the Defence Member been drawn to G.O. No. 390/XI-30C, dated April 15, 1937, Municipal Department, Government of the United Provinces, to the G. O. C.-in-Chief, Eastern Command, Nainital?

(b) Has this G. O. been superseded by any fresh G. O. vis a vis making charges for trees felled in the Almora Cantonment bungalow compounds with the permission of the Cantonment Authority?

Mr. C. M. Trivedi: (a) and (b). No. Neither the Government of the U. P. nor the G. O. C.-in-Chief, the late Eastern Command, referred the matter to the Government of India. Government is not, therefore, aware either of the contents of this document. Cantonments, however, do not fall within the scope of the functions of the Provincial Government.

Prof. N. G. Ranga: Is the United Provinces Tenancy Act, according to which these trees in compound of a bungalow belong to the owner of that building or the land and not to the Government or any Cantonment Board, applicable to these cantonments?

Mr. C. M. Trivedi: The United Provinces Tenancy Act so far as I know-I am speaking subject to correction-does not apply to bungalows in cantonments.

Prof. N. G. Ranga: Are we to understand that the Government of India are not prepared to extend to the owners of these bungalows at least the same rights that the tenants of land in the United Provinces are enjoying under the United Provinces Tenancy 'Act?

Mr. C. M. Trivedi: That question does not arise. The United Provinces Tenanty Act does not apply to bungalows.

SHORTAGE OF FIRE-WOOD IN ALMOBA.

278. *Mr. Badri Dutt Pande: (a) Will the Honourable the Defence Member please state whether there is any considerable shortage of fire-wood in Almora? (b) Has it been decided in the case of Almora too that in all cases where Government consider themselves the proprietor of any land, all trees, dead or surplus standing thereon within the Almora Cantonment bungalow boundaries, should be sold to the bungalow-owners at a concession rate?

(c) How many trees standing within bungalow compounds of the Almora Cantonment have been sold at concession rates or otherwise during the years 1940 to 1944? What was the revenue derived from the sale of these trees? Who was the person who fixed prices for these trees? On what basis were these prices fixed?

(d) When desiring to sell or selling these dead or surplus trees, do the Government satisfy themselves that these trees were planted by their agency or were grown through any efforts on the part of the Government?

(e) Is any opportunity given to the person who possesses the compound to prove whether the tree sought to be cut and sold was planted and cared-for by him?

Mr. C. M. Trivedi: (a) No, Sir. There is no shortage of firewood in that Cantonment.

(b) Yes. General instructions to this effect which apply to all Cantonments in India, including Almora, have been issued.

(c) Only one tree standing in the compound of Bungalow No. 11/35 was sold during the years 1940—1944. This tree was sold to the bungalow-owner at the nominal price of Rs. 2. The price was fixed by the Executive Officer, Almora Cantonment, in his capacity as Agent to the Military Estates Officer of the Circle, on the basis of the size and quality of the tree and in conformance with the concessional rates laid down by the Government in the instructions alluded to in my reply to part (b) of the Honourable Member's question.

(d) and (e). These lands are Crown property and the trees standing on them belong *prima facic* to the Crown, but it is open to the occupier to show that he is entitled to the trees under the terms of the grant of the land to him.

Mr. Badri Dutt Pande: Am I to understand that all fruit, all vegetable and other products that are produced inside the compound of a bungalow belong to the Government? Or does it belong to the private owner? This is very drastic.

Mr. C. M. Trivedi: I have not been able to follow the Honourable Member's question. Would be mind repeating it?

Mr. Badri Dutt Pande: He says the trees belong to the Government. Then do the vegetables, the flowers and the fruits also belong to the Government or to the private owner?

Mr. C. M. Trivedi: The flowers are not trees.

Mr. Badri Dutt Pande: Suppose there is fruit, say, Apricots or Apples. To whom do they belong?

Mr. C. M. Trivedi: So far as I know the lessee or licensee is entitled to onjoy the fruits of the trees.

LAND LEASES OF BUNGALOW-OWNERS OF ALMORA CANTONMENT.

279. *Mr. Badri Dutt Pande: (a) Has the attention of the Honourable the Defence Member been drawn to the Army Department letter No. 1010-A.D.4, dated the 10th December, 1928, to the G. O. C.-in-Chief, Eastern Command, desiring to grant land to the present bungalow-owners of the Almora Cantonment since their holdings were held by them without any lease having been executed?

(b) If these holdings were held under what is said to be old grant, why were the holders thereof desired to execute leases under rule 18 (13) of the Cantonment Land Act Rules 1925?

(c) Were any leases executed subsequent to the above communication from the Army Department? If not, what reasons were adduced by the holders thereof against the execution of such leases? (d) Was any survey of the Almora Cantonment land made?

(e) Were the holders of the land given an opportunity to refute the allegation that they held the land under any grant?

(f) Were such rights as are now being claimed by the Government even admitted by the holders of the Almora Cantonment land?

(g) Under what circumstances has the remark 'Government rights admitted' been noted in the General Land Register, Almora Cantonment?

(h) Was this admission of Government rights obtained in writing? If so, when?

Mr. C. M. Trivedi: (a) In the letter quoted by the Honourable Member the Government of India stated that they had no objection to the grant of leases to eight residents of the Almora Cantonment who had expressed their desire to take out leases for the land they held on "Old Grant" terms.

(b) I am unable to say what guided these eight gentlemen in wishing to take out leases. We have no information on the matter.

(c) No leases had been executed. Government has no information on the point raised by the Honourable Member.

(d) The Special Lands Officer prepared the General Land Register and plan of the Almora Cantonment in the year 1929. A detailed survey of the Cantonment was carried out by the Survey of India in 1931-32.

(e) Yes, Sir. The Special Lands Officer in 1929 examined the whole question of tenure in this Cantonment and from his report it appears that he discussed the matter with certain individual holders of the land. In May 1913 a test case was instituted in the Civil Court against Pt. Raghubar Datt Joshi and Pt. Krishna Nand Joshi, owners of bungalows Nos. 5 and 6, who along with certain others refused to acknowledge Government's proprietary title in the land. The case was decided in March 1914 declaring Government to be the owners of the sites in dispute.

(f), (g) and (h). The Special Lands Officer, as a result of his investigation in 1929, reported to Government that only one person, the occupant of Survey No. 28, out of the 17 holders, disputed Government's title to the land. Three such written admissions on stamped paper exist; they were made in 1940-1941. The remaining 13 entries in the General Land Register alluded to by the Honourable Member were made on the Special Lands. Officer's report, and it is presumed that these admissions were made to the Special Lands Officer were made orally.

Mr. Badri Dutt Pande: Is it the intention of the Government to sell this Almora Cantonment to a private owner after the conclusion of the war? Is there any decision like that?

Mr. O. M. Trivedi: I am sorry I cannot hear the Honourable Member.

Mr. Badri Dutt Pande: Has it been decided to sell the Almora Cantonment after the conclusion of the war?

Mr. O. M. Trivedi: This does not arise from the question.

SALE OF SOUTH AFRICAN GOLD IN INDIA.

280. *Mr. Manu Subedar: (a) Will the Honourable the Finance Member be pleased to state how much gold has arrived in India from South Africa since the beginning of the war, and on whose account?

(b) Is it a fact that the Reserve Bank of India have, at the instance of the Government of India, sold this gold in the market? If so, how much was sold during each quarter since the sales began?

(c) Is it a fact that the entire profits on the sale of gold have been transferred to South Africa?

(d) Have the Government of India represented that a portion of these profits should come to them?

(e) Do they propose to make such representation in the future?

The Honourable Sir Jeremy Raisman: (a) to (e). I would invite the Honourable Member's attention to the reply given by me to question No. 272 asked by Mr. K. S. Gupta to-day.

Mr. Manu Subedar: With regard to (a) my question is, how much gold has arrived in India from South Africa since the beginning of the war? This is purely the figure as recorded by the Customs people and I think the Honourable the Finance Member ought to give a reply to this. How much gold has been imported into India from South Africa? If he does not wish to answer the second part I do not want it. But how much gold has arrived since the beginning of the war?

The Honourable Sir Jeremy Raisman: If the total amount could be disclosed without public detriment, it would already be included in the Customs returns.

Prof. N. G. Ranga: Have the Government of India made any profits on account of the sales of this gold?

The Honourable Sir Jeremy Raisman: No. Sir.

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

RECONSTRUCTION COMMITTEES.

281. *Mr. T. T. Krishnamachari: (a) Will the Honourable Member for Planning and Development please state the number of committees and/or subcommittees constituted for the purpose of economic planning and development of India?

(b) Will he be pleased to lay on the table the details of the personnel of these committees?

(c) What is the number of reports submitted by each of these committees?

(d) Will the Members of the Legislature have access to these reports?

(e) Will the House be presented with a report of the work done by the Honaourable Member's Department till now, together with a report of the work done by these committees?

The Honourable Sir Ardeshir Dalal: (a) and (b). I lay on the table of the House a statement giving the desired information.

(c) and (d). No reports are submitted by the Policy Committees, but a summary of the proceedings of each meeting is printed and circulated to members These proceedings were not intended for publication and of the Committee. were marked 'Confidential'.

(e) I invite the Honourable Member's attention to the First and Second Reports on Reconstruction Planning.

Statement giving the number, name and personnel of Policy and Official Committees. Name of Policy Committee-

1. General Policy Committee.

General Policy Committee.
 Policy Committee No. 1 on Re-settlement and Re-employment.
 Policy Committee No. 2 on Disposals, Contracts and Government Purchases.
 Policy Committee No. 3A on Transport.
 Policy Committee No. 3B on Posts and Aviation.
 Policy Committee No. 3C on Public Works and Electric Power.
 Policy Committee No. 4A on Trade and Commerce.
 Policy Committee No. 4B on Industries.
 Policy Committee No. 5 on Agriculture, Forestry and Fisheries.

Personnel.-A list is given below.

Official Sub-Committee-

There are official sub-committees corresponding to the Policy Committees except in respect of General Policy.

RECONSTRUCTION COMMITTEE OF COUNCIL

List of Members of the Various Policy Committees.

Norm.--1. Representatives of the Government of India will be nominated with reference to the agenda for the meeting. 2. Representatives of Provincial Governments will be nominated by these Govern-

ments for each meeting.

3. The names and addresses of representatives of Indian States and non-officials on each Policy Committee are given below.

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GENERAL POLICY COMMITTEE

- (a) States' Representatives
- 1. Sir C. P. Ramaswami Aiyar, K.C.S.I., K.C.I.E., 2. Sir Mirza Ismail, K.C.I.E.
- 3. Mir Maqbool Mahmood.
- (b) Non-Officials
- Sir Purshotamdas Thakurdas, C.I.E., M.B.E.,
 Mr. Jamnadas M. Mehta, M.L.A.,
 Sir George Morton, O.B.E., M.C.,
 Mr. G. D. Birla,
 Mr. G. L. Mehta,
 The Honourable Sir Eahimtoolah Chinoy,
 Sir Bohert Muncipal Sir Statistical Action Science Sci
- The Honouranie Sir Leanningtonian Charley,
 Sir Robert Menzics,
 Sir V. T. Krishnamachari, K.C.I.E.,
 Sardar Bahadur Sir Datar Singh,
 Sir Cowasjee Jehangir, K.C.I.E., O.B.E.
 The Honourable Sir K. Ramunni Menon,
 The Honourable Mr. Honsein Imam. O.B.E., M.L.A.,

- The Honourable Mr. Hossain Imam,
 The Honourable Mr. Hossain Imam,
 Mr. N. R. Sarker,
 Chowdhery Mukhtar Singh,
 Sir R. K. Shanmukham Chetty, K.C.I.E.,

- Rao Bahadur N. Siva Raj, M.L.A.,
 Mr. M. A. Ispahani,
 Sir Muhammad Nawaz Khan, M.L.A.,
- Mr. C. S. Rangaswami,
 Beram J. A. Shah Nawaz,
 Mr. A. D. Shroff,
 Kumararnjah Sir Muthich Chettiar of Chettinad.
- 23. Mr. F. R. Anthony, M.L.A., 24. Sir Joseph Bhore, K.C.S.I., K.C.I.E

POLICY COMMITTEE No. 1-RESETTLEMENT AND RE-EMPLOYMENT

(a) States' Representatives

- 1. B. A. Gaekwar, Esq., 2. Syed Bashir Hussain Zaidi, C.I.E., 3. Captain R. G. Wreford.

(b) Non-Officials

- 1. Mr. S. C. Joshi, M.A., LL.B., 2. Sir Purshotamdas Thakurdas, C.I.E., **M.B.E.**,

- Mr. E. S. Miller,
 Mr. E. S. Miller,
 Mr. Sakarlal N. Chandavarkar, M.L.A.,
 Mr. Sakarlal Balabhai, M.L.A.,
 Mr. W. A. M. Walker, C.B.E., M.L.A.,
- 7. Lala Lakshminat Singhania.

- Mr. A. H. Bishon,
 Mr. Ratanchand Hirachand,
 Piare Lall Kureel Talib, M.L.A.,
 Mr. Zahur Ahmed Choudhary, M.L.A. (Bengal).
- 12. The Honourable Maharaja Srischandra Nandy of Cossimbazar,
- 13. Nawab Sir Muhammad Yusuf, Bar. at-Law, M.L.A.,
- 14. Raja Sri Ram Seth. M.L.C.,
- 15. Sir Muhammad Nawaz Khan, M.L.A.
- 16. Mr. V. B. Karnik, Advocate.
- Major Nawab Jamshed Ali Khan, M.B.E., M.L.A.,
 Rai Sahib Cantain Sunder Singh Bahadur, O.B.I., I.A., (Retd.),
 The Honourable Sir A. P. Patro, K.C.I.E.,
- 20. Rao Bahadur Hony. Cant. Choudhuri Lal Chand. O.B.E.,
- Baja Jagannath Bakah Singh,
 The Honourable Sirdar Sir Buta Singh. Kt., C.B.E.,
 Sardar Raghbir Singh Sandhanwalia, O.B.E.,
- 24. Mr. F. R. Anthony, M.L.A.

POLICY COMMITTEE NO. 2-DISPOSALS, CONTRACTS AND GOVERNMENT PURCHASES (a) States' Representatives.

- Mr. Chulam Muhammad,
- 2 Meharai Shri Pirhhedra Sinhji of Dungarpur,

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5. Sirdar, K. M. Panikkar,

(b) Non-Officials.

- 1. Sir Shri Rom.
- 2 Sir Bernard Prait.
- Mr. J. C. Lancashire.
 M. W. A. M. Walker, C.B.E., M.L.A., .
 Mr. W. R. Watt, C.B.E.,
- R. Watt, C.B.E., 5 Mr

- Mr. C. A. Innes,
 Mr. J. C. Mahindra,
 Mr. Kasturbhai Lalbhai,
 Sir Padamji P. Ginwala,
- 10. Nawab Sir Syed Maratab Ali,

- Mr. Hooseinbhoy A. Lalljee, M.L.A.,
 Mr. M. A. H. Ispahani,
 The Honourable Sardar Bahadur Sobha Singh, O.B.F., í÷
 - 14. Mr. G. D. Naidu,

 - 15. Mr. B. Ramachandra Reddi, C.B.E., 16. Rai Bahadur Rameshwar Prasad Bagla, 17. Mr. S. K. Sen,

POLICY COMMITTEE No. 3A-ON TRANSPORT.

(B) States' Representatives.

- 1. Dr. P. S. Deshmukh,
- 2. Sir Manubhai Mehta, C.S.I.
- 3. Sirdar D. K. Sen, M.A., B.C.L. (Oxon.), Bar.-at-Law.

(b) Non-Officials

- 1. Mr. R. R. Bhole, B.Sc., LL.B.

- Mr. R. Dirkmyre, Bart.,
 Mr. Nur Mahomed Chinoy,
 Mr. D. R. Gadgil,
 Dr. Nalinaksha Sanyal, M.A., Ph.D. (Lond.), M.L.A. (Bengal),
- 6. Mr. W. W. Ladden, 7. Mr. G. C. H. Kent,
- 8. Sir Biren Mookerjee
- 9. Mr. K. Santhanam,
- 10. Malik Sohan Singh,

- Sin Mohammad Yamin Khan, C.I.E., M.L.A.
 Rai Bahadur Sant Ram,
 The Honourable Sir Bijoy Prasad Singh Roy, K.C.I.E., M.L.C.,
- 14. The Honourable Mr. R. H. Parker.
- 15. Sir Renwick Haddow, 16. Mr. M. A. Master,

POLICY COMMITTEE No. 3B-ON POSTS AND AVIATION.

(a) States' Representatives,

- 1. Nawab Khusrn Jung,
- Mir Maqbool Mahomood,
 Mr. Kishenpuri.

(b) Non-Officials.

- Mr. Kasturbhai Lalbhai,
 Mr. J. R. D. Tata,
 Mr. A. F. T. Cambridge,
 Abdur Rahman Siddiqi, M.L.A.,
- 5. The Honourable Sir Rahimtoolah Chinoy,

- 6. Mr. G. L. Mehta, 7. Mr. R. C. Lawson, 8. Seth Yusuf Abdoola Haroon, M.L.A.,
- 9. F/Lt. Rup Chand.

POLICY COMMITTEE No. 3C-PUBLIC WORKS AND ELECTRIC POWER (a) States' Representatives

- 1. Sir Mirza Ismail, K.C.I.E.
- 2. Mr. N. Madava Rao, 3. Sir C. P. Ramaswami Aiyar, K.C.S.I., K.C.I.E.,

(b) Non-Officials.

- 1. Mr. B. R. Kegal, B.E., M.I.E., M.R. SanI., 2. Mr. H. W. T. Hain, C.B.E.,
- 3. Mr. Dharamasey Mulraj Khatau, 4. Mr. N. N. Iengar,
- 5. Rai Bahadur Sohan Lal
- 6. Mr. D. Gladding.

POLICY COMMITTEE No. 4A-TRADE AND COMMERCE

(a) States' Representatives.

- 1. Mr. Ahmed Mohiddin,
- 2. Pandit Amar Nath Atal,
- 3. Mr. Abdul Kadir Mohammad Hossain.

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(b) Non-Officials

- 1. The President of the Federation of Indian Chambers of Commerce and Industry,
- 2. Mr. G. D. Birla,
- 3. The President of the Associated Chambers of Commerce of India,
- Mr. W. K. M. Langley, C.B.E.,
 Mr. B. S. Dabke, B.Com., F.R. Econ. S., F.S.S., (Lond.),
 Sir Abdul Halim Ghuznavi, M.L.A. (Central),
- 7. The Honourable Mr. Hossain Imam,
- 8. Mr. D. L. Subbiah
- 9. Sir Chunilal B. Mehta

- Bir Onumini D. McMail, M.L.A. (Central),
 Mr. K. C. Neogy, M.L.A. (Central),
 The Honourable Mr. P. N. Sapru,
 Dr. Sir Zia Uddin Ahmad, C.I.E. M.L.A., (Central),
 Sir Swetachalapati Ramakrishna Ranga Row Bahadur Varu,
- 14. Dr. J. P. Niyogi, M.A., Ph.D., 15. Dr. John Mathai, B.A., B.L., B.Litt. (Oxon.), D.Sc., (Lond.),
- 16. Dr. Sir Gokul Chand Narang, M.A., Ph.D., Bar.-at-Law, 17. Dr. A. Krishmaswami, M.A., Ph.D.,
- 18. Kumararaja Sir Muthiah Chettiar of Chettinad.

POLICY COMMITTER No. 4-B-INDUSTRIB.

(a) States' Representatives.

- 1. Sir Mirza Ismail, K.C.I.E.
- 2. Mr. Ghulam Mohammed.

(b) Non-Officiale

- 1. Sir George Morton, O.B.E., M.C., 2. Sri Dewan Bahadur C. S. Ratnasabapathi Mudaliar, C.B.E.
- 3. Sir Shri Ram,
- 4. Mr. Bishen Das Basil, M.I.E., (Ind.),
- 5. Sir Padampat Singhania,
- 6. Mr. Dwarka Basi,
- 7. Sir Frederick James, O.B.E., M.L.A.,
- Mr. G. L. Mehta,
 Dr. John Mathai, B.A., B.L., B.Litt., D.Sc. (Lond.),
- 10. Mr. M. A. Ispahani,
- Mr. M. A. Ispahani,
 Sir Abdul Halim Ghuznavi, M.L.A. (Central),
 President, Federation of Indian Chambers of Commerce and Industries,
 President, Associated Chambers of Commerce, Royal Exchange,
 Mr. J. R. D. Tata,
 Sir V. T. Krishnamachariar,
 Sir Padamji Ginwala,
 Mr. N. R. Sarkar,
 Mr. G. D. Birla,
 Sir Purshermedae The model of Commerce, State

- 19. Sir Purshotamdas Thakurdas, C.I.E., M.B.E., 20. Mr. Kasturbhai Lalbhai,
- 21. Mr. Walchand Hirachand,
- 22. R. A. Khedgikar, M.L.A.

POLICY COMMITTEE No. 4C-SHIPPING.

(a) States' Representatives.

- 1. Sir C. P. Ramaswami Aiyar, K.C.S.I., K.C.I.E., 2. Mr. S. V. Mukerji.

(b) Non-Officiale.

- Mr. Walchand Hirachand,
 Mr. M. A. Master,
 Mr. W. L. A. Raddliffe,
 Sir Abdul Halim Ghaznavi, M.L.A. (Central),
 Mr. K. C. Neogy, M.L.A. (Central),
 Khan Bahadur Mian Ghulam Kadir Mohd. Shahban, J.P., M.L.A. (Central),
 Khan Bahadur Mian Ghulam Kadir Mohd. Shahban, J.P., M.L.A. (Central),
 Sin P. K. Shaamukham Chattar K.C. J.F.
- 8. Sir R. K. Shanmukham Chetty, K.C.I.E.

POLICY COMMITTEE No. 5-AGRICULTURE, FORBSTRY AND FISHERIES.

(a) States' Representatives.

- 1. Mr. M. J. Narasimhan, 2. Sir T. Vijavarashavachariar, K.B.E., 3. Mr. K. S. Sursinhji.

(b) Non Officials.

- The President, Associated Chambers of Commerce,
 The President, Federation of Indian Chambers of Commerce,
- 3. Sir Swetachalanati Ramakrishna Ranga Row Bahadur Varu,
- 4. The Honourable Mr. Hossain Imam.
- 5. Sir Frederick James, M.L.A.,

- 6. Sir Chunilal B. Mehta,
- Momin, C.I.E., 7. Khan Bahadur M. A.
- 8. Mr. F. I. Rahimtoola, C.I.E., 9. Mr. P. N. Singh Roy,
- 10. Mr. Roger Thomas, C.I.E., J.P.,
- 11. Sirdar Bahadur Sir Datar Singh,
- 12. Dr. L. C. Jain, D.Sc. (Econ.) (Lond.),
- 13. Chowdhery Mukhtar Singh, 14. Sir Manilal Nanavati,
- 15. Prof. J. N. Mukherji, C.B.E.,

- 16. Dr. Sam Higginbotham, 17. Sardar Vivek Singh Majithia, 18. Mr. B. Ramachandra Reddi, C.B.E.,
- Sri Rao Bahadur N. R. Samiappa Mudaliar, M.L.C.,
 Sri Rao Bahadur R. V. Ramasundaram Pillai, B.A.,
 Dr. A. Krishnaswami, M.A., Ph.D.,

22. Mr. R. L. Biswas.

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Mr. T. T. Krishnamachari: May I ask the Honourable Member with regard to (a) whether it means that the reports will not be available for Members of the Legislature?

The Honourable Sir Ardeshir Dalal: They were not intended to be available to Members of the Legislature, but if the Members of the Legislature desire

it, I would have no objection to laying them on the table of the House.

Mr. Lalchand Navairai: Copies could be placed in the Library.

Prof. N. G. Banga: Are there any committees or sub-committees to plan for livestock improvement in this country, for agriculture and also for forests? The Honourable Sir Ardeshir Dalal: Yes, Sir.

Prof. N. G. Ranga: Have any steps been taken by Government to see that people actually engaged in raising and looking after livestock and engaged in agriculture, fisheries and cottage industries have been taken into consideration?

The Honourable Sir Ardeshir Dalal: They will have adequate representation on the Committee.

Prof. N. G. Ranga: Are Government satisfied with the amount of representation they have given and the kind of representatives they have selected so far?

The Honourable Sir Ardeshir Dalal: Yes, Sir.

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

RELATIONSHIP BETWEEN CENTRAL AND PROVINCIAL PLANNING AND DEVELOPMENT DEPARTMENTS.

282. *Mr. T. T. Krishnamachari: Will the Honourable Member for Planning and Development please state the relationship between his Department and similar Departments that exist in the Provinces?

The Honourable Sir Ardeshir Dalal: I invite the Honourable Member's attention to paragraph II of Part I of the Second Report on Reconstruction Planning.

The Departments in the Provinces prepare their own plans for subjects within their responsibilities under the general guidance of the Centre. The plans will then be co-ordinated by the Centre subject to the agreement of the Provinces.

Prof. N. G. Ranga: Is there any committee to co-ordinate the efforts of the Central Government and the Provincial Governments in this matter of planning?

The Honourable Sir Ardeshir Dalal: No, Sir.

Prof. N. G. Ranga: Is it not necessary to establish a Co-ordination committee so that it may be possible for the Honourable Member to know what the Provinces are doing and for Provinces to know what the Centre is doing and also to co-ordinate the plans as they are being developed by the Provinces as well as by the Centre?

The Honourable Sir Ardeshir Dalal: The centre is aware of what the Provinces are doing and the Provinces are aware of what the Centre is doing.

Prof. N. G. Ranga: But what efforts are being taken by the Government of India here to see that their plans are being developed in co-ordination with the Provincial Governments and that Provincial Governments are satisfied with the development of the Central Government's plan?

The Honourable Sir Ardeshir Dalal: That is one of the principal objects of this Department.

Mr. N. M. Joshi: May I ask if Government is aware that some Provincial Governments have already published plans for reconstruction and whether these plans are a part of the co-ordinated whole or that these parts will be co-ordinated afterwards?

The Honourable Sir Ardeshir Dalal: The Government of India is aware that some Provinces have already published the first report of their plans. The co-ordination is to come at a later stage after reports from the various Provinces are received.

Babu Baijnath Bajoria: Has the Government of Bengal started a Planning and Development Department?

The Honourable Sir Ardeshir Dalal: Yes, Sir.

Babu Baijnath Bajoria: Is it working in co-ordination with the Centre?

The Honourable Sir Ardeshir Dalal: We have not yet received any report from the Government of Bengal.

RELATIONSHIP BETWEEN CENTRAL AND PROVINCIAL PLANNING AND DEVELOPMENT DEPARTMENTS.

*Mr. T. T. Krishnamachari: Will the Honourable Member 283. for Planning and Development please state: (a) whether planning and development activities for Central Government

and the Provincial Governments have been demarcated; and

(b) whether Provinces and Indian States as such are represented in the Committees functioning under his Department?

The Honourable Sir Ardeshir Dalal: (a) The Provinces will prepare plans for subjects within their own responsibility but in order to secure a balanced economic development of the whole country the Centre will co-ordinate the plans. The matter is one of agreement and mutual adjustment with Provinces.

(b) Provinces as such have been represented on the Policy Committees, certain State representatives have been nominated to each of these Committees by H. E. the Crown Representative to speak not only for their own States but also for other States when so required by them.

Mr. T. T. Krishnamachari: May I ask the Honourable Member if he is aware that Sir Shanmukham Chetty, a member of the General Policy Committee stated at a meeting of the Reconstruction Committee, Madras, that he was not aware of the limits of interference by the Centre in matters Provincial, since they were not properly demarcated and therefore he was not in a position to enlighten the Madras Reconstruction Committee?

The Honourable Sir Ardeshir Dalal: I am not aware of what Sir Shanmukham Chetty said.

Mr. T. T. Krishnamachari: Will the Honourable Member kindly make enquiries?

Mr. Hooseinbhoy A. Lalljee: May I know from the Honourable Member whether the Indian States will place before the Central Government their schemes of planning?

The Honourable Sir Ardeshir Dalal: Many of the major Indian States are preparing their schemes of planning.

Mr. Hooseinbhoy A. Laljee: Will they place them before the Central Government. We are taking them into confidence with regard to our plans and I want to know whether they will return the courtesy.

The Honourable Sir Ardeshir Dalal: I cannot speak on behalf of the Indian States but, as far as I am aware, 'the States are very keen on co-operating with the Centre in the matter of industrial development.

Babu Bainath Bajoria: May I know whether the Honourable Member is aware that the officer palced in charge of Planning and Development in Bengal has taken six months' leave?

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POSITION OF INSURED PROPERTY

284. *Dr. Sir Zia Uddin Ahmad: (a) Will the Honourable the Finance Member please state the position of the property—movable and immovable insured in different companies?

(b) Is it a fact that these companies are making an attempt to absolve themselves from the payment of the damages of insured property? (c) Was the Government approached on this question, and what was its decision?

The Honourable Sir Jeremy Raisman: (a), (b) and (c). If, as I presume, the Honourable Member is referring to property covered by insurance, which was damaged in the Bombay explosions, I would invite his attention to the Government of India Press Communique, dated the 30th May, 1944, outlining the scheme of compensation to the victims of the Bombay explosion and to Section 14 of the Bombay Explosion (Compensation) Ordinance, 1944, which is published in the Gazette of India Extraordinary, dated the 1st July, 1944.

Mr. Manu Subedar: May I know from the Honourable Member whether people whose properties were insured have already received payment from Government and from the insurance companies?

The Honourable Sir Jeremy Raisman: Quite a number of claims have already been settled: that is my information.

Mr. Badri Dutt Pande: Has any compensation been paid so far or will it be paid after the war?

The Honourable Sir Jeremy Raisman: Compensation is to be paid before the end of the war. It is being paid as and when claims are examined and settled.

RADIO LICENCES AND RADIOS IMPORTED UNDER LEND-LEASE.

285. *Mr. Manu Subedar: (a) Will the Honourable Member for Information and Broadcasting be pleased to state the total number of radio licences in India at the last available date?

(b) How many radios have been imported into India under the Lend-Lease from the United States of America?

(c) How many of them have been sold?

(d) Is it a fact that these radios have come under the Lend-Lease, i.e.. free of cost to the United Kingdom, but that full value is realised in India for them and the money credited to the Government of the United Kingdom?

(e) At various stations in India what percentage of the total time that the radio is operating is devoted to war news, war reviews, relays, discourses relating to war from other countries, and generally to topics connected with the war?

⁻ (f) What is the increase in the expenditure of the 'All-India Radio per year since the beginning of the war?

The Honourable Dewan Bahadur Sir A. Bamaswami Mudaliar: (a) The number of radio receiver licences in British India on 30th September, 1944 was 1,89,945.

(b) 40,917.

(c) 27,701 sets have been sold through commercial channels.

(d) All the sets were sent originally on Lease-Lend but Lease-Lend was withdrawn in regard to all sets sold to the trade. These were on cash reimbursible basis *i.e.*, dollars have to be paid to the U.S.A. Government for 27,701 sets. The reference to the Government of U.K. does not arise. It is the standing practice to realise the rupee cost of all articles received on Lease-Lend which are issued to the Public or to a Commercial Department of Government.

(e) The required information is being collected and will be laid on the table of the House in due course.

(f) A statement giving the required information is laid on the table of the House.

LEGISLATIVE ASSEMBLY

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Statement showing the increase in expenditure of All-India Radio since the beginning of the war.

	vious yea. Rs. Rs.	r
	Rs. Rs.	
1939-40	. 25,46,700	
1940-41	. 30,24,000 4,77,30	0
1941-42	. 33,40,900 3,16,90	0
1942-43.	. 38,55,800 5,14,90	0
1943-44 (Revised† Estimates)	47,86,000 9,30,20	
†Actuals not yet avail		•

Mr. Manu Subedar: After the rupee part is realised from the Departments, who receive these goods, how is the rupee part converted into dollars for payment to the United States of America?

The Honourable Dewan Bahadur Sir A. Ramaswami Mudaliar: That is through the Reserve Bank of India.

Mr. Manu Subedar: From what source were the private bills paid to India for goods sold by us to the U.S.A.? I was told that all these dollars go to the pool. I want to know whether Indian requirements for these payments are made out of the pool?

The Honourable Dewan Bahadur Sir A. Ramaswami Mudaliar: They are ' made out of the pool.

Mr. T. S. Avinashilingam Ohettiar: What profits are fixed on these radios when they are sold by private agencies?

The Honourable Dewan Bahadur Sir A. Ramaswami Mudaliar: That is fixed by the Industries and Civil Supplies Department under the provisions of the Anti-Profiteering and Anti-Hoarding Ordinance.

EQUIPMENT IMPORTED FOR THE ALL-INDIA RADIO

286. •Mr. Manu Subedar: (a) Will the Honourable Member for Information and Broadcasting be pleased to state what additional equipment has been imported for the All-India Radio since the beginning of the war?

(b) From which country was it imported, and what was the price paid?

(c) In how many languages is the All-India Radio now operating?(d) How many of them are non-Indian and foreign languages, and which

are they? The Honourable Dewan Bahadur Sir A. Ramaswami Mudaliar: (a) and (b). A statement giving the required information is laid on the table of the House

A statement giving the required information is laid on the table of the House. (c) and (d). I would invite the attention of the Honourable Member to the "Indian Listener" copies of which are available in the Library of the Legislature.

Detail of the equipm	Country imp	from v		Cost of the equipment (roundly)				
Fransmitter equipment 1 100 k. w. shortwave	•	•	•	United Kin	gdom	•	•	Rs. 9,89,000
1 10 k. w. medium wave 5 k. w.	•	•	•	U. S. A. United Kin	gdom	:	•	1,64,000 1,19,000
Studio equipment 4 sets	•	•	•	U. S. A.	•	•	•	3, 50 ,000
Miscellaneous spare parts for various stations Radio.	of	All-Ind	ia	U. S. A.	•	•	•	1,45,000
Testito.		١						(including stores worth Rs. 85,000 imported under Lease/Least terms).

Statement showing the equipment imported for All-India Radio since the beginning of the war, the country from which imported and the cost of the equipment.

Mr. Manu Subedar: With regard to part (d), viz., broadcasting in foreign languages, may I know whether this is considered as part of the war effort? The Honourable Dewan Bahadur Sir A. Ramaswami Mudaliar: Yes, Sir.

Mr. Manu Subedar: May I know, in that case, whether India gets any credit from the Allied Nations with regard to the money spent in this manner?

The Honourable Dewan Bahadur Sir A. Ramaswami Mudaliar: India is in the war and it is past of its war effort.

Empire Dollar Pool

287. *Mr. K. S. Gupta: (a) Will the Honourable the Finance Member please state when the Empire Dollar Pool was formed, and under whose suspices?

(b) If it has been formed, what is the constitution? Are the Government of India consulted before its formation? If not, why not?

(c) Are the Government of India in a position to give authentic information regarding the credits in the Empire Dollar Pool and allocation therefrom made to India so far?

(d) Is it a fact that India's dollar credits have been credited to the Empire Dollar Pool?

(e) Why has no information as to the manner in which these dollars have been utilized not been made available in this country? Would the Government of India see to the publication of the information at an early date to allay public suspicion?

(f) Is it not a fact that the suggestion of the Indian Delegation to secure convertability of at least a portion of India's Sterling balances into International currency in the transition period was turned down at the Bretton Woods Conference?

(g) Do the Government of India realize even now the urgent need of independent dollar resources of her own for her post-war development?

(h) Do the Government of India propose to secure the dissolution of the Empire Dollar Pool and allocation of dollars to India on a pro rate basis?

(i) What percentage is now being credited in dollars in favour of this country, and how much dollar balances have accumulated?

(j) Are the Government of India prepared to make arrangements for all the dollars accruing to India's credit out of her favourable trade balances or out of the expenses and purchases of the American Army in India which should forthwith be put in a separate account and made available to this country till the allocations from the Empire Dollar Pool are complete?

The Honourable Sir Jeremy Raisman: (a) The arrangement to pool foreign exchange resources of countries of the British Empire in the event of war was made in London in 1939 on a suggestion by H.M.G. and the Bank of England.

(b) Under the pooling arrangement H.M.G. was given control of all foreign exchange resources of the sterling area. Members agreed to introduce parallel systems of exchange control and in return they were entitled to obtain their foreign exchange requirements from the Bank of England. The answer to the 2nd part of the question is in the affirmative.

(c) No.

(d) Yes.

(e) I have already explained previously and also stated recently in reply to Mr. Neogy's question No. 27 of 3rd November, 1944, that the dollars in the Common Empire Pool are used for meeting the essential import requirements of the sterling area countries. Further information cannot be given without detriment to the public interest.

(f) Yes.

(g) I would invite the attention of the Honourable Member to para. 52 of my Budget speech for 1944-45.

(h) and (j). The prosecution of the Common war effort renders necessary the continuance of the present arrangements.

(i) The Honourable Member presumably refers to the arrangement mentioned in para. 52 of my Budget speech. I regret I am not in a position to give any further information.

Mr. Manu Subedar: May I know from the Honourable Member whether the essential requirements for which this dollar pool is used, as the Honourable Member said, relates not only to munitions and war materials but also to the requirements of the civilian population of the sterling areas?

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The Honourable Sir Jeremy Raisman: They refer largely to the first item but they also include the latter categories, because unless the civilian population can be maintained in a satisfactory manner munitions production, etc., cannot go on.

Mr. Manu Subedar: May I ask why the dollar requirements of the civilian population of India are being stinted and why dollar exchange is not given to private parties when they ask for it, even in a reasonable measure?

The Honourable Sir Jeremy Raisman: This is a question as to what is regarded as reasonable. Some of the objects which my Honourable friend mentioned the other day are not objects which can be given a high priority in war time but the requirements of the civilian population of India are entitled to consideration in this matter just as much as the requirements of other civil populations.

Mr. Manu Subedar: Will the Honourable Member promise to consider that there are numerous factories, industrialists and those who are producing essential goods in this country who are in need of some essential parts, some lubricants, replacements or equipment? Will my Honourable friend promise to look into these numerous applications which have been rejected?

The Honourable Sir Jeremy Raisman: If these requirements are for purposes which are essential at the present time I consider that they should be given reasonable priority but it depends entirely on the competing claims.

Mr. Manu Subedar: Is the Honourable Member aware that there is an apprehension in business quarters that Government is trying to divert the demand for goods from the U.S.A. into the United Kingdom and that they are discouraging people from taking their essential requirements from the U.S.A. and one of the methods of such discouragement is the refusal to give dollar exchange?

The Honourable Sir Jeremy Raisman: That is not the correct way of stating the position. The fact of the matter is that the supplies of dollars are inadequate for the demands which might be placed on the U.S.A. and the only cure for that situation is to ration the supply of dollars and to divert demands which cannot be satisfied from America to other sources of supply.

Mr. Manu Subedar: That might be the case with the United Kingdom: but is it not a fact that India, if her own share of export was considered, has got more than enough, and that in spite of the fact that we export so much to the U.S.A. we are not given the benefit of these dollars?

The Honourable Sir Jeremy Raisman: The developments of the war may throw up an extra accretion of dollars in one or other part of the empire at different times.

Mr. Manu Subedar: We want our own dollars.

The Honourable Sir Jeremy Raisman: They may be your own dollars, but the position is they arise partly from the fact, for instance, that the whole of the productive population of Britain is engaged on producing munitions of war and cannot be engaged on activities which would result in the earning of dollars; but those munitions of war are also used on India's behalf. The only way in which all these factors can be taken into account is by treating the whole as one unit. It is true that at the present time there is on balance an accretion of dollars to India; but it would not be possible to carry on the war if factors of that kind were to be given predominating influence.

Mr. T. S. Avinashilingam Chettiar: With reference to part (f) of the question, the Honourable Member referred us to his last Budget speech. May I know how he could anticipate the decisions of the Bretton Woods Conference which was held later, in his Budget speech which was given much earlier?

The Honourable Sir Jeremy Raisman: The reply to part (f) was "Yes".

Mr. T. S. Avinashilingam Chettiar: With reference to part (i) of the question, the Honourable Member promised in his Budget speech that they will set apart a dollar pool for India: may I know if it is coming about?

The Honourable Sir Jeremy Raisman: As I stated the other day, that is already being carried out.

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

Prof. N. G. Ranga: Will any steps be taken to see at least before the next Budget is introduced, that some action will be taken.

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

REPRESENTATION re INDO-BRITISH FINANCIAL SETTLEMENT.

288. *Mr. K. S. Gupta: (a) Will the Honourable the Finance Member please state whether there is any representation or communication to the Government of India by the Indian Chamber of Commerce on the Indo-British Financial Settlement regarding allocation of military defence expenditure as between His Majesty's Government and India?

(b) Is it not a fact that the following observation has been made by the Indian Chamber of Commerce "When the poverty of the people, their low standard of living and their extremely limited general taxable capacity are taken into account India has been made to pay towards the cost of war out of all proportion to her ability and her actual sacrifices have to be calculated in terms of scarcity, privation and suffering of the people"?

(c) What have the Government of India to say about the facts stated therein?

(d) Are the Government of India aware that the Indian public has all along been dissutisfied with the Indo-British Financial Settlement, and that they express their strong sense of resentment at the efforts that are still continued to be made by responsible people in the United Kingdom to minimise India's financial contribution to the war and to urge enhancement of the burden imposed upon her?

(e) What have the Government of India done to resist the attempts that are being made to increase the incidence of defence expenditure on India?

(f) Is it not desirable to have a rigid distinction between a measure for local defence of India and one for imperial defence?

(g) Is it not a fact that India has made a substantial contribution to the common was effort through reciprocal aid under lease-lend to the United States of America?

(h) What is the present position of India with regard to lease-lend question?(i) Is there any financial benefit received by India as a result of lease-

lend supplies from the United States of America? If so, what is the total benefit derived by India in the years 1942 and 1948 or as a whole up-to-date?"

(j) Do Government propose to see that India should be made responsible only for such portion of the American expenditure in India as is directly incurred for India's legitimate defence, and that it should not exceed the value of such lease-lend aid as is actually received by India for her own defence purposes?

(k) Are the Government of India prepared to make an authoritative declaration on this subject? If not, why not?

The Honourable Sir Jeremy Raisman: (a) and (b). Yes.

(c) The observation stated a point of view.

(d) The Government of India are aware that a section of the public has given expression to the views mentioned.

(e) I would refer the Honourable Member to my last Budget speech.

(f) I would refer the Honourable Member to my Budget speeches and the Reports of the Public Accounts Committee for an account of the manner in which measures for the local defence of India are determined.

(g) Yes.

(h) and (i). The position is indicated in my last Budget speech.

(j) and (k). The scope of Reciprocal Aid given by the Government of India was indicated in my last Budget speech. Reciprocal Aid to the United States Government has not so far exceeded the value of Lease-Lend benefits received by India for her own purposes. Should this happen the policy of the Government of India would have to be again considered. LEGISLATIVE ASSEMBLY

Mr. Manu Subedar: Is it a fact that the Government of India have departed from the ceiling obligation of India in the matter of military expenditure, both in the matter of army and navy and aircraft, and that India is now burdened with a much larger share of the costs?

The Honourable Sir Jeremy Raisman: It is not a fact that the Government of India have so departed: there was no 'ceiling arrangement.

Mr. Manu Subedar: Under the Chatfield scheme there was a ceiling arrangement.

The Honourable Sir Jeremy Raisman: I am afraid I do not understand to what the Honourable Member is referring. The Government of India have not departed from the principles of the settlement.

PAUCITY OF MUSLIM OFFICERS IN THE OFFICE OF THE DEPUTY ACCOUNTANT GENERAL, POSTS AND TELEGRAPHS, DELHI

†289. *Seth Yusuf Abdoola Harcon: (a) Will the Honourable the Finance Member be pleased to state whether it is a fact that there is no Muslim officer in the Office of the Deputy Accountant General of Posts and Telegraphs, Delhi?

(b) Is it a fact that four Subordinate Accounts Service passed clerks were brought to work in the above office from Madras?

(c) Do Government propose to replace these Madrasis by Muslim officers?

(d) Are Government servants of the above office provided with free quarters outside Delhi and Simla?

The Honourable Sir Jeremy Raisman: (a) and (b). The attention of the Honourable Member is invited to the replies given by me on the 3rd November, 1944, to part (c) of his starred question No. 80 and part (b) of his starred question No. 81.

(c) No. The attention of the Honourable Member is invited to the answer given by me to part (d) of his starred question No. 80 on the 3rd November. 1944.

(d) As no portion of the office of the Deputy Accountant General, Posts and Telegraphs, Delhi, is located outside Delhi, this question does not arise.

REST AND RECREATION AND WAR ALLOWANCES

†290. *Seth Yusuf Abdoola Haroon: (a) Will the Honourable the Finance Member please state if it is a fact that the Government of India had sanctioned the grant of travelling allowance up to a maximum of Rs. 300 to Government servants not enjoying the Dearness Allowance?

(b) Is it a fact that the Government of India have now sanctioned war allowance equal to 10 per cent. of pay to officers drawing pay up to Rs. 1,000 with marginal adjustment up to Rs. 1,100?

(c) Will the above travelling allowance also be paid to all the officers now in receipt of the war allowance? If so, do Government propose to ϵx tend this concession to the entire non-gazetted clerical staff in Audit and Accounts Offices in India who are also paid 10 per cent. war allowance from the 1st July, 1944? If not, why not?

The Honourable Sir Jeremy Raisman: (a), (b) and (c). The attention of the Honourable Member is invited to the reply given by me to parts (e), (f) and (g) of his starred question No. 176 on 8th November, 1944.

DESIRABILITY OF INCREASING DEARNESS ALLOWANCE FOR STAFF OF AUDIT AND ACCOUNT OFFICES

†291. *Seth Yusuf Abdoola Haroon: (a) Will the Honourable the Finance Member please state if it is a fact that in all Audit and Accounts Offices in India there is more than half temporary staff and that the permanent staff has to discharge more duties and responsibilities on this score?

(b) Do Government propose to afford more generous and immediate relief to the poverty-stricken permanent staff in Audit and Accounts Offices

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in the shape of more Dearness Allowance or in revising the existing scales of pay? If not, why not?

The Honourable Sir Jeremy Raisman: (a) and (b). The attention of the Honourable Member is invited to the reply given by me today to parts (c) and (d) of his starred question No. 267.

REFUSALS OF LEAVE IN AUDIT AND ACCOUNT OFFICES

†292. *Seth Yusuf Abdoola Haroon: Will the Honourable the Finance Member please state if it is a fact that in Audit and Accounts Offices men have to wait long for the grant of leave on average pay for want of a leave reserve?

(b) If the answer to (a) above is in affirmative, what arrangements do-Government propose to make for it?

(c) Is it a fact that the scales of pay in Audit and Accounts Offices are most low and inadequate than those in vogue in Imperial and Provincial Secretariats?

(d) If the answer to (c) above is in affirmative, what do Government propose to do in the matter of revising their scales?

The Honourable Sir Jeremy Raisman: (a) to (d). The attention of the Honourable Member is invited to the replies given by me today to part (a) of hisstarred question No. 269 and parts (d) and (e) of his starred question No. 271.

DETENTION OF MR. MADHO SHRIPAD GOKHALE

293. *Mr. N. M. Joshi: Will the Honourable the Home Member be pleased to state:

(a) whether Mr. Madho Shripad Gokhale was arrested on the 26th March, 1944, under the Defence of India Rules under orders of the Government of India;

(b) whether his ease has been examined by the Government of India with a view to his release, and, if so, what the result is;

(c) whether Mr. Gokhale has been denied interview with his relatives for important personal business;

(d) whether the Government of India was informed by one of his relativesthat his insurance policy could not be revived unless a medical certificate from the Oriental Company's doctor could be produced;

(e) whether the Government of India had refused to allow the Insurance Company's doctor to examine Mr. Gokhale, and, if so, whether the Government of India would be responsible for compensating the Company for the lose which will be caused on account of such a refusal; and

(f) whether the Government of India propose to reconsider this question? The Honourable Sir Francis Mudie: (a) He was detained by order of the Central Provinces Government on the date mentioned and subsequently by the Central Government.

(b) to (f). For security reasons certain special restrictions had to be imposed in this case. I myself kept in close touch with it throughout and as soon as I was satisfied that these restrictions could be removed they were removed and Mr. Gokhale released.

Mr. N. M. Joshi: May I thank the Honourable Member for this one act of justice which his Department has promptly done?

Mr. Govind ∇ . Deshmukh: May \hat{I} know if this was due to a change in policy towards the detenues and if so will it be followed up towards other detenues?

The Honourable Sir Francis Mudie: No.

NAMES OF WEEK DAYS CHANGED BY Awaz.

294. *Mr. Lalchand Navalrai: (a) Will the Honourable Member for Informstion and Broadcasting be pleased to say whether he knows that the fortnightly *Awas* edited by his Department has now changed the names of the days of the week to Urdu words, such as "Peer" for "Sumwar", "Jumma Rat" for

+Answer to this question laid on the table, the quéstioner being absent.

LEGISLATIVE ASSEMBLY

"Vrispat" and "Haftah" for "Sanichar"? If so, why have these names been adopted instead of those commonly in use and are understood by both Hindus and Muhammadans?

(b) Are the words "Peer" and "Haftah" Urdu or Hindi or Persian words, and have they ever been used for "Sumwar" and "Sanichar" by Hindus?

(c) What is the policy of the Information and Broadcasting Department for the selection of words to be used for broadcasting?

(d) Is it a fact that to remove the controversy regarding Urdu and Hindi the Honourable Member sometimes stated on the floor of the House that only Hindustani words which are understood by both Hindus and Muslims, would be used?

(e) Who is the editor of this Awas? What is his other position in the Department? Under whose instructions has he used the aforesaid words?

(f) Do Government propose to change these words to the original words in use or to such words which could be understood equally by both Hindus and Muslims? If not, why not?

The Honourable Dewan Bahadur Sir A. Ramaswami Mudaliar: (a) No. These words were always used in the Awas which is an Urdu journal; Hindi equivallents are used in Sarang which is a Hindi journal.

(b) For the origin of these words, the Honourable Member should refer to an Etymological dictionary. They are used by many Hindus.

(c) and (d). The attention of the Honourable Member is invited to the reply given by me on the 8th November to Mr. Govind V. Deshmukh's Starred question No. 170.

(e) Awaz is edited by Mr. Ghulam Abbas, who holds the post of Sub-Editor in the office of the Editor, Indian Listener. 'The office of the Indian Listener produces all the three magazines: Indian Listener, Awaz and Sarang. The latter part of the question does not arise.

(f) No. This is not necessary in view of the reply to part (a) of the question.

Mr. Lalchand Navalrai: May I know if the Honourable Member has ever 'heard the word "Peer" used for Monday?

The Honourable Dewan Bahadur Sir A. Ramaswami Mudaliar: Yes; it is very extensively used in that part of the country from which I come.

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

Mr. Lalchand Navalrai: Is it the policy of the Government. . . .

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

MODIFICATION OF INDO-BRITISH FINANCIAL SETTLEMENT

295. *Mr. Manu Subedar: (a) Does the Honourable the Finance Member propose to give particulars to this House of the agreement regarding the apportionment of Defence expenditure incurred by India between the Government of India and His Majesty's Government?

(b) Has there been any change in this agreement since these terms were given in 1941?

(c) When did the British Government press for its revision?

(d) Did the Government of India at any time put forward a ceiling figure for Defence expenditure to be borne by India and the entire balance to be borne by the United Kingdom?

(e) Was such a representation received by the Government of India from any public body?

(f) Are Government aware that a much larger share than India should bear is being thrown on the Indian revenues and the existing burden of Defence expenditure is beyond the capacity of this country?

(g) What is the total Defence expenditure of India in the year 1943-44?

(h) Is it not a fact that it has exceeded the estimate as given in the Budget speech by the Finance Member?

(i) In addition to these charges being borne by the Indian revenues, is it not \bullet fact that enormous amount of materials are nurchased at controlled prices

for the Government of the United Kingdom for which the latter does not propose to make immediate or definite and certain payment?

(j) What do Government propose to do for safeguarding India's true interests?

The Honourable Sir Jeremy Raisman: (a) I would refer the Honourable Member to my Budget speech for 1940-41.

(b) No.

(c) The Honourable Member's attention is invited to my Budget speech for 1943-44.

(d) No.

(e) Yes.

(f) The answer to this, in so far as it is not a request for an expression of opinion, is in the negative.

(g) The revised estimates for 1943-44 provide for a sum of Rs. 300.94 crores to be borne by India as her share of the defence expenditure.

(h) Yes.

(i) While His Majesty's Government themselves make purchases of certain items in India, certain other items are purchased by the Government of India on account of His Majesty's Government at the best prices that can be secured. For the latter class of purchases His Majesty's Government afford sterling credits to India.

(j) Government are continually doing all in their power to safeguard India's true interests.

Mr. Manu Subedar: What was the share of the United Kingdom? India's share was mentioned is 344 crores; what is the United Kingdom's share of war expenditure incurred in India in the year 1943-44?

The Honourable Sir Jeremy Raisman: I am afraid I have not got that with me; but I must point out that most of the questions are directly answered in the Budget speech in some detail.

Mr. Manu Subedar: May I know why Government have departed from the salutary practice and from the point which was represented by so many associations and the public of India that there should be limitation on the cost of the war, which India can bear, and that the whole of the rest should be borne by the United Kingdom?

The Honourable Sir Jeremy Raisman: That is a large question, but in my opinion it is not possible to place a ceiling in terms of rupees on the amount of any country's war effort.

Mr. Manu Subedar: May I know why the Government of India agreed to the expenditure of Rs. 80 crores on aerodromes which nobody is using and nobody will use and which the taxpayers of this country cannot bear?

The Honourable Sir Jeremy Raisman: I am not aware of aerodromes which nobody has used and nobody will use.

Mr. Manu Subedar: Was Rs. 80 crores spent on aerodromes or not?

Mr. President (The Honourable Sir Abdur Rahim): The Honourable Member is arguing. Next question.

THE UNITED KINGDOM COMMRCIAL CORPORATION.

296. *Mr. Manu Subedar: Will the Honourable the Finance Member please state whether the U.K.C.C. is a company registered in the United Kingdom. or is it working under a special charter?

(b) Is it a fact that the U.K.C.C. is making very large profits by sale to India and by purchase from India and sale in other markets?

(c) Is it a fact that they have refused to disclose their operations to the Government of India from time to time?

(d) Since when has the U.K.C.C. operated in India and on such operations what attempt has the Finance Department made to recover income-tax on their profits, as in the profit of every one else who is operating in India?

(e) Is not the activity of the U.K.C.C. coming under the Government Trading Taxation Act, 1926? (f) Why has the Finance Department been slack in the matter of recovering income-tax from the U.K.C.C.?

The Honourable Sir Jeremy Raisman: (a) The United Kingdom Commercial Corporation is a Company registered in the United Kingdom under the United Kingdom Companies Act, 1929.

(b) No. The Government of India understand that this is not true of the Corporation's activities as a whole.

(c) No. The transactions of the U.K.C.C. are reported to the Government of India every month.

(d) The U.K.C.C. has been operating in India since 1941. As regards the latter part of the question, the Income-Tax Department have, as in other cases, started assessment proceedings.

(e) No.

(f) There has been no slackness. Time has had to be allowed for the preparation of detailed figures.

Sir Vithal N. Chandavarkar: In view of the misgivings created in the public mind by the activities of the U.K.C.C., will the Honourable Member secure a copy of the articles of association of the U.K.C.C. and lay it on the table of the House?

The Honourable Sir Jeremy Raisman: That really is a question for my Honourable colleague the Commerce Member.

(b) WRITTEN ANSWERS

SALE OF SOUTH AFRICAN GOLD IN INDIA

297. *Mr. Manu Subedar: (a) Will the Honourable the Finance Member please state if it is a fact that the Reserve Bank is acting as an agent for the South African Government for the sale of gold in India? If not, on whose behalf is this gold being sold?

(b) With regard to profits made on the sale of gold in this country, what. attempt has been made by the Finance Department to recover the income-tax. thereon?

(c) Is this not a trading transaction within the scope of the Government: Trading Taxation Act, 1926?

(d) What commission is charged by the Reserve Bank on this operation? (e) Have the Government of India asked for a share of the profits? If not, why not?

(f) In any case, are all profits earned in India liable to tax?

(g) Why are these particular profits allowed to escape?

The Honourable Sir Jeremy Raisman: (a) The answer to the first part is in the negative. For the 2nd part I would refer the Honourable Member to my reply to question No. 272 asked by Mr. K. S. Gupta today.

(b), (c) and (e), (f) and (g). I would invite the Honourable Member's attention to the reply I gave to Mr. T. T. Krishnamachari's starred question No. 191 on the 8th November 1944.

(d) The information is not available.

ORDINANCE No. 45 OF 1944

298. *Mr. Manu Subedar: (a) Is the Honourable the Finance Member aware of great dissatisfaction with regard to Ordinance No. 45 of 1944 to remove doubts as to the validity of certain notices under the Indian Income-tax Act. of 1922 and Excess Profits Tax of 1940?

(b) Is he aware that this Ordinance seeks to give retrospective effect?

(c) Is it the intention of the Government to bring a Bill in this House in substitution of this law?

(d) Could it be said that the purpose for which this Ordinance was passed, is a legitimate purpose connected with the war?

(e) Are Government aware that by this Ordinance elementary rights of taxpayers as provided in laws passed by this House, have been wiped out?

(f) What is the period during which this Ordinance will be in operation and what do government propose when that period expires?

(g) Will Government give an assurance that before these provisions expire and if Government want these provisions to continue, they would bring a Bill in this House and not renew the Ordinance?

The Honourable Sir Jeremy Raisman: (a) No.

(b) I am aware that the Ordinance seeks to validate notices issued before the commencement of the Ordinance.

(c) No. The relevant forms of notices under the Income-tax and Excess Profits Tax Acts have been amended and those that are now being issued are in accordance with the law as lately interpreted by the Bombay High Court. In point of fact therefore the Ordinance is operative only in respect of notices already issued. It is therefore not necessary to enact any fresh legislation.

(d) The ordinance does not purport to be a war measure and, if the Honourable Member intends to suggest that the Ordinance-making power is not exercisable save for a purpose connected with the war, he is mistaken.

(e) No.

(f) There is no limit to the period for which the Ordinance is valid. The latter part of the question does not arise.

(g) Does not arise.

Amendment of Defence of India Rule 4

299. *Mr. Laichand Navalrai: (a) Will the Honourable the Defence Member be pleased to state whether Rule 4 of the Defence of India Rules relating to 'saving' of public servants for acts done in the course of duty has been amended in April, 1944? If so, what is the significance of the amendment and what were the reasons for amending the rule?

(b) Did some cases of misuse of the saving Rule by public servants come to the notice of the Government? If so, will the Honourable Member please give brief particulars of them?

Mr. C. M. Trivedi: (a) Yes. I must leave the Honourable Member to form his own opinion of the effect of the amendment. Its object was to empower the Central Government or an officer specially authorised in this behalf to render the saving inapplicable in relation to a particular order or direction made under the Rules by the Central Government or such officer.

(b) The answer to the first part is in the negative. The latter part does not, therefore, arise.

SALE OF AMBRICAN GOLD IN INDIA

300. *Mr. T. T. Krighnamachari: Will the Honourable the Finance Member please state:

(a) the quantity of gold sold by the United States of America on the Indian market through the Reserve Bank since November, 1943;

(b) whether for some months past the gold sold by the Reserve Bank is entirely of American origin; and

(c) whether the proceeds of the sales of this gold is used for the purpose of meeting the expenses of the Government of the United States of America for its troops in India?

The Honourable Sir Jeremy Raisman: (a), (b) and (c). I invite the Honourable Member's attention to the reply given by me to starred question No. 35 asked by Sardar Sant Singh on 8th February 1944.

I am not prepared to add to the information given in that reply.

POLITICAL DETENUS AND CONVICTS

301. *Mr. Satya Narayan Sinha: (a) Will the Honourable the Home Member be pleased to state the number of political detenus and convicts in the whole country, province-wise?

(b) Are Government aware that important and influential Congressmen have been released and majority of those who are detained, constitute the rank and file?

(c) If the answer to (b) be in the affirmative, will Government be pleased to state the reason for this inconsistency and incongruity?

The Honourable Sir Francis Mudie: (a) I refer the Honóurable Member to my answer to question No. 203.

(b) Government are aware that important and influential congressmen have been released but are not aware that the majority of those detained constitute the rank and file.

(c) Does not arise.

ATBOCITIES BY SOLDIERS IN CHITTAGONG DISTRICT

302. *Shaikh Rafiuddin Ahmad Siddiquee: (a) Will the War Secretary be pleased to state whether Government are aware of the high-handed atrocities, persecution and "Zulum" by the armed military soldiers, more especially of the Abyssinians and Negroes upon the helpless unarmed and innocent civil peeple of the district of Chittagong in the shape of house looting, bazar looting, followed by indiscriminate firing, extortion of money from the innocent pedestrians on the highway and abduction of women from the street and the highway?

(b) Are Government also aware that:

(i) during the month of August, 1944, at about 3 A.M. the house of one Rama Krishna Mahajan of Uttar Halishahar under police station Dauble-Moorings, Chittagong, was looted by armed soldiers with guns and bayonets followed by indiscriminate firing. Military bullets were found at the spot and handed over to the Officer Incharge, Dauble-Moorings police station and the military police along with a list of the properties stolen away by the soldiers;

(ii) on the 9th October, 1944, at about 1 A.M. the house of one Abdur Rahman Mistry of the Dauble-Moorings police station-was looted by about 24 armed soldiers followed by indiscriminate gun fires. Officer Incharge, Dauble-Moorings police station and the military police were immediately called on to the spot. Cash and ornaments worth about Rs. 25,000 were taken away. Bullets, both used and unused were found and made over to the police together with a list of properties; and

(iii) on the 10th October, 1944, in the evening Pahartali Bazar was looted with terrible firing. The number of the car by which the soldiers made their escape good was given to the Officer Incharge, Dauble-Moorings police station?

(c) Is it a fact that stray cases of similar offences and others are numberless?

(d) What steps, if any, were taken by Government to bring these offenders to book, and what steps do Government propose to take in the matter to stop a recurrence of similar offences against public properties and their safety and for civil peace and order of the place?

Mr. O. M. Trivedi: (a) to (d). Certain incidents have come to my notice, but I am making further inquiries and will lay the information on the table in due course.

LEND LEASE AGREEMENT WITH CANADA

303. *Sir Abdul Halim Ghuznavi: Will the Honotrable the Finance Member please state:

(a) whether the Government of India have agreed to enter into a Lend Lease Agreement with Canada regarding the supply of rolling stock by Canada to India? If so, will he please give information regarding the nature of the Agreement;

(b) Can he assure the House that this Agreement will in no way prejudicially affect the establishment of a locomotive manufacturing industry in this country?

(c) Will the Honourable Member also assure the House that the Government of India will not in future enter into any important agreement without placing it for approval before the Central Legislature?

The Honourable Sir Jeremy Raisman: (a) and (b). The Government of India have agreed to enter into a Mutual Aid Agreement with Canada which, it is believed, has by now been actually signed. I am seeking confirmation of this and will on receiving confirmation law a copy of the Agreement on the table. Capital goods such as locomotives and wagons will not be provided under the Agreement and the position in respect of them will therefore not be affected by the Agreement.

(c) The Government of India will deal with each case on its merits.

UNIFIED SCALE OF PAY FOR MINISTERIAL STAFF

304. *Mr. Muhammad Ashar Ali: Will the Honourable the Finance Member please state:

(a) if it is a fact that unified scales have been introduced by the Central Government for their ministerial staff;

(b) if it is a fact that the Auditor General of India has prescribed an examination for promotion to the Assistant's Grade (Rs. 100-10-200) in the Accounts and Audit offices under his control;

(c) if it is a fact that the said Auditor General has prescribed two papers on (i) Essay, and (ii) departmental rules;

(d) if it is a fact that in Accounts and Audit offices other than Posts and Telegraphs Accounts and Audit offices only one paper on departmental rules was set consisting of about 20 to 25 questions covering rules relating to all sections of the office and each candidate was required to answer any five of them;

(e) if it is a fact that in the Posts and Telegraphs Accounts and Audit offices instead of one paper covering the whole field, separate papers were set for Fundamental and Supplementary Rules, Civil Service Regulations, Postal Accounts, Savings Banks, Money Orders, General Provident Fund, Cash Certificates, etc., etc., and each candidate was required to appear in one of them and to answer five questions in the subject selected;

(f) if it is a fact that in Essay writing the choice was given amongst two subjects only and in other papers the candidate was required to answer five questions out of six in Fundamental and Supplementary Rules, etc.;

(g) if it is a fact that a similar examination is also prescribed for promotion in other subordinate or attached offices;

(h) if the replies to parts (a) to (f) or any of them be in the affirmative, the reasons for the differential treatment amongst the staff in the Audit and -Accounts Departments under the Auditor General; and

(i) if the replies to parts (a) to (g) or any of them be in the negative, what the true fact is?

The Honourable Sir Jeremy Raisman: (a), (c), (d), (e) and (f). Yes.

(b) The departmental test for promotion to certain posts in Grade 'A' of the unified scale in the Audit Department was prescribed by Government.

(g) No, there are no 'A' grade posts in other. Subordinate offices. In attached offices Assistants, whose posts correspond to grade A of the unified scale, have been allowed to elect the unified scale while it exists if they so desire.

(h) The syllabus of the second paper has been prescribed to meet the special requirements of each branch of the Audit Department. It was found from personal enquiries made by the Accountant-General, Posts and Telegraphs that the syllabus for the Posts and Telegraphs Branch was generally acceptable to the candidates in that Branch.

(i) My replies to (b) and (g) answer this question.

BOATS CONFISCATED IN BENGAL AND OTHER COASTAL AREAS

305 *Mr. K. S. Gupta: (a) Will the Honourable the Defence Member please state the total number of boats confiscated in Bengal and other coastal areas?

(b) How many of them were destroyed

(c) Was there any compensation paid to the owners of the confiscated boats?

(d) How many of the owners were compensated and what is the total amount paid towards compensation? What is the average payment made to each owner?

(e) How many of these boats were wasted due to negligence?

(f) Are the Government of India aware of the fact that thousands of maunds of wood of dismantled boats had been sold to mills and factories for use as fuel?

(g) What is the amount realized by such sale?

(h) Are the Government of India aware of the untold sufferings of fishermen whose main occupation was fish catching and sale of fish by such wanton confiscation and dismantlement?

(i) Is it not a fact that several people lost their lives when the coastal areas were recently flooded for want of adequate supply of boats to escape?

(j) What is the number, if any, under construction or repair to be returned to the owners from whom they were confiscated?

(k) When are they to be returned?

Mr. C. M. Trivedi: (a) I would invite the attention of the Honourable Member to the answer given to part (a) of Starred question No. 136 on the 7th November 1944.

(b), (c) and (d). I would invite the attention of the Honourable Member to the answer given to parts (c) and (d) of Starred question No. 733 on the 31st March 1944.

(e) I have no information on this point, but will call for a report from the Bengal Government, asking them to give such information as is readily available.

'(f) and (g). Boats which could not be rendered serviceable after repairs, have been sold as timber, but I have no information as to the number of such boats or the weight of timber so sold, I have also no information regarding the amount realised by such sale. I am asking the Bengal Government to give such information as is readily available.

(h) I would invite the attention of the Honourable Member to the answer given to part (e) of Starred question No. 733 on the 31st March 1944.

(i) I have received no information from the Provincial Government, but I am calling for a report.

(j) and (k). I would invite the attention of the Honourable Member to the answer given to part (c) of Starred question No. 136 on the 7th November 1944.

REORGANISATION OF INCOME-TAX SERVICES

306. *Mr. K. C. Neogy: (a) Will the Honourable the Finance Member be pleased to state whether any decision has been arrived at recently to reconstitute and classify the existing Income-tax Services? If so, will the Honourable Member be pleased to indicate the principal features of such reorganisation?

(b) What are the reasons for the aforesaid decision? What will be its financial effect, and how will the position of the present incumbents in the different classes of officers concerned be affected?

(c) Is it a fact that the reorganisation is likely to prejudice a number of officers in the Bengal Circle who have been working as "Examiners", or having been recruited as Examiners initially or promoted to the rank of Examiners have been officiating as Income tax Officers? If so, in what manner are they likely to be prejudiced, and what is the number of officers of the two above categories, respectively, who are thus likely to be prejudiced?

(d) In what circumstances and when was the appointment of "Examiners" decided upon? What are the duties with which they were entrusted?

(e) Has there been any change in the policy of the Government in regard to the continuance of "Examiners"? If so, what is the nature of such change and to what circumstances has it been due?

(f) What is the number of Examiners of the two categories mentioned in (c) above, who have put in a service for (i) five years, (ii) eight years, and (iii) ten years and above? Is there any proposal under the consideration of Government to absorb the above officers in the permanent cadre under the Reorganisation Scheme?

(g) Is it a fact that several new officers are being posted to the Bengal Service from outside the Province? If so, what are the reasons for this step? What appointments did they hold prior to these postings in Bengal, and what will be their duties hereafter? Will these new appointments affect in any manner the possibility of any of the two categories of Examiners mentioned in (c) being absorbed into the permanent cadre under the Reorganisation Scheme?

STARRED QUESTIONS AND ANSWERS

(h) Is it a fact that a number of senior permanent officers at present holding responsible charges and drawing a monthly pay of Rs. 500 and above each, are likely to be treated as "supernumerary" under the Reorganisation Scheme? If so, what will be the reasons for such treatment, and on what considerations will the selection of such "supernumerary" officers depend? Has any decision been arrived at in regard to the selection of such "supernumerary officers? What will the probable number be of such officers and what proportion. do they constitute of the total number of existing officers drawing a monthly pay of Rs. 500 and above?

The Honourable Sir Jeremy Raisman: (a) Yes. The Honourable Member's attention is invited to the press communique issued by the Central Board of Revenue, a copy of which I place on the table of the House. This indicates the principal features of the reorganisation.

(b) As stated in the press communique, the reorganisation has been undertaken with a view to improving the efficiency, of the administration of Incometax and the morale of the personnel. The financial effect of the reorganisation cannot yet be ascertained with any accuracy, but when the reorganisation is complete, the extra expenditure involved will be of the order of Rs. 1,50,000, annually, on an average cost basis. No incumbent of any class of post will be adversely affected in regard to his substantive rights.

(c), (d), (f) and (g). The detailed information sought is not readily available but I am making enquiries and replies will be laid on the table of the House in due course.

(e) No decision has yet been taken to change the policy in this behalf.

(h) The answer to the first part is in the negative. The rest of the question does not arise.

NOT TO BE BROADCAST OR PUBLISHED BEFORE SEPTEMBER, 30, 1944 PRESS COMMUNIQUE

Reorganisation of Income tax Services In recent years income tax has become the most important source of revenue; and its administration has become increasingly difficult. With a view to improving the effi-ciency of administration and the morale of the personnel, the Government of India have decided to re-organise the Income-tax Services.

Till now, the backbone of the Service, namely, the Income-tax Officer, was borne on the Class II Service of the Central Government and recruitment to this grade was almost the Class II Service of the Central Government^c and recruitment to this grade was almost entirely by promotion from subordinate executive grades. Hereafter, nearly 50 per cent. of the Incometax Officers will be borne on the Class I Services of the Government of India. These Class I officers, who will be divided into two grades and who will be transferable all over British India will be recruited on the results of an annual com-petitive examination conducted by the Federal Public Service Commission on the same lines as for the Indian Audit and Accounts Service. Recruitment to the Class I Service, except for 20 per cent. reserved for promotion from the lower grades, will initially be into grade II from which promotions will be made by selection to grade I, strictly on the basis of merit in consultation with the Federal Public Service Commission. The remaining posts of Income tax Officers will br **class** fifed as grade III and will as heretofore be borne on the Class II Service of the Central Government. Promotions to posts of Assistant Commissioner and Commissioner excert

Government. Promotions to posts of Assistant Commissioner and Commissioner, except where they are reserved for officers in the "Pool cadre", will again be made by selection from grade I Incometax Officers.

The Federal Public Service Commission have agreed to select the first ten candidates for the re-organised Income-tax Service on the results of the examination they will be holding in October 1944.

CENTRAL BOARD OF REVENUE; Simla, September 29, 1944.

REORGANIZATION OF INCOME-TAX SERVICES

307. *Mr. K. C. Neogy: (a) Will the Honourable the Finance Member be pleased to state whether the proposed reorganisation scheme of the Income-tax Services contemplates recruitment of some of the officers through any All-India entrance examination? If so, what are the reasons for departing from the present practice in view, particularly, of the opinion expressed in the Income-tax Enquiry Report, 1936, against the advisability of such recruitment?

LEGISLATIVE ASSEMBLY

(b) Is it proposed to make the aforesaid recruitment on the result of the All-India examination that is now held for the recruitment of officers of the Indian Audit and Accounts Services, etc.? If so, how do the scales of pay admissible to the officers of the various services now recruited as a result of the said examination, respectively, compare with the rates of pay proposed for those officers of the Income-tax Department who are to be recruited from the same source?

The Honourable Sir Jeremy Raisman: (a) Yes. It is Government's experience that the present practice does not produce a sufficient number of officers of the requisite calibre. I do not find that the Income-tax Enquiry committee disapproved of this form of recruitment.

(b) The answer to the first part is in the affirmative. In answer to the second part I place a statement on the table of the House.

Olass I		
Indian Audit and Accounts Service .	Rs. 250 Ist year Rs. 275 2nd year of probation.	
Military Accounts Service	Time scale Rs. 300-25-600-35-950. Rs. 250 1st year of probation. Rs. 275 2nd year of probation. Time scale Rs. 300-25-600-35-950.	
Indian Railway Accounts Service .	Rs. 250 lst year Rs. 275 2nd year $\}$ of probation. Time scale- Rs. 300-25-400.	
- -	Rs. 450 in the 7th year. Rs. 500 in the 10th year. District Officers- Grade III Rs. 750. Grade II Rs. 850.	
Transportation (Traffic) and Commer- eial Departments of the Superior Revenue Establishment of State Railways.	Rs. 250 [elst year Rs. 250]elst year Time scale Rs. 30025400. Rs. 450 in the 7th year. Rs. 500 in the 10th year. District Officers Grade III Rs. 750. Grade I Rs. 850. Grade I Rs. 950.	
Imperial Customs Service	Rs. 250 lst year Rs. 275 2nd year of probation. Time scale Rs. 300 $-25-600-35-950-50-1,059$.	
Postal Superintence its	Closs II Rs. 200 lst year Rs. 220 2nd year of probation. Time scale Rs. 240-20-480-15-609.	
The scales of pay sanctioned for the Clars I Income tax Officers are :		

Rs. 250-275 (Prob.)-300-25-750 for Grade II, and Rs. 400-25-600-35-950 for Grade I.

SPECIAL PERMISSION FOR JOINING COLLEGES OR SCHOOLS FOR STUDENTS CONVICTED. OR DETAINED

308. ***Prof.**-**N. G. Ranga:** (a) Will the Honourable the Home Member be pleased to state if it is a fact that in certain Provinces students who had been convicted or detained in connection with the political unrest prevailing since *1942 August have been told that special previous permission should be obtained from the Director of Public Instruction before they are entitled to join their College or High School studies? If so, in what Provinces, and why is such a condition prescribed?

(b) How many students have applied for such special permission, and to how many were they granted?

(c) Is it a fact that this condition is imposed in pursuance of Defence of India Rules and under the instructions of the Government of India?

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(d) Will the Government be pleased to advise or instruct the concerned Provincial Governments to waive this condition?

The Honourable Sir Francis Mudie: The matter is one that lies within the discretion of the Provincial Governments concerned. The Government of India have no information nor have they issued any instructions on the subject

STUDENTS CONVICTED OR DETAINED

309. ***Prof. N. G. Ranga:** (a) Will the Honourable the Home Member be pleased to state how many students were convicted and detained since August, 1942?

(b) How many are still in jails as convicts and as detenus or in both categories?

(c) Have Government taken any special steps to cater to their educational needs, *i.e.*, by providing special libraries or allowing them to prepare and appear for examinations?

(d) If the answer to (c) is in the affirmative, in what Provinces and in what way were any such special facilities provided?

(e) Are Government prepared to consider the advisability of releasing the students who are still in jails to enable them to resume their studies?

The Honourable Sir Francis Mudie: (a) and (b). Government have no separate statistics with regard to students and the work involved in collecting them would be incommensurate with the value of the results.

(c) and (d). Provincial practice varies and can be ascertained from the different Security Prisoners Rules and Jail Manuals which are in the library of the House. I imagine that in all Provinces students who have been detained or convicted are allowed educational books and in one (Bengal) Province at least I know that security prisoners are allowed to take certain examinations.

(e) No student is detained under the orders of the Government of Ind a: no doubt their youth is one of the consideration that would weigh with Provincial Governments in considering the release of students detained by them.

DETENTION OF CONGRESS MEMBERS OF THE LEGISLATIVE ASSEMBLY OF NORTH WEST FRONTIER PROVINCE

310. *Mr. Abdul Qaiyum: Will the Honourable the Home Member please state:

(a) who ordered the arrest and detention of the five Congress Members of the Legislative Assembly in the North West Frontier Province;

(b) whether the Central or the Provincial Government is responsible for the detention without trial of these five Congress Members of the Legislative Assembly; and

(c) if the Centre, then in what respects the case of these five Members of the Legislative Assembly differs from that of the five other Members of the Legislative Assembly who were recently released?

The Honourable Sir Francis Mudie: (a) and (b). The Central Government took no action in the matter and accepts no responsibility.

(c) Does not arise.

RESTRICTIONS ON INTERVIEWS WITH DETAINED MEMBERS OF THE CONGRESS WORKING COMMITTEE

311. *Mr. Abdul Qaiyum: Will the Honourable the Home Member please state:

(a) whether any restrictions have been placed on interviews between Members of the Congress Working Committee in detention and their relatives; if so, the nature of the restrictions;

(b) whether any such members have refused to interview their relatives; if so, the reasons for such refusal; and

(c) whether his attention has been invited to the news under the caption "Congress Leaders refuse to see relatives", published in the *Hindustan Times* Evening News, page 4, column 1, dated the 30th October, 1944; if so, why

Pandit Govind Vallabh Pant's children were not allowed to converse with their father in their own mother tongue?

The Honourable Sir Francis Mudie: (a) I would invite attention to the answer given to part (a) of Sardar Mangal Singh's Starred question No. 199 on the 8th November.

(b) I gather from a letter recently sent by Maulana Abul Kalam Azad to the Camp Superintendent that he and his colleagues are not prepared to take advantage of the facility now offered on the ground that they have been denied interviews for so long.

(c) Yes. The news item about Pt. Govind Ballabh Pant's children is unfounded. No interview by them was either sought or refused.

DETENTION OF KHAN ABDUL GHAFFAB KHAN

312. *Mr. Abdul Qaiyum: Will the Honourable the Home Member please state:

(a) whether Khan Abdul Ghaffar Khan was arrested and is being detained under orders of the Central Government or the Provincial Government of the North West Frontier Province; and

(b) if under the orders of the Central Government, whether he will please supply the latest information about the state of his health?

The Honourable Sir Francis Mudie: (a) No such order was issued by the Central Government.

(b) Does not arise.

DESIRABILITY OF RELAXING RESTRICTIONS ON REMITTANCES TO BRITISH SUBJECTS AND OTHERS IN FRANCE

813. *Sir F. E. James: Will the Honourable the Finance Member be pleased to state:

(a) if, in view of the formal recognition by the United Nations of the Committee of National Liberation as the provincial Government of France and the transfer to that Government of the administration of the greater part of France, the present restrictions on remittances from India to British subjects and others in France will be relaxed; and

(b) whether France will be included in the sterling area for purposes of exchange, etc., in the near future?

The Honourable Sir Jeremy Raisman: (a) and (b). The Government of India will follow the same policy as the United Kingdom in the matters referred to. Pending receipt of full information of what H. M. G. propose to do in this connection I regret that I am not at present in a position to answer these questions.

HOUSE RENT AND CONVEYANCE ALLOWANCES FOR GOVERNMENT SERVANTS DEBARRED FROM GETTING GOVERNMENT QUARTERS IN DELHI

314. *Mr. Muhammad Ashar Ali: Will the Honourable the Finance Member be pleased to state:

(a) if it is a fact that those Government Servants who have been debarred from getting Government accommodation in Delhi for unauthorized subletting are not allowed to draw House Rent and Conveyance Allowances recently sanctioned; if so, whether the fact that they cannot get Government accommodation for three long years is not enough punishment; and

(b) if it is a fact that those Government Servants who sublet their quarters but were not involved in profiteering, have also been debarred from getting House Rent and Conveyance Allowances; if so, whether the Honourable Member now propose to amend the orders, in view of the great hardship to those Government Servants who did not gain by subletting their quarters, to enable them to draw the House Rent and Conveyance Allowances with effect from the 1st July, 1944; if not why not?

The Honourable Sir Jeremy Raisman: (a) The reply to the first part of the question is that such Government servants were previously not permitted to draw these allowances; these orders have, however, since been withdrawn. The second part of the question does not, therefore, arise.

(b) Does not arise.

INVITATION TO THE PRESS ASSOCIATION FOR APPOINTING TOURING PARTIES

315. *Mr. Badri Dutt Pande: Will the Honourable Member for Information and Broadcasting please state: (a) if his attention has been invited to a Resolution adopted in a meeting

(a) it his attention has been invited to a Resolution adopted in a meeting held at Lahore on the 28th October, 1944, of the Standing Committee of the All-India Newspaper Editors' Conference reading as under:—

"Invitation by the Government of India to the Press Association to appoint parties for visits to various places should be properly addressed to the All-India Newspaper Editors' Conference, if the object of the invitation was to secure press co-operation."

and if his attention has not been invited to the said Resolution, the reasons therefor;

(b) if it is a fact that the Press Association to whom invitation by the Central Government was sent for appointment of parties to visit various places was a body registered under the law of the country; if not, what the position of the Press Association is; and

(c) if it is a fact that the Accredited Press Association is registered under the law of the country; if so, was any invitation of the kind referred to in the Resolution sent to this Registered Association; if not, the reasons for the discriminatory treatment?

The Honourable Dewan Bahadur Sir A. Ramaswami Mudaliar: (a) I am informed that such a resolution was before the committee, but its considerationwas postponed.

(b) The Press Association is not a registered body and no invitation was sent to it to appoint parties to visit various places. The Press Association is a non-official organisation.

(c) Yes. The remaining parts do not arise in view of the reply given to part (b) of this question.

APPLICATIONS FOR ACCREDITATION OF NEWSPAPER REPRESENTATIVES

316. *Mr. Badri Dutt Pande: Will the Honourable Member for Information and Broadcasting please state:

(a) the number of applications received from the Editors of Newspapers for accreditation of their representatives to the Headquarters of the Central Government during the preceding one year; and

(b) how those applications were disposed of?

The Honourable Dewan Bahadur Sir A. Ramaswami Mudaliar: (a) 34.

(b) Twenty-two applications were accepted, two were rejected. The rest are under consideration.

APPLICATIONS FOR ACCREDITATION OF NEWSPAPER REPRESENTATIVES

317. *Mr. Badri Dutt Pande: Will the Honourable Member for Information and Broadcasting please state:

(a) if it is a fact that applications from the Editors of Newspapers appointing representatives at the Headquarters of the Central Government, if and when received by the Central Government, are, as a matter of policy, referred to the Press Association for approval before they are accepted by the Central Government; if not, what policy and procedure were prescribed for it before 1943 and after 1943, respectively; and

(b) if it is a fact that the Central Government have vested in the Principal Information Officer the powers to call upon any association registered under the law of the country to change its name; if so, whether he proposes to lay on the table of this House the order of the Central Government giving such powers to the Principal Information Officer?

The Honourable Dewan Bahadur Sir A. Ramaswami Mudaliar: (a) Yes. The reference to the Press Association is a matter not of policy but of expediency. The second part of the question does not arise. LEGISLATIVE ASSEMBLY

(b) No. But since accreditation is subject to certain conditions approved by the Government of India, P. I. O. is competent to bring to the notice of any association connected with the Press or the Press Correspondents the necessity of observing these conditions. The latter part of the question does not arise.

AGE OF SUPERANNUATION FOR MILITARY SERVICE

318. *Mr. Badri Dutt Pande: Will the War Secretary please state:

(a) if it is a fact that the age of 45 years has been prescribed as the old age for retention in military service in any capacity;

(b) if it is a fact that literate persons between the ages of 42 and 45 years were given Emergency Commission during the present war;

(c) if it is a fact that the persons between the ages of 42 and 45 years who are given Emergency Commissions are required to serve the Military in any capacity for the duration of the war;

(d) if it is a fact that the terms for the grant of Emergency Commission do not permit the Central Government or any other authority to call upon a Commissioned Officer to resign his Commission or appointment on attaining the age of 45 years; and

(e) if the replies to (a) to (d) be in the negative, what the true fact is?

Mr. C. M. Trivedi: (a) and (e). There is no such age limit. An officer is retained so long as his services are required.

(b) to (d) Yes, Sir.

- ANTI-CORRUPTION MEASURES

319. *Mr. T. S. Avinashilingam Ohettiar: Will the Honourable the Finance Member please state:

(a) what steps Government have taken to root out corruption and bribery; and

(b) the number of cases instituted by the Central Government against officers employed by the Central Government for bribery and corruption in the course of this year?

Mr. C. M. Trivedi: The following are the replies to the Honourable Member's question on the assumption that it refers to the activities of the Special anti-corruption organisation set up under the War Department.

(a) In June 1941, a special police staff was set up, which was later constituted as the Special Police Establishment, War Department, under Ordinance No. 22 of 1943. The primary object of this Special Establishment is the investigation of corruption in departments and branches engaged in purchasing in contracts of all kinds, in transport and in inspection of goods and works for the Defence Services.

In the beginning cases investigated by the Special Police Establishment were sent for trial to the ordinary courts but it became increasingly clear that the machinery of the ordinary law was inadequate to cope with the evil and that special tribunals were needed to try such cases. Accordingly three Special Tribunals have been constituted by the Central Government under the provisions of the Criminal Law Amendment Ordinance, 1943, with headquarters at Calcutta, Lahore and Lucknow, to try cases allotted to them in the First Schedule to the Ordinance. Government have under consideration the question of increasing the number of Special Tribunals.

The convictions awarded by the Special Tribunals and the ordinary criminal courts in cases investigated by the Special Police are given wide publicity in the press.

(b) During the period from the 1st of January to the 31st of October 1944, the Special Police Establishment, War Department, took up 174 cases in which Central Government employees were involved. Of these, 48 cases have been sent up for trial by criminal courts, 30 cases have been handed over to departments for departmental action, and 90 cases are still under investigation.

PROFITS MADE BY THE UNITED KINGDOM COMMERCIAL CORPORATION

320. *Mr. T. T. Krishnamachari: Will the Honourable the Finance Member please state:

(a) the amount of profits made by the United Kingdom Commercial Corporation through its activities in the internal and external trade of this country for the years 1940-41, 1941-42, 1942-43 and 1943-44; and

(b) whether he is aware that this Company has paid any income-tax, supertax or excess profits-tax in this country?

The Honourable Sir Jeremy Raisman: (a) The information is not available. Moreover, if and when it is furnished to the Income-Tax Department its disclosure will be forbidden by section 54 of the Income-tax Act.

(b) No. The income-tax and excess profits tax assessments of the Corporation for the relevant years have not yet been completed.

DETENTION OF PANDIT JAWAHARLAL NEHRU AND OTHER WORKING COMMITTEE MEMBERS

321. *Mr. T. S. Avinashilingam Chettiar: (a) Will the Honourable the Home Member please state when the last order of detention was made on Pandit Jawaharlal and other Working Committee members?

(b) When is the next review due?

The Honourable Sir Francis Mudie: (a) and (b). Pandit Jawaharlal Nehru and the other detained Members of the Congress Working Committee are detained under orders issued by the Provincial Governments concerned. The orders must have been extended some time before July 15th, *i.e.*, six months after the Restriction and Detention Ordinance. 1944, came into force, and will expire on January 15th, 1945, unless previously cancelled or extended. There is no fixed time for reviews.

POLICY re IMMIGRATION OF JEWS TO INDIA

322. *Sardar Sant Singh: Will the Honourable the Home Member be pleased to make a statement as to the policy of the Government of India in regard to immigration of Jews to India with particular reference to the following matters:

(i) was the policy initiated by the Government of India or was it done by His Majesty's Government; and

(ii) did the Governor General in Council consider this matter?

The Honourable Sir Francis Mudie: The policy originally followed by the Government of India in common with several other countries was to give refuge and protection to the members of the Jewish community who were subjected to persecution on account of anti-Semitic laws. Subsequently when the number of Jews seeking entry into this country began to increase, the Government of India were constrained to restrict the number of future immigrants. The present policy is to admit only those who can undertake work of national importance, and those whose cases present special features, e.g., dependents of Jews who are already in this country, and those who would otherwise be in danger of falling into enemy hands.

This policy was decided by the Governor-General in Council, but His Majesty's Government were kept informed throughout.

UNSTARRED QUESTIONS AND ANSWERS

INCOME-TAX DEDUCTIONS re INTEREST ON BOMBAY PORT TRUST BONDS OF HOLDERS IN UNITED KINGDOM.

50. Mr. Manu Subedar: (a) Will the Honourable the Finance Member please state whether interest is deducted at the source on Bombay Port Trust Bonds held by a non-resident holder in the United Kingdom of the Bombay Port Trust Loan? If not, why not?

(b) What steps are taken for the recovery of income-tax on such interest and on similar items of income of a non-resident in the United Kingdom earning rent, interest or profits in India? LEGISLATIVE ASSEMBLY

The Honourable Sir Jeremy Raisman: (a) I take it that the Honourable Member is referring to deduction of income-tax at source from interest payable on Bombay Port Trust Loans held by non-resident holders in the United Kingdom. Income-tax is deducted at source from such interest on all such loans except sterling loans issued for public subscription before the 1st April, 1988. Deduction of tax at source has been waived in the case of such sterling loans because of the hardship that would be caused to the payer by the enforcement of the law, the payer, viz., the Bombay Port Trust not being in a position to pass on the tax liability to the payee, who is entitled under the United Kingdom law to receive the interest without any deduction.

(b) I would invite the Honourable Member's atention to the provisions of sub-section (3), (3A), (3B) and (3C) of section 18 and sections 42 and 48 of the Income-tax Act which provide the machinery for the collection of tax in the type of cases referred to by him.

EMPIRE DOLLAR POOL

51. Mr. Manu Subedar: (a) Will the Honourable the Finance Member please state the constitution and the amount of the Empire Dollar Pool at the last available date?

(b) Where is this money kept and under whose control?

(c) What is the share of India in this Dollar Pool?

(d) Has the position been modified since the last budget speech of the Finance. Member?

The Honourable Sir Jeremy Raisman: (a) The Empire Dollar Pool is an arrangement by all the Empire countries in the sterling area to pool under the control of H. M. G. all their foreign exchange resources under parallel systems of exchange control, each country being entitled to obtain its foreign exchange requirements from the Bank of England. Information regarding the amount of the Pool is not available and in any case could not be published without detriment to public interest.

(b) United States dellar balances of the Empire Dollar Pool are maintained in the U. S. A. and are under the control of H. M. G.

(c) No specific share is allotted to India. Like other Empire countries India gets her essential requirements of dollars from the pool.

(d) No.

INDIA'S STERLING BALANCES

52. Mr. T. S. Avinashilingam Ohettiar: Will the Honourable the Finance Member please state:

(a) the latest available figure regarding the Indian sterling resources in England:

(b) whether there have been discussion between the two Governments regarding the liquidation of these resources; and

(c) whether any agreement has been arrived at between the two Governments; if so, what the clauses of the agreement are?

The Honourable Sir Jeremy Raisman: (a) The sterling resources owned by the Reserve Bank of India on the 27th October, 1944, amounted to Rs. 1,169 crores.

(b) No. I would, however, invite the Honourable Member's attention to my reply to starred question No. 66, asked by Sir Zie Uddin Ahmad on the 3rd November, 1944.

(c) No agreement has been arrived at.

COST OF WAR ON INDIA

53. Mr. T. S. Avinashilingam Ohettiar: Will the Honourable the Finance Member please state:

(a) the total cost of the war on India up to date as far as available,

(b) if this amount is met by taxation, contribution and debts; and

(c) the guiding factors in the allocation of expenditure between India, England and America in the war expenditure on India?

MOTION FOR ADJOURNMENT

The Honourable Sir Jeremy Raisman: (a) and (b). India has borne as her share of Defence expenditure under the Financial Settlement with His Majesty's Government a total sum of Rs. 494.22 crores to the end of 1942-43. The Revised estimates for 1943-44 and the Budget for 1944-45 provided for a further sum of Rs. 602.15 crores being borne by India up to the end of 1944-45.

These amounts are covered by the proceeds of taxation and borrowings.

(c) As regards the allocation of expenditure between India and His Majesty's Government I would refer the Honourable Member to my Budget speeches. So far as the United States of America is concerned, a reference is invited to the answer given in the Council of State to the Honourable Mr. Hossain Imam's question No. 138 on the 12th August, 1943, and the press note on the subject of Reciprocal Ard published on the 3rd September, 1944.

MOTION FOR ADJOURNMENT

FAILURE TO GIVE RELIEF TO WEAVERS IN BURHANPUR AND OTHER PLACES IN THE CENTRAL PROVINCES

Mr. President (The Honourable Sir Abdur Rahim): I have received notice 12 Noon of an adjournment motion from Nawab Siddique Ali Khan who

wishes to discuss a matter of urgent public importance, i.e., "the forced, unemployment and the consequent starvation of thousands of weavers in Burhanpur and other places in the C. P. owing to the lack of yarn supply and the failure of the Textile Commissioner to give relief to the sufferers (partial report of which is published in Dawn of 11th November, 1944).

When did this failure take place?

Nawab Siddique Ali Khan (Central Provinces and Berar: Muhammadan): This was published on the 11th November.

Mr. President (The Honourable Sir Abdur Rahim): I want to know when the failure took place. It does not matter when it was published. Nawab Siddique Ali Khan: Recently, last week. It came to my notice on

the 11th.

Mr. President (The Honourable Sir Abdur Rahim): Does this mean that before last week, the supply of yarn was adequate?

(No reply.)

This motion is certainly not urgent within the meaning of the Rules. It is disallowed.

ELECTION OF MEMBERS TO THE CENTRAL ADVISORY BOARD OF EDUCATION

Mr. J. D. Tyson (Secretary, Department of Education, Health and Lands): Bir, I move:

"That the members of this Assembly do proceed to elect, in such manner as may be approved by the Honourable the President, two persons from among their own numbers to be members of the Central Advisory Board of Education in India, with effect from the date of election." Mr. President (The Honourable Sir Abdur Rahim): Motion moved:

"That the members of this Assembly do proceed to elect, in such manner as may be approved by the Honourable the President, two persons from among their own numbers to be members of the Central Advisory Board of Education in Indis, with effect from the date of election.'

Mr. H. A. Sathar H. Essak Sait (West Coast and Nilgris: Muhammadan): Sir, I moye:

"That the word 'four' be substituted for the word 'two'."

I expected my Honourable friend to explain what this Board is for and whether these members are in addition to the ordinary two members that we have. So far as I remember, we usually elect members to this Board in the Budget Session. Does this' motion mean that we are to have two extra members?

I thought that this Board is going to be reconstructed in view of the big schemes of reconstruction in education. If that is so, then we should claim

[Mr. H. A. Sathar H. Essak Sait.]

more representation than we usually have. I am sorry I am handicapped because my friend said nothing with regard to this motion. Considering that this Assembly represents the whole country, the representation provided is very inadequate. I should think that even four may not be found to be sufficient by many in this House but I am modest and I propose that we should elect four on this Board.

Mr. President (The Honourable Sir'Abdur Rahim): Amendment moved: "That the word 'four' be substituted for the word 'two'."

Mr. N. M. Joshi (Nominated Non-Official): I rise to oppose the original motion. My reason is that this Board of Education is not a representative one. There are no Labour representatives on it. I cannot approve of the Legislature sending representatives to a Board which is not a representative one. I would like to know whether the working classes of this country are interested in the promotion of education for which this Board is to be appointed. I would also like to know if the Board is interested in the education of the working classes of this country, the kisans and peasants and landless labourers. If the Board is interested then this Board must contain representatives who will voice the interests of these people. At present there is no labour representative and I insist that before the Legislature votes for this motion the Legislature should take a promise from the Honourable Member that labour will be adequately represented on this Board.

There is another smaller complaint on account of which I do not propose to vote for this motion. This Board, I think, publishes some reports. It is engaged in some important work of reconstruction and the Legislature is not provided with reports of what this Board does. I would like the Legislature to refuse to send its representative to a committee the report of which is not circulated to Members of the Legislature. I suggest, therefore, that unless the Honourable Member promises that the reports of this Central Board of Education will be circulated to the Members of the Legislature, they should not agree to the nomination of members as representatives. I therefore oppose this motion, unless I receive a satisfactory reply from the Honourable Member.

Dr. Sir Zia Uddin Ahmad (United Provinces Southern Divisions: Muhammadan Rural): Mr. Joshi has opposed the motion on the ground that the report is not circulated among the Members. I agree in principle that all reports of committees to which representatives of Legislature are elected should be supplied to its Members but I do not agree that this Board should be singled out for attack because.

Mr. N. M. Joshi: Who singles out? I want all reports to be supplied.

Dr. Sir Zia Uddin Ahmad: I agree with Mr. Joshi there. The Central Legislature should have an opportunity of knowing what its committees are doing but my point is that this particular Board should not be singled out.

Another thing is that the report of this Board will interest very few persons in the Assembly. (Interruption.) Let me finish my remarks. It will be less interesting than the reports of many more important committees such as the Supply Committee, Defence Committee, Coffee Cess Committee, Tea Committee and so on. If Mr. Joshi wants the reports of all the Committees to be supplied, then I agree. His remarks should apply to every committee.

As regards the point raised by Mr. Essak Sait, I am not aware whether the Government of India have got a scheme for reorganisation of the Central Board of Education and expanding it. If that is the case then it is fair that the quota of the Legislative Assembly should be increased. At present the quota of each province is fixed at two and no province can have more than two. The point was raised in the past. Certain persons wanted to bring their Advisers and Directors of Public Instruction but it was decided that no province will have more than two, for this reason that if one man is absent, the province may go unrepresented. The increase if it is allowed in the case of the Assembly will have to take place all round. Other constituencies will want their quota to be increased. It is not a Committee of the House. Then the number will become very unwieldy and it will be difficult to obtain quick decisions. As it is, the Board, as its name implies, is advisory and its decisions are not operative. It is only advisory to the various Academic bodies and Provinces who have got powers to act and I know that in this case their advice has been in several cases exceedingly good.

As I am a member of this Committee representing the Assembly, I think it will not be out of place if I mention a few facts, demanded by some Members. Take, for instance, the case of examinations. There has been a definite complaint from every quarter that there is something wrong with the system of our examinations. Maulvi Abdul Ghani raised the question of compartmental examinations several times. Then, we have also raised the question that the examinations are not the real test of merit. This question has been examined very minutely by this Committee and they have recommended 8 number of definite changes and the lead given by the Central Advisory Committee is now being followed by various Universities and other examining bodies. As a result of this, I know that half a dozen Universities have introduced the system of compartmental and supplementary examinations. Then, we have the method of examination, that is, replacing the numerical marks by means of symbols. . .

Mr. President (The Honourable Sir Abdur Rahim): All that is not relevant to the motion before the House.

Dr. Sir Zia Uddin Ahmad: Sir, it is necessary to mention here the work that this body has been doing and this information has been demanded by some of the Members. If the constitution remains as it is and the quota is not increased for any province, then. I think, this question cannot be taken up as an isolated factor.

Prof. N. G. Ranga (Guntur cum Nellore: Non-Muhammadan Rural): Sir, I am rather surprised at the attitude taken up by Dr. Sir Zia Uddin Ahmad. I do not know whether he knows quite well on which side of the House he happens to be. He has come today as a sort of an apologist for the Government of India and he even claims to know much more about the work of this Committee than the Honourable Member who is supposed to be in charge of this subject. If my Honourable friend is pleased with Dr. Zia Uddin's espousal of the cause of this Committee, then he ought to be more enthu-siastic about accepting my Honourable friend Mr. Essak Sait's amendment, because, if there is such a demand for his Committee, then it will be more profitable for himself and the Government to have more Members of the House on this Committee so that there will be more people to speak in addition to the Government spokesman.

Then, Sir, I appreciate the interest displayed by my Honourable friend Mr. Joshi in regard to the Kisans. I like his championship of the claims of the Labour for representation on this Committee and I would like him as well as every other Member of the House to remember that it will not be enough if the agriculturists, both landed and landless, are clubbed with labour. . . .

Mr. N. M. Joshi: No, I would like to have separate representation. Prof. N. G. Ranga: I quite see that my Honourable friend Mr. Joshi is one with me in feeling that the agriculturists deserve independent representation, but I know also that some of the people who today claim to represent the Indian Trade Union Congress and who happen to be in England now are going about giving the impression to the English public that by 'labour' they . mean not only the industrial labour in the towns but also the agricultural labour as well as the labouring proprietors of land, and I certainly dissent from that view-point.

Sir, this is a very important Committee and I do not know why my Honourable friend Dr. Sir Zia Uddin Ahmad does not want more representation for this Committee from this House. He says it is unwieldy; it may be so. He says that the quotas for various provinces have been very carefully fixed; it may be so. But that is no reason why this House should not be given better representation on this Committee, so that this House should be able to satisfy itself representing as it does all interests in this country that

[Prof. N. G. Ranga.]

this Committee does justice to all sections of the people and also is doing its work properly.

Recently, we had the spectacle of the Adviser to the Government of India, Mr. Sargent, going to the United States and making such statements in the name of this Committee and also in the name of this Government to which several sections of the country have taken objection. Therefore, this Committee must be strengthened by adequate representation from this House, so that it will be possible for this Committee to control the Educational Adviser and other officers of the Government. Therefore, I support this amendment.

Mr. Lachand Navalrai (Sind: Non-Muhammadan Rural): Sir, I intervene in this debate only because I have heard an expression from Dr. Sir Zia Uddin Ahmad that the Members of this House generally would not take much interest in this matter if they were to represent this House on this Committee. I know that he is a very great educationist, but sometimes he becomes too competent and thinks that he alone can read these reports and give proper attention to them.

Dr. Sir Zia Uddin Ahmad: I said that there were other subjects besides this which were really more important and there should be more representation of this House on those Committees.

Mr. Lalchand Navalrai: The Honourable Member ought to know that on the question of education, Members of this House have been taking very keen interest.

Then, Sir, I know that in these days, the interests of the labour cannot be ignored. We know how strong they are both in Europe and in other parts of the world. Their interests, therefore, should be fully guarded. There-fore, I do not think that the demand of my Honourable friend is in any way unreasonable. I would therefore agree with him that there should be the reon this Committee. Even if he wants a separate presentation of labour representation, that question ought to be considered. But so far as this motion is concerned. I think the amendment that has been moved should be accepted. The number of Members should be increased and the labour may be given separate representation. To have only two Members from this House as is the case now is a mere mockery. In educational matters like this there should be full representation of this House. We do now know what this Central Board of Education is actually doing. In this House I have several times put questions to find out if they had been tackling such and such matter. I have, for instance, asked about the uniformity of education in all the Indian Universities because the candidates are affected when they appear before the Federal Public Service Commission for various examinations. There is a prejudice against those candidates who belong to certain Universities. So, questions of this nature have got to be considered by this Committee and therefore there should be full representation of this House on it. Sir, I support the amendment of my Honourable friend Mr. Essak Sait.

Maulvi Muhammad Abdur Ghani (Tirhut Division: Muhammadan): Sir, this Board is called an Advisory Board but I find from its working that it is not advisory. Its decisions are enforced upon us without the matter being brought to the notice of this House. As an instance, I would cite the case of the Wardha scheme of education. It was forced upon us notwithstanding the vehement opposition of the Muslims from all over the country. It was enforced in Bihar on the advice of this Board.

Kunwer Hajee Ismaiel Alikhan (Nominated Non-Official): Are you opposing the motion or supporting the motion?

Maulvi Muhammad Abdul Ghani: I am making suggestions. As regards the supply of copies of the proceedings of the Board, J am at one with my Honourable friend Mr. Joshi. This point has been resisted on the ground that other Committees do not supply copies of their reports to Honourable Members of the House. But I say that the reports of important Committees, like the Public Accounts Committee, the Standing Finance Committee, and the Standing Finance Committee for Railways, are supplied to Honourable Members

Mr. Govind V. Deshmukh (Nagpur Division: Non-Muhammadan): Are there any ladies on this Central Advisory Board of Education?

Dr. P. N. Banerjea (Calcutta Suburbs: Non-Muhammadan Urban): There are two lady Members.

Mr. Govind V. Deshmukh: Is there adequate representation of ladies? If not, I hope the matter will be taken into consideration and more seats allotted for ladies on the Board.

Mr. J. D. Tyson: Perhaps I had better tell the House, though this is no new Board, what the constitution of it is. The Honourable Member in charge of the Department is the chairman of the Board, and the Educational Adviser to the Government of India is a member. There are twelve Members nominated by the Government of India, of whom four shall be women. At the moment, I think, there are only two lady members on it, but the Resolution was amended only recently and there will soon be four. The other members are: Two Members of the Legislative Assembly elected by the Legislative Assembly, one Member of the Council of State elected by the Council of State, three Members of the Inter University Board nominated by that Board and a representative of each Provincial Government who should be either - the Minister in charge or the Director of Public Instruction or such other person as the Provincial Government may nominate; and finally five Members to be nominated by the Government of India in consultation with the Crown · Representative to represent the Indian States. Now, Sir, it is with respect to the two Members of this Honourable House that I have made this motion today. The term of office of the two sitting Members expired, I think, in September. There has been no meeting of any Committee in the meantime, but we should like to have the election atonce as meetings are due in the very near future. This is not an addition to the Board, but just the two seats for which the Resolution constituting the Board provides. Nor is there, so far as I am aware, any intention at the moment of changing the constitution of this Board because of reconstruction or for any other reason. We have every cause to be satisfied with the present composition, and as a matter of fact with the work that this Board has done. It has been an exceed-ingly active Board, and I think it is significant that one of the Members representing this House on the Committee has spoken strongly in its favour this morning, the Vice Chancellor of Aligarh University. Speaking off-hand, I do not think that there is any representative of labour on the Board. What we try to get on this Board is eminent educationists who represent educational interests. But I am perfectly prepared to examine and see whether. it is possible to have an eminent educationist, among the nominated Members of the Board, who could be regarded as specially interested in, and competent to speak for the labouring classes, whether urban or rural. Primarily, however, it is an educationists' Board and merely because a man was a good labour man, we would not care to have him on the Board. We want educationists, first and foremost.

Mr. N. M. Joshi: What about Legislature's representation? Mr. J. D. Tyson: I am coming to that presently. I have already said that this is a very active Committee. It has been our practice to publish its Reports for some years, though I am not quite sure that we had not to cut down a little owing to paper shortage, lately. But I know some of these reports are in the library of the House. Some reports of the bi-annual-(twice a year)-meetings are in the Library of the House. I myself put into the Library of the House a number of copies of the Report of the Central Advisory Board on educational reconstruction. The Board has no desire to hide its light under a bushel. -In fact Honourable Members of this House, who are interested in the recommendations of this Board on educational reconstruction, will have an opportunity this evening of meeting the Educational Adviser

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[Mr. J. D. Tyson]

in the Library of the House. The Honourable Member for Education, Health. and Lands has arranged a meeting for an informal discussion of that report which is a report by this particular Board.

I may say that as regards the publication and issue of these reports to. Honourable Members of this House, the parallel sought to be drawn by my Honourable friend Maulvi Muhammad Abdul Ghani is not strictly a correct one. He referred to the reports of the Public Accounts Committee and the Standing Finance Committee. These, are both Committees of this House and the House proceeds to consider the reports of its own Committees, and it is therefore necessary that these reports should be in the hands of all Honour-able Members of this House. The Central Advisory Board is not a Committee of the Legislature. I confess we have not circulated to every Honourable Member of the House the reports of this Central Advisory Board. I should be perfectly prepared to consider that, as soon as the paper shortage position eases a little. We are only too glad that the House is taking an interest in the work of the Board.

Sir, as regards the point that this Board is, not in fact an Now, Advisory Board, but that its decisions are being forced upon various bodies, I am afraid that I did not quite catch the instance that my Honourable friend Maulvi Muhammad Abdul Ghani gave. In fact it is an Advisory Board and it cannot enforce its decisions upon anybody.

On the merits of the amendment, I should like to say this. that the constitution of the Board itself ensures representation of educational interests through eminent educationists and Government try to see that educationists of all communities find a place on the Board. I should like to emphasise that the Government value, and so do the Board, the link which the representation of the Legislature gives the Board. It so happens that this Honourable House has in the past sent eminent educationists to the Central Advisorv Board. But this is not the prime object of this representation because we can get educationists through other elements on the Board. The primary object is to have representatives of the House; if they are eminent educationists that is no doubt helpful: but that is not the special object of representation of this House. It is only to secure a link with the Legislature. This is a comparatively small Board, composed as I have outlined. I do not admit it is a large Board at all. The essence of it is that it is rather a small and compact body. We think that for the purpose of having the House represented there, so that the Board may know what the House thinks about things and so that in due course the House may be informed about the Board by its own representatives, two from here and one from another place is a good and . sufficient representation, and I would deprecate any addition to the numbers which does not seem necessary for the purpose we have in mind. The dis-cussions of this body are very informal and intimate; they sit round a table, and it would be unfortunate if we started a-process of increasing the numbers of this body so that its present intimate character was imperilled. Nor do I think would it be right to increase the number of Members from this House with a view to giving representation to any particular community, because that would not in itself ensure that that community got representation; and I think that can be done, if it is desirable, in other ways. I therefore regret that I cannot accept this motion and I would request the Honourable Member ". who moved it to withdraw it.

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

"That the word 'four' be substituted for the word 'two'."

The motion was negatived.

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

"That the members of this Assembly do proceed to elect, in such manner as may be approved by the Honourable the President, two persons from among their own numbers to be members of the Central Advisory Board of Education in India, with, effect from the date of election."

The motion was adopted

ELECTION OF MEMBERS TO THE INDIAN COCONUT COMMITTEE

Mr. J. D. Tyson (Secretary, Department of Education, Health and Lands): Sir, I move:

"That the members of this Assembly do proceed to elect, in such manner as may be "approved by the Honourable the President, two persons from among their own numbers to be members of the Indian Coconut Committee under section 4(g) of the Indian Coconut Committee Act, 1944 (X of 1944)."

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

"That the members of this Assembly do proceed to elect, in such manner as may be approved by the Honourable the President, two persons from among their own numbers to be members of the Indian Coconut Committee under section 4(g) of the Indian Coconut Committee Act, 1944 (X of 1944)."

Mr. N. M. Joshi (Nominated Non-Official): Sir, I rise to oppose this motion. When this Bill was under consideration of this House I suggested to the Government of India that a representative of the workers who are engaged in this industry as employees should be on that Committee. Unfortunately neither Government nor this House accepted my proposal. I feel that the Government of India in forming this Committee and in not giving representation to the employees engaged in this production of cocontuts have made a mistake; and if this mistake is to be corrected I think the only pressure which I can bring upon the Government of India is to refuse the nomination of the Legislature on this Committee.

Dr. P. N. Banerjea (Calcutta Suburbs: Non-Muhammadan Urban): You must have an amendment of the Act itself.

Mr. N. M. Joshi: Yes, I entirely agree, but unfortunately that is not in my hands. I must therefore enter my protest, which I do in this manner.

Prof. N. G. Ranga (Guntur cum Nellore: Non-Muhammadan Rural): Sir, I first of all object to the financial basis on which this Committee has been financed. Funds have been raised at the cost of these people engaged in this industry of raising coconuts.

Mr. J. D. Tyson: Sir, on a point of order. Is the financial basis on which the Coconut Committee is to work relevant to the present motion?

Prof. N. G. Ranga: When I oppose the present motion it is relevant so far as it relates to finance as well as the conducting of this Committee.

Mr. President (The Honourable Sir Abdur Rahim): The Honourable Member cannot discuss of this motion questions of policy which have been already decided.

Prof. N. G. Ranga: This Government do not want to do anything, specially for the benefit of this section of agriculturists. But that is wrong. It is the duty of Government to do everything possible, financial and otherwise, to help these people. They used to do a little before this Committee came to be constituted or at least it was expected. But now after this Committee has come anything that Government may have to do, which is expected to cost anything at all, is shoved on to this Committee, and it is considered to

be a responsibility of this Committee to finance it. I take strong objection to this basis of the Committee and to this idea of Government. That is not the way in which this cess has been collected and this Committee has been functioning.

Much trouble has been caused to the people engaged in coconut growing. Coconut growing takes a long time and by the time people are able to realise the coconuts and pay the cess, it takes such a long time that at any one stage if Government or the Committee are not careful, the peasants are likely to be made to pay much more and also on crops that have been realised much earlier but the financial results are realised later on. In particular, there is grievance felt by the people concerned and they made a representation to the Honourable Member some time ago that the cess that was being levied on them on the crop of 1943-44 was really being realised on the crop that they had realised in 1942-43.

Mr. President (The Honourable Sir Abdur Rahim): The Honourable Member cannot discuss that now.

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Prof. N. G. Ranga: I am discussing the way in which the Committee has been acting. But that representation has been made to the Honourable Member and I trust he will try to go into it in detail and, if necessary, appoint a departmental committee and see that justice is done to the people concerned in this matter. I hope that before the Honourable Member, comes again to this House with a motion like this next year this question will be settled satisfactorily to all concerned.

Mr. J. D. Tyson: As regards the point made by my Honourable friend Mr. Joshi, that point was considered at the time the Bill was before the House and no way was found of giving representation to labour. The element labour represented by the growers is, of course, represented, and what I have come to the House for today is to ask the House to elect representatives to represent the consumers' interests. As regards the points raised by Prof. Ranga, of course any difficulty that may have been caused to the growers is certainly not the fault of the Committee, for the Committee has not yet been The States had to pass legislation and there had to be nominaconstituted. tions from States and from Provincial Governments. These have now nearly all been received and it is with regard to the future constitution of the Committee that I have come to the House today with this motion. If, however, in the collection of the cess under the Act difficulties have arisen and Prof. Range will let we know about them, I will certainly be very glad to look into them.

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

"That the members of this Assembly do proceed to elect, in such manner as may be approved by the Honourable the President, two persons from among their own numbers to be members of the Indian Coconut Committee under section 4(g) of the Indian Coconut Committee Act, 1944 (X of 1944)."

The motion was adopted.

ELECTION OF MEMBERS TO THE STANDING COMMITTEE FOR THE INDUSTRIES AND CIVIL SUPPLIES DEPARTMENT

The Honourable Sir M. Azizul Huque (Member for Commerce and Industries and Civil Supplies): Before I move may I have your permission to make a slight change in the motion standing in my name, namely instead of three non-official members I would like to have six non-official members to serve on the Standing Committee. Sir, there is a general desire in the House that the number of non-official Members should be increased, and after discussion with the different sides we have come to an agreement that the number of non-official Members from this House should be six. May I move it, Sir, with your permission?

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

The Honourable Sir M. Azizul Huque: Sir, I move:

"That this Assembly do proceed to elect, in such manner as the Honourable the President may direct, six non-official members to serve on the Standing Committee to advise on subjects in the Department of Industries and Civil Supplies."

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

"That this Assembly do proceed to elect, in such manner as the Honourable the President may direct, six non-official members to serve on the Standing Committee to advise on subjects in the Department of Industries and Civil Supplies."

Mr. Govind V. Deshmukh (Nagpur Division: Non-Muhammadan): Sir, may I have some more information about the functions of this advisory body and what it is expected to do_2

The Honourable Sir M. Azizul Huque: All⁻I can say is that it will have the same functions as the Advisory Committees for other departments. I will be quite prepared to place before the Committee any matter of importance which any member of the Committee may desire to discuss for the purpose of getting their advice.

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ELECTION OF MEMBERS TO THE STANDING COMMITTEE FOR INDUSTRIES AND 657 **OIVIL SUPPLIES DEPARTMENT**

Mr. H. A. Sathar H. Essak Sait (West Coast and Nilgiris: Muhammadan): Sir, I am glad that the Honourable Member has increased the quota of members from this House.

With regard to the functions, I am not very happy about the reply which he has given to my Honourable friend, Mr. Deshmukh. He said that this Committee will have the same functions as other Advisory Committees. Our experience in connection with other Advisory Committees is not at all satisfactory. Meetings are held very seldom; very small and unimportant matters are placed before them because it is for the Honourable Member to say what should be placed before the committee. The functions of this committee and powers of members are not defined, whereas we in this House feel that our representatives are having full powers and are functioning very well. Then fore my Honourable friend should take a warning today. If he is going Thereto deal with this Committee as other departments deal with their committees, then probably next time when he comes with such a motion before the House we may not be very lenient.

The other point I wish to make is this: He has not mentioned whether the election to this committee is for one year or for how many years. He has not mentioned any period. I would very much like him to come to this House every year so that we may review the work of this department.

Mr. N. M. Joshi (Nominated Non-Official): 1 would like the Legislature to consider the question very seriously, namely whether they should send their representatives to committees which are not only advisory but which work in secret, and which do not make any report to the Legislature. I feel the time has come for the Legislature to consider this question very seriously whether they should send representatives to committees which do not report to them and therefore the Members who are sent to the committees are not responsible to the Legislature. We do not know what advice they give. We send them there and we receive no report. My own view is that such committees instead of strengthening the control of the Legislature over the executive weaken the control of the Legislature, because these members get committed to certain policies of the Government in secret without the Legislature knowing in what way they have voted in the committee. I feel, Sir, that the Legislature should consider whether they should send representatives to committees which are not responsible to the Legislature.

Dr. Sir Zia Uddin Ahmad (United Provinces Southern Divisions: Muhammadan Rural): Sir, I must confess I misunderstood the point last time. I am rather in favour of the reports of these committees being circulated amongst the Members of this House. What I objected to was that one particular committee should not be singled out for that. It should be extended to all such committees. I think, Sir, it is only fair that reports of these committees ought to be circulated among the Members of this House. I would like to go one step further and say that they should not only be circulated, but we should have an opportunity to discuss them on the floor of this House, so that we may be able to express our opinion on them and examine what our representatives have done. I have had this complaint with regard to several committees that although they were appointed by this House we had no opportunity to discuss their reports. Therefore, I request that the Government should consider this proposal and in future they should print the reports of these committees, excluding of course any information of confidential and secret nature which duc to war conditions it may not be advisable to publish, and circulate them among the Members of this House, and we should have an opportunity to discuss those reports.

Sir Cowasjee Jehangir (Bombay City: Non-Muhammadan Urban): So far as I understand, the functions of these committees are as follows: That a certain number of Honourable Members elected by this House should be in a position to know more of the subjects of the department that come before this House, and they should be in a position to cross-examine the Honourable Member or

[Sir Cowasjee Jehangir.]

any representative of his departments in these committees. No vote I presume is taken and they come here better informed in order to inform this House of their point of view on questions that come before us. That I understand is the function of these committees. Since no vote is taken . . .

An Honourable Member: Votes are taken.

Sir Cowasjee Jehangir: So far as I know, no votes are taken.

An Honourable Member: They are taken, if necessary.

Sir Cowasjee Jehangir: I am not talking of Statutory Committees. I am talking of committees such as may be appointed by this Honourable House at a request made by an Honourable Member for having an advisory committee with regard to his department. In such committees no votes are taken. And therefore it was considered advisable that at least a certain number of Members of this Honourable House should be better acquainted with the working of the department and with the subjects that come before this House. If that is the object, then if Members of the Committees would themselves ask the Honourable Member in charge of the department to place certain subjects before the committee, he would, I think, be bound to do so. But if they always leave it to the Honourable Member to place before the committee whatever he may like, then it is the fault of members of the committee themselves. I understand that no Honourable Member would refuse to bring a particular subject before the Advisory Committee if he was requested to do so, but he is not in a position always to know what is the subject that any particular member of the committee would like discussed. If that is the understanding -that the Honourable Member will bring forward such subjects as any individual member of the committee may require and have it discussed so that the committee may be better prepared to give us their advice when the matter comes before this House,-I think that committee will be doing a useful service.

Prof. N. G. Ranga (Guntur com Nellore: Non-Muhammadan Rural): I take strong objection to the suggestions that have fallen from the lips of my Honourable friend, Sir Cowasjee Johangir. Sir, if the House is to accept his point of view, it will seriously curtail the powers and also the utility of the Members who are to go and serve on these committees. They are not to go and get themselves educated through the good graces of the departmental members concerned, but also to communicate the general sense of this House on those questions that are brought up for discussion; and see that even in advance of the member coming to this House the Member concerned of the Government will be able to know what is likely to be the attitude of this House, therefore his proposal may be suitably amended and developed before he comes to this House. Sir, I have always understood it to be the English practice—and here I speak subject to correction—that these committees are not only expected to give the benefit of the general attitude of this House to the Member concerned but also to try, as far as it is possible for them even through their advisory capacity, to influence the policy and activities of the department and the Member concerned and also help him in shaping his own views and his own activities in regard to the business of his department. Now, Sir, ;f we are to accept the views of my Honourable friend, Sir Cowasjee Jehangir, the powers of the members of these committees as well as the committees themselves will be considerably restricted.

Sir Oowasjee Jehangir: I have not disagreed in whatever I have said with a word that you have said up to now. I do not know what you are going to say in the future.

Prof. N. G. Ranga: I am glad he is in agreement with me. He thinks votes ought not to be taken in these committees. If he really means that votes ought not to be taken or are not taken, I disagree with him. If he means that as far as possible they should try to express their views unanimously then there can be no disagreement.

ELECTION OF MEMBERS TO THE STANDING COMMITTER FOR INDUSTRIES AND 659 CIVIL SUPPLIES DEPARTMENT

Mr. President (The Honourable Sir Abdur Rahim): The question has been raised before more than once, when it has been explained what are the functions of these committees. These general questions which have been dealt with before cannot be discussed over again on every motion like this.

Prof. N. G. Ranga: If they have been already dealt with and the House is expected to know what has been decided upon and the House is not expected to agree with what my Honourable friend, Sir Cowasjee Jehangir, has said today, I have nothing more to add.

Sir Cowasjee Jehangir: I have said nothing contrary to what you have said.

The Honourable Sir M. Azizul Huque: I agree with Dr. Sir Zia Uddin's statement that no single Department should be singled out for the purpose of criticism. Most of the points are of a general nature. I have some experience of Standing Committees. There are often peculiar difficulties which I hope my Honourable friend, Prof. Ranga, will realise. A little while ago a very important question was placed before that Committee. We were very anxious to know the views of the members. I had several meetings but unfortunately quite a number of members said: 'we cannot give any view just now: we do not know our Party's attitude.' It makes the Standing Committee's work extremely difficult if a member after getting all the pros and cons and after being able to discuss threadbare all the issues, says, 'I cannot give my view till my Party's opinion is known'. I am anxious to call these committees at a time when the Legislature is not in Session but it is difficult because I cannot get the different Parties at the time. Yet I can assure my friend that there is not a single member in the Government Department who is not anxious to place any matter on any question of policy or administration which the Members of this House may desire.

I have nothing more to say as it is in the nature of an Advisory Committee only. I do not know the procedure of other committees, but I take it that the nature of an Advisory Committee is what has been stated.

Dr. P. N. Banerjea (Calcutta Suburbs: Non-Muhammadan Urban): Will this Committee meet frequently?

The Honourable Sir M. Azizul Huque: That depends on the matters which will be placed before the Committee.

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

That this Assembly do proceed to elect, in such manner as the Honourable the President may direct, six non-official members to serve on the Standing Committee to advise of subjects in the Department of Industries and Civil Supplies."

The motion was adopted.

Mr. President (The Honourable Sir Abdur Rahim): I have to inform Honourable Members that the following dates have been fixed for receiving nominations and for holding elections, if necessary, in connection with the following Committees, namely:

•	Date for nomination.	Date for election.*
1. Central Advisory Board of Education in India .	14th November	16th November.
2. Indian Coconut Committee	14th November	16th November.
3. Standing Committee for the Department of Industries and Civil Supplies	15th November	17th November.

The nominations for all the three Committees will be received in the Notice Office up to 12 Noon on the dates mentioned for the purpose. The elections which will be conducted in accordance with the principle of proportional representation by means of the single transferable vote, will be held in the Assistant Secretary room in the Council House. New Delhi, between the hours of 10-30 A.M. and 1 P.M.

Mr. President (The Honourable Sir Abdur Rahim): Legislative Business. Sir Azizul Huque.

The Honourable Sir M. Azizut Huque (Member for Commerce and Industries and Civil Supplies): Sir, I move:

"That the Bill temporarily to amend the Indian Patents and Designs Act 1911, be" taken into consideration.

There are certain modifications brought about by section 42(6) of the Defence of India Rules. They are not sufficient to cope with the war time conditions. Under section 21 of the Indian Patents and Designs Act, the Government could only use or exercise an invention which was needed for the services of the Crown and they could sell any articles made in pursuance of such rights if they were surplus: When the Defence of India Rules were changed large powers were given as regards the use of any drawing, model, plans, specification or other documents. But it has been found necessary to extend these powers so that inventions can be used or exercised or even sold for any purpose necessary or expedient for the efficient prosecution of the war or for the maintenance of civil supplies or services or for such other purposes for which the Indian Patents and Designs Act is intended.

There is another difficulty about agreements which had been entered into between applicants, or patentees, and third parties and it is necessary that some provision should be made to make inoperative any agreement or licence subsisting between the applicant or patentee and the third party.

The last difficulty will be about the rights of persons to whom the articles made by Government as a result of such inventions are sold. It is necessary to protect them.

It is to meet these three minor matters that I have brought forward this amending Bill. Sir, I move:

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

"That the Bill temporarily to amend the Indian Patents and Designs Act. 1911, be taken into consideration."

Mr. H. A. Sathar H. Essak Sait (West Coast and Nilgiris: Muhammadan): I have an amendment, but I want to ask a question and if the reply is satisfactory I will not move it. Why does my Honourable friend want to give retrospective effect to the provisions in the Act? He says that this is to come into force from the 3rd September 1939.

The Honourable Sir M. Azizul Huque: Because in the meantime certain transactions have been entered into: certain patents have been taken over and unless they are made inoperative, Government will not be able to protect the rights of the third parties. So it is necessary to safeguard their interests.

Mr. H. A. Sathar H. Essak Sait: I am not moving the amendment.

Mr. President (The Honourable Sir Abdur Rahim): The motion is now open for discussion.

(No Honourable Member got up to speak.)

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

"That the Bill temporarily to amend the Indian Patents and Designs Act. 1911, be taken into consideration."

The motion was adopted.

Clause 2 was added to the Bill.

Clause 1 was added to the Bill.

The Title and the Preamble were added to the Bill.

Mr. President (The Honourable Sir Abdur Rahim): Sir Azizul Huque.

The Honourable Sir M. Azizul Huque: Sir, I move:

"That the Bill be passed." Mr. President (The Honourable Sir Abdur Rahim): The question is: "That the Bill be passed."

The motion was adopted.

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THE COFFEE MARKET EXPANSION (SECOND AMENDMENT) BILL.

The Honourable Sir M. Azizul Huque (Member for Commerce and Industries and Civil Supplies): Sir, I move:

"That the Bill further to amend the Coffee Market Expansion Act, 1942 (Second Amendment), be taken into consideration."

The main purpose of this Bill is to make legal research work within the scope of the activities of the Coffee Market Expansion Act. Certain funds came in and it was thought desirable to spend them on coffee research. Sir, I move.

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

"That the Bill further to amend the Coffee Market Expansion Act, 1942 (Second Amendment), be taken into consideration."

Dr. Sir Zia Uddin Ahmad (United Provinces Southern Divisions: Muhammadan Rural): Sir, I very much appreciate the work that is being done by this

1 F. M. Government through the Coffee Cess Committee: but, at the same time, I think it is desirable, as I pressed last time, that we should have an annual report from this Committee and, if necessary, we should have the opportunity to discuss the matter in the House. It is quite possible that the non-official Members may be able to make suggestions, for there is always the possibility of improving even the best. The best can always be made better. In spite of the fact that good work is already being done by the Committee I think it is desirable that we should have an opportunity to consider the matter. I would ask the Honourable Member to assure us that an annual report of the Committee will be printed and circulated among the Members of the House so that we may know what the Committee is doing instead of, as at present, the Members getting their information from private sources.

Mr. T. S. Avinashilingam Ohettiar (Salem and Coimbatore cum North Arcot: Non-Muhammadan Rural): I see, Sir, that this amending Bill seeks to credit what money is left out to be added on to the general fund. All the money of the pool comes from two sources, the pool gets all the sums realised by the Board from the sale of coffee as also the surplus in the fund. The section specifies the ways in which the money may be spent. May I know how they get this surplus which they want to put to the general fund? Has it been -received by the sale of coffee? The Coffee Houses which are working in various parts of the country are working at a profit. May I know whether any part of this fund is from the coffee houses? May I know whether these coffee houses were intended to be worked at a profit or as a means of propaganda. If the coffee houses were intended to work for a profit, I must submit that that was not the intention when these coffee houses were opened. Let us know how this fund has been arrived at.

The Honourable Sir M. Azizul Huque: I think I might explain the circumstances in which this pool has arisen. A duty of Rs. 14 a hundredweight was imposed. On the date the excise duty on coffee was imposed there happened to be 7,200 tons of coffee in the pool which, having been cured before the imposition of the duty was not dutiable but for the sake of administrative convenience the duty was realised, because otherwise it would have been very difficult to distinguish between that coffee and the coffee that had been cured. That has resulted in a gain of approximately Rs. two lakhs and it is not intended that this should go to the profit of the plantations but should-be devoted for specific research purposes, which were imminently necessary. I do not think I have got anything more to say. It is not the profit of the coffee houses and I am quite prepared to look into the question of coffee houses. I have never been to a coffee house in my life but I shall try to do it next time.

Prof. N. G. Bangs (Guntur cum Nellore: Non-Muhammadan Rural): Is it a fact that this pool bears the loss sustained by the coffee industry, which has to sell coffee at a lower price to the U.K.C.C. and also the Defence Services?

The Honourable Sir M. Azizul Huque: I do not think that is correct in any case. It is not fair to ask a question regarding the U.K.C.C. in this connection. Prof. N. G. Ranga: The question is with regard to the coffee pool.

The Honourable Sir M. Azizul Huque: It has nothing to do with it. 1 explained that because of the duty which was imposed there was a certain stock which had been cured before, on which duty had been realised.

Mr. President (The Honourable Sir Abdur Rahim): The Honourable Member is too late in asking his question. He should have risen in his place at the proper time. He cannot make a speech after the Member in charge has replied to the debate.

The question is:

"That the Bill further to amend the Coffee Market Expansion Act, 1942 (Second Amend-ament), be taken into consideration."

The motion was adopted.

Clauses 2 and 3 were added to the Bill.

Clause 1 was added to the Bill.

. The Title and the Preamble were added to the Bill.

The Honourable Sir M. Azizul Huque: Sir, I move:

"That the Bill be passed." Mr. President (The Honourable Sir Abdur Rahim): The question is: "That the Bill be passed."

The motion was adopted.

THE DELHI JOINT WATER AND SEWAGE BOARD (AMENDMENT) BILL

Mr. J. D. Tyson (Secretary, Department of Education, Health and Lands): Sir, I move:

"That the Bill further to amend the Delhi Joint Water and Sewage Board Act, 1926, be staken into consideration.'

The purpose of this short amending Bill is fully set out in the Statement of Objects and Reasons. I do not think the House will expect from me much further explanation. The present Bill seeks to amend the parent Act to allow of the inclusion of authorities like the Fort Notified Area Committee and the West Delhi Notified Area Committee among the constituent bodies, which are set out in section 2(c) of the parent act. We are anxious to have power to do this at once, because, as regards the Fort Notified Area Committee, they are already in receipt of water from the Board,-in all probability illegally,-and, as regards the West Delhi Notified Area (which is a recently constituted area and which includes the industrial area of New Delhi) it is becoming more and more urgent that water-supply should be made available to that area.

The second thing that the present Bill seeks to do is to take power to allow the Board to supply water by agreement to places which are under authorities which are not likely (because they are not urban authorities) to be brought within the list of constituent bodies. Already one area within Kilokri, which is under the District Board, has been given water for good and sufficient reasons, but probably without any legal basis, and we may have another area in the near future, which may have to be given water for the same reason. And there are certain areas which are springing up outside the urban areas of Delhi under the District Board of Delhi, to whom it may be desirable to extend the facilities of the water-supply. We propose that that should be done by ad hoc agreement with persons interested in the locality.

The Bill is a simple measure designed to meet these-two objects. Sir. I move:

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

"That the Bill further to amend the Delhi Joint Water and Sewage Board Act, 1925, he taken into consideration."

Mr. H. A. Sathar H. Essak Sait (West Coast and Nilgiris: Muhammadan): To avoid waste of time on my motion I would like my Honourable friend to tell me why he wants to charge twice the usual rate when with the sanctior of the Government the supply of water is extended to outside areas. When it is agreed that a particular area is to be supplied with pure water, I do not know why my Honourable friend should penalise them and charge them twice

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THE DELHI JOINT WATER AND SEWAGE BOARD (AMENDMENT) BILL

what he is charging the Delhi area. If he will explain that-I hope he has considered my amendment and that he agrees with the rate I have suggested in it.

Mr. J. D. Tyson: Sir, I confess there was not much basis for taking any particular figure. If the facility is extended outside the Delhi urban area, it is fair that the people who get it should pay at least as much for the water as the people within the urban area and we thought that twice what is called the "final issue rate" would be a fair basic figure; but it is a minimum figure that is being fixed here and it can all be arranged under the agreement. I am not disposed to quarrel with the amendment; and if he moves his amendment in due course, I shall not stand in his way.

Sir Muhammad Yamin Khan (Agra Division: Muhammadan Rural): Sir, I want to make only a little suggestion on this. I have found sometimes that Bills of the kind just moved are brought forward, or sometimes a kind of Ordinance is passed at a time when the Assembly is not sitting, without consulting the people who are going to be affected. I would like the Government to keep in view that no Bill of any kind or law in the shape of an Ordinance should be passed without giving due consideration to the views of the people actually going to be affected by that Bill. Otherwise it all becomes quite one-sided. It may be that the committee or company supplying this water may like to have the charges increased; but the people who are going to be affected must be allowed to have their say. I do not find that this procedure has been adopted in the present case. I also find that a similar thing in the shape of an Ordinance was passed in the Delhi area, which has created 'a great deal of row in the whole city and a lot of litigation has started, and I would request the Honourable Member to advise the authorities concerned that before they send a proposal to any department of the Government of India for bringing up a Bill of this nature, where the public is going to be affected, they should consult all sides and not one side alone. There is the payee and there is the man who charges. Both sides should have their views put before the House. I have found that this principle is ignored in many cases; and in this case also there is no evidence that it has been complied with. Only yesterday I received a lot of complaints about this, that the people were going to be very adversely affected. I would like my Honourable friend to say how far this procedure has been followed in this case because I know that in every Bill which is introduced here consultation is made: when you ask for circulation the opinion of all sides is collected and placed before us; but in this Bill whether the people have had any say or not ought to be made clear before this House.

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.

Mr. Deputy President (Mr. Akhil Chandra Datta): The question is:

"That the Bill further to amend the Delhi Joint Water and Sewage Board Act, 1926, be taken into consideration."

The motion was adopted.

Clauses 2, 3 and 4 were added to the Bill.

Mr. H. A. Sathar H. Essak Sait: Sir, I move:

"That in clause 5, in the proposed second proviso to the proposed section 14A, for the word 'twice' the words 'one and a half times' he substituted."

I need not detain the House long over this, because I explained the purport of this amendment when the motion for consideration was being discussed. My Honourable friend seemed inclined to accept this amendment, because he said that this was limiting the minimum. That is true. The minimum pro-vided in the clause is "twice the final issue rate payable". I want to reduce that so that if the Government wish to charge less than the minimum provided in the Act, they may do so. At the same time. I want my friend to meet the wishes of the House and see that except in very exceptional cases the [Mr. H. A. Sathar H. Essak Sait]

rates are not high, the idea being that pure and good water should be made available as cheaply as possible. Sir, I move.

Mr. Deputy President (Mr. Akhil Chandra Datta): Amendment moved:

"That in clause 5, in the proposed second proviso to the proposed section 14A, for the word 'twice' the words 'one and a half times' be substituted."

Mr. J. D. Tyson: Though I cannot give any undertaking as to how individual cases will be met, I have no objection to this amendment. This will only arise in the cases where water is supplied under an agreement and each case will have to be taken on its merits.

Mr. Deputy President (Mr. Akhil Chandra Datta): The question is:

"That in clause 5, in the proposed second proviso to the proposed section 14A, for the word 'twice' the words 'one and a half times' be substituted."

The motion was adopted.

Clause 5, as amended, was added to the Bill.

"Clause 6 was added to the Bill.

Clause 1 was added to the Bill.

The Title and the Preamble were added to the Bill.

Mr. J. D. Tyson: 1 move:

"That the Bill, as amended, be passed." Mr. Deputy President (Mr. Akhil Chandra Datta): The question is:

"That the Bill, as amended, be passed."

The motion was adopted.

THE PUBLIC DEBT (CENTRAL GOVERNMENT) BILL

Mr. Deputy President (Mr. Akhil Chandra Datta): Sir Jeremy Raisman.

Mr. H. A. Sathar H. Essak Sait (West Coast and Nilgiris; Muhammadan): Sir, before my Honourable friend moves his motion, I have a point of order to raise. Under Standing Order 44 (1) (a) the report of the Select Com-mittee has to be made available to the Members for 7 days. The Select Committee's report in connection with the motion that is now going to be moved was placed on the table on the 7th and it was circulated on the 8th evening. So, for only 5 days the Members have been in possession of the Select Committee's report. Therefore, this motion which the Honourable Member is going to make contravenes this Standing Order. But if the House is inclined to waive the rule in his favour, I won't object provided some of us who have given notice of amendments this morning are also allowed to move our amendments, otherwise this motion will be unfair to the non-official Members.

The Eonourable Sir Jeremy Raisman (Finance Member): Sir, if the House agrees to proceed with the Bill, I have no objection to the amendment which my Honourable friend wishes to put in.

Sir Cowasjee Jehangir (Bombay City: Non-Muhammadan Urban): We have not got those amendments yet.

Mr. Deputy President (Mr. Akhil Chandra Datta): In view of the opinion expressed by both Parties, I think the Standing Order in regard to the time limit may be waived and is waived.

The Honourable Sir Jeremy Raisman: Sir, I move:

"That the Bill to consolidate and amend the law relating to Government securities issued by the Central Government and to the management by the Reserve Bank of India of the public debt of the Central Government, as reported by the Select Committee, be taken into consideration."

The Select Committee went carefully into the criticisms which had been elicited in the course of the circulation of the Bill and they came to the conclusion that very few amendments were necessary. In fact, most of the changes made in the Bill, as it now comes before the House or several of them, are merely corrections of printing errors. In clause 8 of the Bill there is a change of language owing to the criticism which was made of the phrase "a Government security held by two or more persons severally". It was decided that this was not perhaps appropriate language and instead of that the Select Committee went back to the language of the present Act which

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speaks of a Government security payable to two or more persons severally. Then, a good deal of care was devoted to the question which so many critics raised in regard to clause 9, which was also a point to which my Honourable friend Maulvi. Muhammad Abdul Ghani drew attention. It seemed to the Select Committee, and, if I may say so, quite rightly, that the criticism of this clause is based on a misapprehension. There was a feeling that unless more time is given for the production of probate or letters of administration or a succession certificate, hardship would be involved to the public. The exact opposite is the case. The position is that on the death of the holder of a security, unless you make provision for some fairly prompt decision, the small investor will not be able to draw the interest on his bond until he has gone through the processes of obtaining the probate or letters of administration or succession certificate. Now, the object of the Bill, as of the existing statute, is to provide relief for the small investor by enabling him to begin to draw the interest on his bond as soon as possible, and for that purpose I suggest this House should be more concerned to see that the period is not too long. During the period when the Reserve Bank does not make a summary adjudication of the matter, the small investor is suffering the hardship of being kept out of his money. Although at first sight it appears otherwise, the fact of the matter is that this provision actually works the other way and is intended to provide relief to the small investor. I may say in support of this that similar provisions have had to be mude in other statutes, for instance, under section 3(1) of the Post Office Cash Certificates Act, 1917, and under section iв 4 of the Government Savings Bank Act. The time-limit in these cases three months. I suggest that the period of six months is appropriate in the present case, that it should not be shortened and that certainly in the interests of the small investor it should not be increased.

Another clause which has attracted some attention is the clause providing for limitation. That is clause 24 of the Bill. The clause, as originally framed, provided for the liability of the Central Government in respect of a Government security and of any interest due on it terminating on the expiry of six years from the date on which the amount due on the security or by wey of interest became payable. There have been various criticisms of this provision, and it was suggested in some of the opinions that there may be cases where the persons entitled to the payment of the security or the interest, would be unable to present their claims within six years. But after some discussion, the Select Committee decided to extend the period to 12 years, which, they felt, should be ample for all purposes, and this period has been embodied in the Bill.

The only other point of substance is the one which my Honourable friend Mr. Krishnamachari, who served on the Select Committee, has raised in his - minute of dissent on clause 7 of the Bill. His contention is that a certain concession given to Hindus governed by the Mitakshara law, which at present exists as a proviso to section 12 of the Indian Securities Act, 1920, should continue in their favour. Sir, the Committee felt that in preparing new legislation of a simplified and, may I say, of a more rational character, it was difficult to justify the provision of this somewhat unusual exception. I am no lawyer, but I understand that in certain other respects, the law on the subject is the same as that which we embodied in the Bill. For instance, in all properly drawn Articles of Association of Joint Stock Companies, and again I believe in the Acts and Rules relating to the Reserve Bank Act and the Imperial Bank Act, the position there is that title is determined on the same basis as we propose to embody in this statute. Clause 7 seeks to provide that executors or administrators of a deceased sole holder of a Government security and the holder of a succession certificate issued under Part X of the Indian Succession Act, 1925, shall be the only persons who may be recognised by the Bank as having any title to the Government security. The members of the Hindu joint family governed by the Mitakshara law are already in this position in respect, as I understand, of the shares of Joi it Stock Banks and such securities as the Reserve Bank shares or Imperial Bank shares. I have not been able to understand what injustice is involved or what hardship is

[Sir Jeremy Raisman]

caused in requiring members of such a family to undergo the same procedure when establishing title to a Government security. In fact, I am informed that they are actually in a better position than other classes because other classes have to pay probate fee when they seek to obtain a Probate or Letters of Administration, whereas by a ruling of the High Courts, in the case of Hindu Joint family governed by the Mitakshara law, no such probate fee is payable. They, therefore, are not only in a position to comply with the requirements of the Bill as easily as anybody else, but they actually enjov advantage that in producing the necessary documents, they are not liable to have to pay the fee which other members of the community would have to pay in order to obtain such a document. On general grounds, it was felt in the Select Committee that whatever might be the history of this curious exception, there was insufficient justification for, shall I say, disfiguring a simplifying measure with a rather long winded and complicated proviso relating to a special case of that kind. For these reasons, the Committee decided to adhere to the Bill as drafted. Sir. I move.

Mr. , Deputy President (Mr. Akhil Chandra Datta): Motion moved:

"That the Bill to consolidate and amend the law relating to Government securities issued by the Central Government and to the management by the Reserve Bank of India of the public debt of the Central Government, as reported by the Select Committee, be taken into consideration."

Mr. Sri Prakasa (Allahabad and Jhansi Divisions: Non-Muhammadan Rural): Mr. Deputy President, Sir, I should like, with your permission, to begin with a word of apology. I have not been a frequent visitor of this House for the last four years, and I must confess that I have got rather out of practice, both with the art of speaking in this House and with the procedure that has to be followed. If I make any mistakes, you, Sir, with your usual generosity will pardon me, and so will, I have no doubt, the Honourable the Finance Member who is in charge of this Bill.

Sir, in our country, the executive being the de facto legislature also, all laws seem to me at least to be enacted with a view to making the task of the Government and its officers as easy, and the work of the general public as difficult and complicated as possible. I have not to go far for an illustra-The Honourable the Finance Member himself has just said that a very necessary--it appears to me to be very necessary because it touches me personally and it touches the habits of many people in our country-a very necessary amendment to one of the sections, with which I shall presently deal, would involve a very complicated process. He thinks the language of the proposed proviso would be very complicated. He wants a simple Act; but he forgets that when he is saving himself from a complication, he is introducing a lot of complication in the lives of millions of people in our land. I would rather have a complicated law-and, as a matter of fact, all laws are complicated—and as a result thereof have a simple process of life for the general mass of the people, than have a simple law which creates a lot of confusion in our lives outside. It is no doubt a very simple rule that the Government can imprison anyhody it likes for an indefinite period of time. The old Rule 26 of the Defence of India Act, used to be only of about eight or ten words; and it got so mixed up with the other rules of the Act that nobody knew about it at all, till everybody was being caught and imprisoned without charge, without trial for the end of time. Therefore, I would rather have a complicated or complex set of words here which simplifies our lives outside than have a very simple law here which makes our lives not worth living outside.

Now, Sir, there are three points on which I should like to draw the attention of the Honourable the Finance Member and the House generally in connection with this Bill. I have no doubt my Honourable friends from all sides of the House will assail this Bill in various other parts. But I want to concentrate on just these three. I want to draw the attention of the House, to

begin with to clause 6 that deals with trusts. Trusts are facts and trusts are created by charitable persons for charitable purposes. Thev are in the nature of corporations such as societies registered under. Act XXI of 1860. But trustees seem to be driven from pillar to post whenever they want to invest their money in safe securities and see that no harm comes to themselves or to their trusts. They are anxious to fulfil the objects of the trust but at every step trustees are troubled by one law or another. 1happen to be a trustee of two trusts, one for educational purposes and the other for the care of widows and orphans. Both these trusts were created by charitably disposed persons who thought that creating these trusts would be the best way of fulfilling the objects which they had in view. I had very strange experiences in the matter of investing the money of these trusts. In the educational trust we had, as a part of its property, Government securities of the face value of one lakh of rupees. For urgent purposes we had to sell this paper. Because of various troubles we had already experienced, we also, on the advice of lawyers, turned ourselves into a charitable society under Act XXI of 1860. But the name 'trust' still stuck to us; and after all the transactions were completed, the final payments were refused. The papers were hung up and there were urgent telegrams to me from Bombay and elsewhere to expedite matters, otherwise various penalties were in store for me. Sir, if I had not happened to know the then Governor of the Reserve Bank, Sir James Taylor personally,-whose premature death I mourned as much as any other friend of his could have done, -and if I had not worked with him. as representative of this Assembly in the first Central Board of the Reserve Bank, I do not think I could have got out of the mess. Sir James Taylor came to my rescue and expedited matters and I got the money. If you go to the Imperial Bank and want to deposit your money as a trust, they say they recognise no trusts. I do not see what harm there is in recognising a trust. If it is a valid trust, if it functions properly, if it has got an office, a Secreas tary and President and other functionaries, where is the harm in the bank recognising a trust?

Sir, I have had similar experiences with the other trust also: the trust which holds properties for the welfare of widows and orphans. Lawyers advised us in that case also to transform ourselves into a charitable society under Act XXI of 1860. We did that; but still we met with a lot of difficulty whenever we wanted to buy or sell securities or to make other transactious in the interests of the trust. I hope, therefore, that my Honourable friend opposite will accept my amendment of which I have given notice only today and for the admission of which I must thank my Honourable friend Mr. Essak Sait. I had almost feared that the amendment would be ruled out of order for want of sufficient notice. I hope my Honourable friend will accept my amendment; and if he thinks the language is not clear-I'must say I am no draftsman-he may suggest changes In the language, so that valid trusts, trusts which are on a par with charitable societies, might be accepted as corporations: within the compass of this Bill so that trustees may not have any difficulty and that a whole horde of trustees may not be required every time to walk up and down to put their signatures severally before they can complete a transaction. I do hope I am clear in my meaning; and that the Honourable Member opposite will come to the rescue of trusts in the manner suggested.

Then, Sir, my Honourable friend was at pains to tell us that clause 7 should stand as it is. He does not see why particular people with particular methods of life should have any particular privileges. When it comes to the taking of income-tax, he is not prepared to recognise every adult member of a joint Hindu family as a separate entity. In that matter, I am sorry to say that assurances given on the floor of this House when the amendment of the Income-tax Act was being discussed are not being given effect to. The Incometax Department is taking unfair advantage of a ruling of a High Court—and Courts do not recognise assurances given in this House and go only by the letter of the law—and are not giving such facilities for the recognizon of [Mr. Sri Prakasa]

separation in an undivided Hindu family for purposes of assessment of incometax, as was assured to us in this House when I moved an amendment on this subject, by no less a person than the then Law Member Sir Nripendra Sircar. Now, Sir, when it comes to taking, no privileges are to be given, no special customs are to be recognised; and similarly in this case also they want that holders of Government securities, on behalf of undivided Hindu families, should also be regarded as individuals; and they must also undergo various processes before they can safely get those Government securities transferred to the rightful owners.

Now, Sir, the Honourable Member knows very well that in an undivided Hindu family governed by the Mitakshara law, we become proprietors by the very fact of birth. We. with our brothers. cousins. fathers. uncles, etc., hold the property from our very birth as a joint concern as coparceners. We are joint holders from the start; and when a special provision is being made in section (a) for the right of survivors of joint holders and several payees. I do not see any reason why Government is not accepting the joint holdership of joint Hindu families governed by the Mitakshara Law, and agreeing that the survivor is to get the Government security ipso facto after the person in whose name they were held passes away. Sir. I really have very little hesi-tation, as you and the House knows, to say the exact facts on every situation. I have not much prudery about me and I call a spade a spade and do not mind being charged with indecency or vulgarity. What happens in such cases is this: When a poor old man in whose name Government securities are held, is on his death-bed, all the persons concerned-sons, cousins and others-who have . a right to these securities after the dear one has departed, gather round him; and in his shaky hands thrust pens and make him sign his name in the brackets on the back of these Government securities, so that all the annoving legal formalities may be avoided later. In the Mitakshara Hindu families at least we were saved from this horror of having to force our dying parents to sign these forms before the end, lest there should be any difficulty afterwards. The processes of taking a probate and letters of administration are lengthy and expensive, and the system of transfer of Government securities is a fairly simple one because naturally the Government have made it very simple for itself. I say, Sir, that the Honourable Member opposite should save large masses of people in our country from the degradation, the humiliation and the vulgarity of forcing dying parents to sign these Government securities in order to avoid various formalities afterwards. I therefore think, Sir, that my Honourable friend opposite will accede to the general request of this House,-for I find there are amendments to this effect from various persons, and let the undivided Hindu families enjoy the right that they have done so far. I am very glad to see my Honourable friend, Mr. Baijnath Bajoria, in the House: I was sorry he was not here when I began. That is the one point on which he and I stand on common ground—the support and preservation of the joint Hindu family. On all other points, I fear, we disagree; and I am sure this particular amendment will find even a greater champion in my friend there than in me.

The third point that I want to deal with is with reference to section 24. Section 24 seeks to put a limit of 12 years within which payment shall be made of capital and interest on Government securities. After that, I take it, the Government securities lapse. I "think one of the most shameful things that have been introduced in our country by its foreign masters is this—hateful law of limitation. When a man has taken something from another, it is up to him to pay it; but as the law is, the debtor starts counting from the very first day that he signs his pronote and wishes that three years may elapse somehow and the creditor may forget about the debt before then so that the payment may lapse. This law has made an otherwise honest people exceedingly dishonest; and it has given rise to an amount of litigation which is terrible to behold. Now, Sir, the Government also want to eat up the mosey that it has borrowed under the cover of this law. We know that not all investinicits iil Government securities are necessarily voluntary. Those who know how war funds are collected, those who know how people are forced to pay, will agree with me when I say that the securities purchased are not always in the pature of voluntary transactions; but I do not say that heaps and heaps of crores out of the seventeen or eighteen hundred crores that the Government have gathered as securities or promissory notes, are not in the nature of voluntary transactions. When the Government has got this money—and means to be honest about it—why is it anxious to refuse payment in case 12 years happen to elapse before the demand for it is made. I think that it is very necessary that this period of limitation should be extended to a very great extent or this section deleted completely in view of other provisions in this Bill.

There is at present the necessity of taking a probate or letters of administration; and all that is bound to take a lot of time. Even when in some cases, as the Honourable the Finance Member pointed out, there are no stamp duties to pay, there would still be lawyers' fees to pay. No law has yet been made-and I should welcome the day when such a law is enacted—that lawyers' services shall be placed at our disposal free of all cost. Till then, we have to take into consideration not only the expenditure that is actually mentioned as legal expenditure on stamp duties and other things, but you have also to take into consideration the lawyers' fees which is very often far in excess of the prescribed fees, and you must not forget the actual payments made to various chaprasis, and clerks and other persons before you are through with a case. Sir, I think, law---if it is a decent law---should be able to save the general public from such exactions. My proposal is that instead of 12 years, а period of 60 years should be the limitation. If for 60 years, namely for two generations, no claim is made, then the Government may eat up the money if it likes. I should like the Government honestly to fork out the money ; ven then and find out the successors itself; but if it is very anxious to make profits in underhand ways—it is already making a lot of profit by eating up unclaimed balances in post offices, where I understand it holds about 12 crores of such money-it should at least give a longer lease of life to the holders of securities and their successors.

I should also like to say another thing in this connection. Joint families with their many advantages have one great disadvantage from which many of my friends, including Mr. Bajoria despite his lynx eyes, could not be free. There is a great amount of secretiveness among the various members of the family. A member does not want another member to know exactly how his personal accounts stand lest there should be any difficulties of a domestic nature. If a member of a joint family-I take it from the smile of the Honourable the Law Member that he knows this very well-has some securities which he or she had been secreting,-'she' even more than 'he'-and he or she dies without leaving any instructions-it may be that on his or her deathbed there were too many people about him or her to enable her to leave instructions behind-and if these securities are discovered in some box_after many many years-may be after 12 years-as ornaments and cash are very often discovered-then Government should, I think, not refuse to pay money because a claim is being made after the lapse of 12 years. But if Government agrees to make it 60, namely when all possible persons who could have known this particular individual who had these securities have in the nature of things passed away, then it does not matter if the Government takes the money because it would then break no heart. I therefore think, Sir, that I should press these three matters before the House and I should like the Honourable \mathbf{the} Finance Member, with the immense power that he possesses, to look at this problem sympathetically. If he really understands and appreciatos the actual system of life in which we in India live; if he does not for the purposes of legislation believe that people in India live the same individualistic lives as he and his own countrymen do; if he realises that he is legislating for a people with customs and manners different to his; and that those customs and manners have come through the centuries and that have to be respected whether he likes them or not; if he realises the strength of the feeling in the land on

[Mr. Sri Prakasa]

such social and semi-religious matters, I am sure, Sir, he will not refuse to think along the lines 1 have ventured to lay down and will accept suitable amendments to these three sections which \underline{I} have discussed before the House.

1 want him first of all to accept and recognise Trusts as actual facts of our lives, as charitable institutions created by charitable and generous hearted persons for the public good; and to see to it that Trusts are able to invest their money in safe securities and draw their interest on these monies at reasonable intervals in a reasonable manner; and that the bank and all banks--and by the bank I mean the Reserve Bank as mentioned in this Act-recognise Trusts in the same manner as they recognise charitable institutions. Then I want him, and all Members of this House, to give a little thought to the conditions of undivided Hindu families. I shall be told that no exception can be made for one set of people and that they must also undergo the same difficulties as all other persons have to. But first of all, it is not necessarily right to add disabilities on a particular set of persons simply because other persons do not enjoy the same facilities. Then, Sir, the numbers affected are very large and that also should be taken into consideration. I should be glad if similar facilities are given to all persons. I do not like these letters of administration. I do not like the necessity for taking out probate and things of that sort. These were not known to us before and I should like all communities to be saved from these difficulties. But if they cannot be for some reasons or other, at least those that had been safe so far should continue to be safe in future also. I should say one thing more. If a small privilege is being asked for the undivided Hindu Mitakshara family, we must not forget that there are a number of disabilities also from which they suffer. For mstance, in the Dayabaga School of Hindu Law, the man who possesses the property is, if I am not mistaken, the absolute holder of that property. His sons, his cousins, his brothers cannot come and stop him from spending money in a manner which these people do not like; but in Mitakshara families we can hold up the hands of the father or the head of the family, the Karta, and prevent him from spending money in the way he likes. If the younger folk think that he is not spending it in the proper way he can be prevented from doing so; and that is why it is said that the Dayabaga son bends far more before his Dayabaga father than the Mitakshara son before his Mitakshara The Dayabaga father has absolute right over his property; but the father. Mitakshara father has not. Therefore it is not true, as my Honourable friend, the Finance Member, tried to make out-and I am sorry that he is not attentive to what I am saying . . .

The Honourable Sir Jeremy Raisman: Yes, I am.

Mr. Sri Prakasa: It is not true that a special privilege is being given to the Mitakshara families without any attendant disabilities. I therefore think, Sir, that he should be considerate to these Mitakshara people, and not force them to undergo the processes which he is forcing on other people who enjoy far more privileges in other directions than the Mitakshara *karta* of the family does.

Lastly, I once more repeat, that in all honesty he should increase the period of limitation and not try to swallow up money only because it is not claimed for 12 years. In Bihar which perhaps is our most litigious province . .

Mr. Satya Narayan Sinha (Darbhanga cum Saran: Non-Muhammadan): Question!

Mr. Sri Prakasa: I do not think the truth of what I say can be questioned. I have something to do with Bihar, being married there.

Patna, the capital of Bihar, is now a town of only lawyers who have enriched themselves at the expense of the children of the soil, and if the Honourable the Leader of the House were here, he certainly would not have questioned what I am saying. In Bihar very often a case takes twenty years and more to finish: in between of course not only Sultan Manzils but many more manzils arise in Patna. A little objection is made on a little point and the person concerned goes on fighting from court to court and would not stop till he has got the judgment of the Privy Council for or against him. That takes twelve years. Then another point arises which takes another 12 years and so on. In the meantime my Honourable friend may eat up the government securities. Therefore, I say, Sir, that the period of limitation should be extended to sixty years, if he is not prepared to abolish the period of limitation altogether. Sixty years is not too long. In the U. P., for instance, if I am not mistaken, limitation does not run against zamindars in certain matters for sixty years. In any case, I feel that at least in this matter a similar provision may be made so that we may be saved from possible losses.

Sir, I appeal for the support of all sections of this House. The misfortune is that very often different sections of the House seem to feel that as a particular matter does not concern their particular community, therefore they need not worry about it. I think this is wrong in principle. Every part must help every other part. The whole must support the part, the part must support the whole. We all really belong to one community. Even in matters of social legislation, I am always surprised why members of one community are asked not to speak or bother about any Bill or piece of legislation that affects some other community. Why should I not bother ? They are our brothers. They are our people. Anything that affects them will affect us. Anything they do inevitably reacts upon us; and therefore each part must support every other part. If Honourable Members think that in making a vigorous plea for the Hindu undivided Mitakshara family I have only dealt with a part of the community, I beg them not to think so, but to feel that in supporting that part they are really supporting the whole, and they are inviting that part to support other parts when their turn comes. Let us not forget, Government is going to eat us all part by part; and it is in its interests to put one part against another, to put one community against another community, to put the Dayabhagas against the Mitaksharas. The Government gains in the end. When anything affects the Dayabhaga man, the Mitakshara man must sympathise with him, otherwise we shall be enriching and helping the Government at every stage, while we will be harming ourselves part by part. Therefore, I say, Sir, I commend my opposition to this measure, to the various sections of the House; and I commend my amendments to the unanimous approval of the House. If we must have a measure, let us have a decent measure, worthy of us and of our Statute Book.

Mr. T. S. Avinashilingam Ohettiar (Salem and Coimbafore cum North Arcot: Non-Muhammadan Rural): This is not such an innocent measure as it seems. Neither can it claim that it merely codifies the existing law and merely makes an enactment for the Centre where there is an enactment for both the Provinces and the Centre together. If I may say so, it vitally affects the existing rights of the people and you must consider this against this background. There was a time when government securities were held by only the industrialists, by the rich people and by the mill-owners. But today it is the common holding of the common man. People have been forced to purchase government bonds, whatever the amount may be and so a measure like this affects the common man in the street, in the town and in the village and so it is up to us to see that his rights are not affected. Remember he is not an educated man and be does not know the law and so we should see at least that the existing law is preserved and that no inroads are made against it.

In my opinion the most important clause in this Bill which affects the existing rights of government security holders is clause 24. May I, Sir, read to you section 18 of the present Act, that is the Indian Securities Act 1920, which is the law today. According to that there is no limitation for the principal amount of a government security. Any number of years may pass but "save as otherwise provided in the Act on payment of the amount due on a Government security on or after the date on which payment becomes due, or when a duplicate security has been issued under section 10 or when a renewed security has been issued, the Government shall be discharged from all liability in respect of the security or securities so paid or in place of which a duplicate, renewed, or new security or securities has or have been issued". But when there is no payment [Mr. T. S. Avinashilingam Chettiar]

made in any way whatever, there is no discharge of the liability of the Government and the liability still ensues after a number of years. Under the law as it is today there is no limitation for the holding of a government security. There is limitation only as regards interest as is shown in section 18 (a) of this Act. But today the Government comes with provisions in this Bill and says that this liability shall be confined to 12 years. Even the Limitation Act in Article 60 says:

"For money deposited under an agreement that it shall be payable on demand, including money of a customer in the hands of his banker so payable."

Where there is a deposit in the hands of a particular banker, if it is not claimed, then how does limitation arise? The limitation arises only 3 years after the demand is made. If I do not make the demand there is no limitation. If I make the demand after 25 years, it is limited within three years after the 25 years. Under the existing Limitation Act, in the case of a deposit, the limitation runs only 3 years after the demand is made, and virtually and essentially government securities are in the nature of deposits. They are made as deposits for the future well-being of the people, and today it is proposed to change the entire law on the subject and to say that within 12 years not only will the interest be affected but also the principal—if the Members here will note it, it says:

"Where no shorter period of limitation is fixed by any law for the time being in force, the liability of the Central Government in respect of a Government security and of any interest payment due on it shall terminate on the expiry of twelve years from the date, on which the amount due on the security or due by way of interest on the security, as the case may be, became payable."

That is, against the principal itself there is a limitation of 12 years sought to be placed under this clause. So this Bill is really not so innocent as it looks. It affects the existing rights of the people and the rights of thousands and lakhs of people throughout the country; and this House should consider this matter before passing this Bill as it is.

Now, I would not like to labour the point on which Mr. Sri Prakasa dwelt exhaustively, about the Mitakshara family, but I shall point out the law. I refer to section 211 (2) of the Indian Succession Act. Mulla in his Hindu Law says—(page 440)—section 375 (2)—

"Where a Hindu dies intestate, it is not necessary in any case to obtain letters of administration to the estate of the deceased to establish a right to any part of the property of the deceased."

And he continues—

"No probate or letters of administration can be granted in respect of joint family. property."

Why? Because the property is already vested in him. He already shares the property and so there is no probate necessary to vest him with the joint family property. Following this up, section 211(2) of the Indian Succession Act says:

"When the deceased was a Hindu, Muhammadan, Buddhist, Sikh or Jaina or an exempted person, nothing herein contained shall vest in an executor or administrator any property of the deceased person which would otherwise have passed by survivorship to some other person."

Where it would have passed by survivorship, it is not necessary for probate or succession certificate to be taken out at all. That is the law as it obtains today. It is not only the general law, but also as contained in section 12 of the Indian Securities Act which is the existing law on this matter. It is the existing law for Government securities. Section 12 of the Indian Securities Act of 1920 says:

"Subject to the provisions of section 13. a person claiming to be entitled to a Government promissory note, may, on applying to the prescribed authority, and on satisfying it of the justice of his claim and delivering the promissory note receipted in the prescribed manner....

Provided that, when application is made for the renewal of a Government promissory note which appears to the prescribed authority to stand in the name of a deceased member of a Hindu undivided family governed by the Mitakshara law a renewed promissory note shall not be issued to the applicant unless he furnishes a certificate signed by such authority and after such inquiry as may be prescribed to the effect that the deceased belonged -

to a Hindu undivided family governed by the Mitakshara law, that the promissory note formed part of the joint property of the family, and that the applicant is the managing or sole surviving male member of the family."

So, the existing Hindu law, the law as set out in the Succession Act, and the existing law under the Indian Securities Act all say that a succession certificate is not necessary for a member of a Mitakshara joint Hindu family. If that is the case, may I know what is the reason for the Government coming forward with an amendment like this? I think that in a matter like this, the Government would be wise if they codified the existing law, leaving existing rights untouched, and enact a law which presents the law as it exists today. I do not think the Government will be wise in curtailing people's rights in a matter like this.

These are the two important matters which I thought should be raised in this House. Amendments have been tabled and may I suggest to the Finance Member that he will be serving the interests of the people of this country if he does not seek to impose a limitation which did not exist before and also if he supports the existing rights of the people in so far as they do not conflict with the existing laws of the country.

Maulvi Syed Murtuza Sahib Bahadur (South Madras: Muhammadan): Mr. Deputy President, but for the fact that some doubt was entertained by my Honourable friend, Mr. Sri Prakasa, that we would not make common cause with our Hindu brethren in espousing causes like this, I would not have participated in this debate. I may assure the House that we will not be the last to come forward to support any reasonable or any charitable cause which may be advocated by others. So far as the question before the House is concerned, though the joint family system does not exist among the Muslims and though the limitation question will not at all be tolerated by us,-I may in this connection inform the House that even the limitation of sixty years is not recognised by Islam as there is no limitation whatever so far as our religion is concerned, it.is under the compulsion of this Government that we have been subjected to such limitations—not to speak of 12 years or 3 years, and we have no other go but to submit ourselves to such laws as are enacted and are being enacted by this House under this foreign and irresponsible Government. I may assure my old friend, Mr. Sri Prakasa, who I know is a gentleman of cosmopolitan views, that we also hold the same views as he. Therefore we would wholeheartedly support the amendment proposed by our Honourable friend and supported by another Honourable friend of my province, I mean Mr. Avinashilingam Chettiar.

Muhammad Abdul Ghani Maulvi (Tirhut Division: Muhammadan): last occasion Sir, on \mathbf{the} when $\mathbf{the} \in \mathbf{Bill}$ was being circulated; Ŧ made certain suggestions, and I was assured that those suggestions would be considered in the Select Committee. I find that excepting one opinion almost all the opinions have supported those suggestions of mine, particularly about the period of six months in clause 9. You know, Sir, that when a party applies for succession certificate or probate, the civil courts are too busy and their procedure is protracted and lengthy; and if there is any delay, beyond the control of the party concerned, in securing the new certificate of succession, for no fault of his he will be penalised, as the clause of the Bill stands. All the opinions support this and I hope the Honourable Member in charge of the Bill will consider this question and that the amendment tabled to this effect will be . accepted by him.

As regards trusts, I want to say a word. The provision says that trusts will not be taken into consideration but sub-clause (2) of clause 6 says:

"With out prejudice to the provisions of sub-section (1), the Bank may, as an act of grace and without any liability to the Bank or to the Central Government, user in its books such directions by the holder of stock for the payment of interest, etc."

There are many charitable institutions and religious institutions which have purchased Government securities. In case this provision is passed into law, what will be the fate of those charitable institutions? I think there is no harm in giving this facility and right to the charitable and religious institutions which are in possession of securities, because such securities as are held by the charitable institutions are always in the name of the institution. No person can [Maulvi Muhammad Abdul Ghani]

claim as the owner or proprietor of that security. So there will be difficulty, and opinions have come supporting this view that the trusts should not be beyond the scope of this Bill.

As regards clause 10, it is said there that the "Bank may make such order as it thinks fit for the vesting of such security or securities in such person as it considers represents the minor or insane person". This provision is about minors and insane persons. They are quite helpless in putting forward their claims and there are many dangers that their rights may be usurped by some interested persons. Therefore some sufficient safeguard should be provided in the Act. It may be said that under the rule-making powers of clause 28 some adequate safeguard will be made in the matter. But after all, rules are rules and they cannot have the force of law. I think an amendment has also been tabled in this respect and I hope that the Honourable Member in charge will kindly consider and see his way to accept that amendment.

In clause 12 also, there is a provision for a period of notice of six months. This period is quite inadequate and should be raised to one year.

When I come to clause 17, I find that the notice required to be given by the Bank may be served by post. My friend here tells me that this is covered by the General Clauses Act; so, I leave it there.

Then as regards the right to administer the oath, there is no exception provided. Section 6 of the Indian Oaths Act makes some exception in the matter of administering and taking oaths. It says:

of administering and taking oaths. It says: "Where the witness, interpreter or juror is a Hindu or a Muhammadan, or has an objection to making an oath, he shall, instead of making an oath, make an affirmation."

So, it is not obligatory under the Indian Oaths Act for the Hindus and Muslims to take oath. The only thing they have to do is to make the affirmation. I think this point should be clarified when the time comes.

As regards clause 28, this provision about laying the rules framed under the Act on the table of this Legislature has been accepted. In this case, the rules should be laid before the House in the next Session. With these observations, I resume my seat.

Mr. Hooseinbhoy A. Lalljee (Bombay Central Division: Muhammadan Rural) After the Bill has come from the Select Committee and the amendments before us, I do feel that many important matters have been made clear but still I wish to say one or two things. The Honourable the Finance Member assured us that clauses 8 and 9 are really for the benefit of the poor. But I do feel that nowadays—and it will be for some time—poor people, after death in the family, will not be able to realise the responsibility of getting what the deceased was worth within the period of six months. This period is not adequate and I hope that the amendment proposed by my friend Mr. Chettiar raising the period to one year will be accepted.

Then another thing to which I really feel I ought to draw the attention of my Honourable friend the Finance Member is this. As I said the other day, I do want that the taking of evidence must be done by some responsible people. While advocating the appointment of responsible people, I made it clear that I

4 P.M. would be only too glad to have Government officials and not because, as my Honourable friend put it, some people are really admiring the services of the Government servants. I said then, and it was not admitted by my Honourable friend at that time, that the actions of the Government officials are always subject to be discussed in this House.

• Then, the authority is being given to the Bank. I do not know what is meant by the Bank; whether it is the Managing Governor or Deputies or is it the Directors of the Bank that is meant. Anyhow, it is the responsibility of the Finance Member, who puts the responsibility on the Bank, to find out the responsible person or party who will make the appointment of an officer, further although the Bank has been authorised to appoint an officer to take evidence and to make a vesting order, no qualifications of that officer have been laid down anywhere. He will be appointed at the sweet-will of the Directors of the Bank. My Honourable friend has taken so much trouble

675 I may himself

to lay down in clause 14 that "a District Magistrate so requested may himself record, or may direct any Magistrate of the first class subordinate to him or any Magistrate of the second class subordinate to him and empowered in this behalf by general or special order of the Provincial Government.....'. If the Government has to take only evidence, he must be either the District Magistrate or the first class subordinate Judge and the second class subordinate Judge if he is so authorised. This is what the Government does when things are carried on by it which is subject to the approval of this House or subject to criticism of this House. But so far as the Bank is concerned, my Honourable friend does not make any provision. I do not know what is this Bank, and who are these great persons who are going to appoint this officer to take evidence and make a vesting order. It is this very officer, who is entitled, if he thinks fit, will work as a District Magistrate in order to take evidence, and still no qualifications are laid down for him, this is my point. Is this consistent with the safety of the public? How can you leave the public moneys in the hands of an officer of a Bank, which is not really the Government Department and whose affairs you cannot discuss here? Nor can you discuss the attitude of this officer of the Bank. It has not been mentioned even whether this gentleman's pay will be in the neighbourhood of Rs. 500 or Rs. 1,000. The Directors may choose a poor man like myself and appoint me and I may do whatever I may like. It comes to this.

When I said the other day that I would like to have a Government official, my Honourable friend the Finance Member said: "My friend Mr. Lalljee wants a Government official". My object was that if a Government official was appointed, then, howsoever low paid he may be or low position he may have in services, his actions we can criticise here and ask the Honourable the Finance Member to tell us about his responsibilities. But with regard to the officer that is contemplated here, we cannot do anything nor do we know what powers were and are going to be given to him, by the Directors.

Then, Sir, I quite agree with the amendment that has been tabled with regard to clause 24 in which a period of 12 years has been provided for. I entirely agree with the remarks that have fallen from my friend Mr. Sri Prakasa. Nowadays people subscribe to Government loans liberally and handsomely. Government should not tell them that for the sake of the adjustment of the accounts or for the little trouble that the Reserve Bank will have in making out the accounts, they are putting a time-limit of six or twelve years. This is not fair; this is not businesslike; this is not diplomatic. Once people come to know that for some reason or other there is going to be a limitation; the great question will arise with regard to investing in the loans. Therefore, it is not proper that any limitation should be fixed, and I seriously draw attention also to this point.

With regard to the question of trust, I entirely agree with $m_{\rm Y}$ friend Mr. Sri Prakasa. In fact, I had a bitter experience of it. We had to go to the High Court and we know what trouble we had. Furthermore, who has to decide as to all kinds of title to the property? My friend has only spoken about Patna, but here is a gentleman standing before you who has been dragged in the courts by clever lawyers for more than 24 years, and the cases are still going on and new ones are being created. I do not know how long I will be in the hands of this great lawyer community. I hope they do not claim to be as noble a community as the doctors. They do come to us often, but only for our goods. That is all I can say. Let me tell one thing to my friend Mr. Griffiths. It is the definite opinion of many people that, in the first instance, it was the policy of some people to give education of the type which would make young and intelligent Indians good clerks. Then came a further policy that this intelligentsia may agitate and trouble the Government. Therefore, the law courts and the procedure that has been adopted were introduced. These lawyers could do a lot for the country, but unfortunately that is not the case. I hope they will not misunderstand me and I hope they will come to afford help to me for my good and not for my goods!

There is one thing more that I want to say. I do want the Honourable the Finance Member to consider the position so far as the succession certificates are [Mr. Hoosembhoy A. Lalljee.]

concerned. I think so far as the Muslims are concerned, they are also excluded. Mr. D. P. Sethna (Government of India: Nominated Official): They are not.

Mr. Hooseinbhoy A. Lalljee: But there is no necessity for them to take out the probate duty. Of course, 1 am not a lawyer but I do want the protection of the Honourable the Finance Member to make it clear that nothing in indirect form in the shape of the probate duty will have to be paid by the Muslims. Now is the time for you to assure the public that in buying the Government securities they are going to buy negotiable and marketable securities without incurring other liabilities. I hope the Honourable the Finance Member will kindly take into serious consideration what I have said and all the amendments that have been put before the House.

Mr. D. P. Sethna: Sir, I do not wish to take up much time of the House, but I do wish to say this at the outset that if the Honourable Members had read the opinions which had been received when the Bill was circulated to the country, they would have seen that the principles underlying the Bill have been approved of by the Governor of the North-West Frontier Province, the Government of Madras, the High Court of Madras, the Advocate-General, Madras, the Indian Bank Limited, Madras, the Exchange Banks Association, Bombay, the Imperial Bank of India, Bombay, the Karachi Indian Merchants Association, the Maharashtra Chamber of Commerce, the Chief Commissioner, the District - Judge and the Munsifs of the Court of Coorg and the Bar Association of Coorg, the Government of the Central Provinces, the District and Sessions Judge, Delhi, the Secretaries, Punjab Chamber of Commerce, New Delhi, the Govern-ment of the Punjab, Justice Muneer of the Lahore High Court, the Deputy Commissioner, Lahore and many other institutions, persons and associations.

Mr. Deputy President (Mr. Akhil Chandra Datta): Order, order. I am told that the Honourable Member is not in his proper seat.

Mr. D. P. Sethna: Sir, this is my seat for the purpose of this debate.

Sir George Spence (Secretary, Legislative Department): Sir, for the purpose of this debate the seats of Mr. Sethna and myself have been changed. Under the arrangement which now prevails seats in the Government block are arranged by Government, and I have given the usual intimation that during this debate Mr. Sethna's seat and my seat will be changed and that Mr. Sethna will occupy my place.

Mr. Deputy President (Mr. Akhil Chandra Datta): Now that the position has been explained, the Honourable Member may go on.

Mr. D. P. Sethna: Sir, I do not wish to say much at present on the clauses because they will be considered by this House when the time comes; but as regards, the two or three points made by Mr. Sri Prakasa and Mr. Chettiar, particularly as regards clause 7 on which there are half a dozen amendments I wish to say something.

The first point raised by Mr. Sri Prakasa was about trusts. I suppose he is aware that under section 3 of the existing law, it has been provided as follows: "Save as otherwise provided in or under this Act no notice of any trust in respect of any Government security shall be receivable by the Government."

In the present Bill a further step has been taken and a concession has been given in that it has been provided that-

"Without prejudice to the provisions of sub-section (1), the bank may, as an act of grace and without any liability to the Bank or to the Central Government, record in its books such directions by the holder of stock for the payment of interest on, or of the maturity value of, or the transfer of, or such other matters relating to, the stock as the Bank thinks fit."

Sub-clause (e) of clause 28 provides that rules shall be made for-

"the holding of Government securities in the form of stock by the holders of offices other than public offices, and the manner in which and the conditions subject to which Government securities so hold may be transferred."

. There is therefore no point in the complaint that trusts are not recognised under the present Bill, when the present law definitely is that no trusts are to be recognised and the Bill as framed gives an extra concession.

As regards clause 7 on which so many amendments have been tabled, this clause follows the provisions of the rules laid down as regards the Imperial Bank shares, the Reserve Bank shares and the shares of every company in which the solicitors know how to draft the articles of association of the com-**> pany.** It is the commonest form to use in the articles of association of a company. And the reason is obvious, viz.: that the company does not wish to go into complicated questions of succession or survivorship when the sole holder of a share dies. I submit it ought to be the same as regards Government secu-Why should Government or the Reserve Bank as agents of Government rities. be asked to investigate into questions of succession and survivorship? The ordinary procedure is that a man, if he wants to prove his title, has to produce a probate or letters of administration or a succession certificate. Mr. Lalljee stated that if a Muhammadan dies would his heirs be bound to produce a succession certificate? Undoubtedly, Sir. What is the alternative suggested? If a Muhammadan sole holder of Government security dies leaving a lakh of rupees worth of securities and there are 20 claimants to it, whom is the Reserve Bank going to recognise? Suppose there are ten sons, why should one son be pre-ferred by the Reserve Bank to the other? The reason is obvious. As to the complaint that a concession given to Hindus governed by the Mitakshara law is being taken away by this clause, I wish to say that the proviso to section 12 of the Indian Securities Act has been put in, I submit, rather illogically and guite inconsequentially in a section which dealt with the renewal of promissory notes. The section reads thus:

"Subject to the provisions of section 13, a person claiming to be entitled to a Government promissory note, may, on applying to the prescribed authority, and on satisfying it of the justice of his claim and delivering the promissory note receipted in the prescribed manner, and paying the prescribed fee, if any, obtain from such authority a renewed promissory not payable to him."

You will see that there is no question here of the death of a single holder who held promissory notes. Then the proviso says:

"Provided that, when application is made for the renewal of a Government promissory note which appears to the prescribed authority to stand in the name of a deceased member of a Hindu undivided family governed by the Mitakshara law, a renewed promissory note shall not be issued to the applicant unless he furnishes a certificate signed by such authority and after such inquiry as may be prescribed to the effect that the deceased belonged to a Hindu undivided family governed by the Mitakshara law, that the promissory note formed part of the joint property of the family, and that the applicant is the managing or sole surviving male member of the family."

Rule 21 provides that the certificate shall be given by a District Magistrate. The present clause 7 provides that the executors or administrators of a deceased sole holder of a Government security and the holder of a succession certificate shall be the only persons who may be recognised by the Bank as having any title to the Government security.

This, Sir, is a comprehensive Bill intending to codify the existing law and dealing not only with Government promissory notes but with all types of Government security including stock. I submit there is no prejudice in asking, a member of a joint Hindu family to obtain instead of a District Magistrate's certificate a succession certificate from the proper civil court.

In this connection, Sir, I will read to the House a few paragraphs from the head note of a case reported in 1942. All-India Reports and decided by a Full Bench of the Lahore High Court only a couple of years ago. The case related to the shares in a Bank, the Imperial Bank and the Reserve Bank, purchased with the funds of a joint Hindu family and this is what the learned Judges said:

Mr. T. T. Krishnamachari (Tanjore *cum* Trichinopoly: Non-Muhammadan Rural): On a point of order, Sir. May I ask if any question of validity of transfer of shares in the Imperial Bank or Reserve Bank is relevant to the question before the House?

Mr. Deputy President (Mr. Akhil Chandra Datta): He is only giving an authority in support of the view be propounds. -Mr. D. P. Sethna: Because-it lays down the law applicable to joint Hindu; families, whatever the nature of the property may be:

"Where shares in a Bank (Imperial Bank of India and Reserve Bank of India) purchased with the funds of the joint Hindu family and belonging to it stand in the sole name of the karta, the legal title is in the karta while the beneficial interest vests in all the coparceners. On the death of the karta, no change takes place so far as the beneficial interest is concerned. It continues to be as it has always been in the family. The legal estate, however, does not pass by survivorship to the other coparceners and consequently an application for grant of Letters of Administration by the surviving coparceners limited to the shares in question is competent even though the beneficial interest had, on the death of the karta, vested jointly in the other coparceners and his widow under the Hindu Women's Rights to Property Act."

Then the important question of court fees comes in. As regards all other persons except those governed by the Mitakshara law, they have to pay probate duty, an *ad valorem* duty for obtaining succession certificate, but the Hindus governed by the Mitakshara law under these circumstances have not got to pay probate duty:

"Sections 19D, 19(viii), 19 and 19K of the Court Fees Act make it clear that ad valorem duty is not payable on probate of a will or Letters of Administration relating to property held by a deceased person wholly or partially in trust, but that the exemption does not extend to property held in trust beneficially or with general power to confer a beneficial interest. The shares in a Bank purchased with joint Hindu family funds but standing in the name of one of its members (deceased) is property held in trust by that member for the joint family and hence no court fee is payable on Letters of Administration limited to such shares."

"On the death of a Member of a joint Hindu family in whose name alone property purchased out of joint family funds is standing an application for letters of administration would make the position much clearer if it began by setting out that the deceased was a member of a joint Hindu family, who had in consequence died possessed of no personal estate of his own except that shown in Annexure A of the prescribed form, under Schedule 3, Court Fees Act, and that the whole or most of this property was merely held in trust for the benefit of the whole family for which exemption was accordingly being claimed as shown in Annexure B under Schedule 3 of the Court Fees Act."

You will thus see, Sir, that under that Ruling, the Hindus have not got to pay probate duty.

As regards the reference from Mulla and the sections of the Succession Act cited by Mr. Avinashilingam Chettiar, I have here a direct authority reported in I. L. R. 52, Allahabad which says:

"There is no legal bar to the granting of a succession certificate to a Member of a joint Hindu family who gets the property by right of survivorship and not as an heir, if he chooses to apply for a certificate as legal representative of the deceased person's estate."

Instead of asking the Hindus to produce a District Magistrate's certificate, all that the present Bill requires is that they should produce a probate or letters of administration or a succession certificate from the proper civil court authorised to make an order in this behalf. This is asked for in order that the Reserve Bank may not be troubled with all these complicated questions of survivorship and succession.

As to the other point raised by Mr. Hooseinbhoy Lalljee, namely, which Officer of the Bank is to deal with these matters and who is to take evidence, may I say that clause 28(n) lays down that there shall be rules for regulating the procedure to be followed in making vesting orders. I am sure the criticism made on the floor of the House will certainly receive attention of the rulemaking authorities. As to the question of limitation, I do not wish, at this stage, to make any statement, because the Honourable the Finance Member is the proper authority to make a statement on behalf of the Government on that important question. As to the point made by Mr. Abdul Ghani and repeated by Mr. Lalljee, that in clause 9 the period of six months provided for obtaining probate or letters of administration or succession certificate would be inadequate, may I say, Sir, that this point was very carefully considered by the Select Committee in view of the opinions received which were to the same effect in many cases. It was felt by the Select Committee that the opinions missed the real point of the clause in that the clause laid down a summary procedure for dealing with securities on the death of a holder when the eccurities did not exceed Rs. 5,000.

_Mr. Sri Prakasa: What is the exact point in fixing the limit up to Rs. 5,000 and not more.

Mr. D. P. Sethna: Because in the existing Indian Securities Act, the same limit has been fixed and this Bill follows the same. I do not know if the Honourable Member wants a higher or a lower limit to be fixed.

Mr. Sri Prakasa: Let there be no limit. Naturally I want a higher limit.

Mr. D. P. Sethna: 1 have nothing more to say, Sir.

Babu Baijnath Bajoria (Marwan Association: Indian Commerce): Sir, I listened with great interest to the speech of the last Speaker from the Government Bench and the plea which he has taken against the points raised by my Honourable friend Mr. Sri Prakasa. Sir, I take it from his speech that the line which he followed is, that what suits the Government take that. Whatever is suitable to the Government in the existing law, keep it. Whatever does not suit the Government, then change it. The result may be that it may be convenient for the Government, but it may be most inconvenient for the general public or the holders of securities. Well, Sir, the Government do not care for the inconvenience to the public or the holders of securities. They mind only their own convenience. Sir, I am not a lawyer. I have not been able to follow the exhaustive rulings which Mr. Sethna, the previous speaker, quoted. What I am concerned with is not the rulings but with holding of shares.

Sir, the first point which I object to in this Bill is the question of trusts. The Honourable Member who spoke before me pointed out that the present Act does not recognize trusts for the purpose of government securities. It may be so, but may I ask him whether there are no valid trusts, no responsible trusts, no well-organised trusts in which men of the highest standing are trustees? Do the Government mean to say that these trusts-educational trusts, charitable trusts and other trusts—are not at all trustworthy? I think they should take a more businesslike view in this matter. At present because the Government do not recognize trusts, the property of trusts is vested in the individual names of a few office bearers. If one of the individual office bearers dies, letters of administration have to be taken by his survivors. That is a very undesirable state of affairs. I am quite prepared to give the power to the Government to discriminate between a sound trust and a trust which they do not consider to be properly constituted, but in the case of those trusts which are properly constituted and are in capable hands, Government must see their way to recognize them. I do think the Reserve Bank will not get into trouble if they did so.

The second point which has been raised is about the Mitakshara joint Hindu family. I know that the Finance Member has got stepmotherly affection for. the Mitakshara joint Hindu family. I know how members of joint Hindu family have been treated under the Income-tax law. Sir, Income-tax law has been the cause of disruption of many joint Hindu families.

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

There was some concession which was enjoyed by the members of the Hindu joint Mitakshara family and after all what is this concession? Government securities were the property of the joint family; they were held in the name of the *karta* of the family and so after his death they should be vested in the name of the sole surviving male member of the family or in the name of the managing member or the *karta* of the family. What objection have the Government in this respect? May I ask if there has been any serious trouble over this matter in the past? Has the Bank encountered any serious difficulties about this concession to the joint Hindu family? Nothing has been said so far about any difficulty and if there has been no inconvenience to the Government in this country, I don't see any reason why the Government should take away this concession.

Sir Oowasjee Jehangir: What is the exact concession that the Bill deprives you of?

LEGISLATIVE ASSEMBLY

Babu Baijnath Bajoria: It has been very aptly described in the Minute of Dissent by my Honourable friend, Mr. Krishnanachari:

"The Act of 1920 contains a section, No. 12, which confers a special right on Hindu undivided families governed by the Mitakshara Law, by which the managing or the sole surviving member of such a family can get his title to Government securities standing in the name of a deceased sole holder who was a member of the family, recognized by a simple process of obtaining a certificate—after due enquiry—from the District Magistrate of the district in which the family ordinarily resides, that he was the managing or sole surviving member of the family of which the deceased sole holder was a member. This obviates the parties having to resort to costly judicial process."

In the present Bill it has been provided that instead of getting a certificate from the District Magistrate, he will have to get a succession certificate, or a probate from the civil court of law.

Sir Cowasjee Jehangir: Obtaining a certificate from a civil court is just as simple as obtaining a certificate from the District Magistrate.

Babu Baijnath Bajoria: If you knew what it means to get a probate or a succession certificate, you would not say that. Litigation goes on for an indefinite period . . .

Sir Cowasjee Jehangir: There is some misunderstanding somewhere. There is no difficulty in getting a certificate from a civil court.

Babu Baijnath Bajoria: I wish it were so, but I am afraid my Honourable friend, the great business magnate of Bombay, does not know the actual position

Sir Cowasjee Jehangir: This is not what I say; I have heard it from the Honourable Member who has spoken on behalf of the Government

Mr. President (The Honourable Sir Abdur Rahim): This sort of conversation < should not go on. Let the Honourable Member proceed.

Babu Baijnath Bajoria: He will now have to go to a civil court and get a probate and a succession certificate. This will take more time and mean more expense.

The third point which has been raised by my Honourable friend, Mr. Sri Prakasa, is that the limitation of 12 years should be increased. I entirely, agree with my friend. Government should not try to eat up this money. There may be many instances in which more than 12 years may elapse. After all, Government is liable to pay the money and it should pay to the legal owner if it can be proved. If sixty years, as proposed by my friend Mr. Sri Prakasa, is too long a period, I think that some compromise may be arranged.

Again, the period of six months, which has been mentioned in clauses 9 and 10, is too short, and I think that 12 months should be accepted.

With these words, I would request the Government not to be arrogant in this matter, but they should accede to popular wishes of this House and accept the amendments which will be moved later on.

Mr. T. Chapman-Mortimer (Bengal: European): It had not been my intention to intervene at all in the general discussion of this Bill as it seemed to me on the whole a measure which was entirely uncontentious. But in view of the course the debate has taken, and more particularly after what my Honourable friend Mr. Sri Prakasa had to say, I feel that it is my duty on behalf of our Party to say a few words.

Mr. Sri Prakasa and other speakers are concerned about three main points in the Bill: the first is clause 6, "Notice of trust shall not be receivable". The second is with regard to the position of Mitakshara families and the third, is the period of limitation in clause 24.

Now, Sir, with regard to the question of Trusts. I am perfectly certain that no one in this House who knows anything about the activities of trusts in this country and in other countries would like to see banks, and more especially as in this case the Reserve Bank, dragged into the kind of complicated proceedings to which trusts frequently give rise. As a matter of fact I feel that the discussion in regard to this point has arisen mainly because of a misunderstanding as to the true nature of the proposed section. What the section says in effect is briefly this. It says "if you are trustees you may register your names with the bank as trustees A, B and C, but we will not recognise that trust as such and you three trustees must arrange among yourselves to whom we are to pay the interest which is payable by Government on the specified securities". Now there is nothing complicated about that. There is nothing unreasonable about that. On the contrary it is a practical and essentially reasonable method of safeguarding, in this case, the Reserve Bank and in other cases normal business houses, banks and so on who are dealing with securities. The proposal simply is that the Reserve Bank shall not be dragged into legal proceedings connected with the trust, and I cannot imagine that if that point is once understood by Honourable Members in this House there would be any question of their pursuing the line of argument that my Honourable friend. Mr. Sri Prakasa advanced. I do feel, Sir, that he himself was in this case under a misapprehension. I know that he is a lawyer and knows a great deal more about law than I do and I have always looked upon him as a man who brings to bear balanced and reasoned judgment in regard to these practical, financial and legal matters. But I cannot help feeling that in this case he really has been, as we say, barking up the wrong tree!

The second point he raised related to this contentious clause 7. Now I should like to draw the attention of the House to very important words in that clause and these are the words with which it opens: "Subject to the provisions of section 9". Look at section 9. You will find that that section is the one that deals with the case of the small holder of Government securities. When I say small holder I do not necessarily mean the very poor, because we know that the very poor in this country do not hold securities of Government even to the value of Rs. 5,000. It merely means that in a case where some estate passes at death and has a sum invested in Government securities of a less amount than Rs. 5,000, in such cases the special provision will apply and that special provision is that the bank will be allowed to exercise summary procedure. Now, Sir, the moment that point is clear in the minds of all Honourable Members, I feel certain that they will see at once that all these suggestions that have been made of the terrible hardship that will come to thousands and thousands of poor Mitakshara families are nonsense.

An Honourable Member: Who said poor?.

Mr. T. Ohapman-Mortimer: One Honourable Member did. He said hundreds of thousands of poor Mitakshara families would suffer because of this proposal. So we have disposed at once—by looking at clause 9—of that argument.

Now we come down to the real bone of contention, namely, the position of Mitakshara families who in fact are really well off and in some cases very very well off. If I may be forgiven for introducing a personal note, it so hap pened that for some time last year I was in charge of the department in oufirm that looks after securities and I assure the House that I learnt more in that short time about some of the troubles in this country.—both of the troubles of Government and the troubles causing so much hardship—than I learnt in all the previous time in my existence in India, and one of the things I learnt was the highly privileged position into which Mitakshara families have worked themselves during the last twenty years. The position I found was this: that if it was the case of a member of a Dayabaga family he had to produce a succession certificate. If it was a Muslim or a European or a Parsi, each of them also had to produce a succession certificate. But when it was the case

An Honourable Member: Poor people.

Mr. T. Chapman-Mortimer: No. I am not talking about the poor people. Rich people. If it was the case of a person who claimed to be the male heir or senior member, the *karta*, of a Mitakshara family, he would come along and say: "I do not see why I should have to produce a succession certificate. You" see, I do not have to do so in regard to Government securities". Well, Sir, as my Honourable friend Mr. Sethna has very clearly pointed out already, many companies provide in their Articles special provision to cover this case of persons who come along and say they are not required to produce a suceession certificate; and the reason for the provision is exactly the same reason that Government seeks to introduce it into this Bill, namely, that companies [Mr. T. Chapman-Mortimer]

seek to protect themselves from all the legal troubles that are involved if they once make a mistake in the recognition of the headship of a family or the proper person to whom interest or dividends have to be paid.

That is all that this clause seeks to do though we have heard harrowing tales of injustice to Mitakshara families. 1 am the last person in this world to suggest that an injustice should be done to any community or any section of any community. I should like to see very many reforms to remedy some of the injustices that go on in this country today; but the proposal of my Honourable friend, Sri Prakasa, and his friends that section 7 should be amended in the manner they desire, so far from being a proposal to remedy any injustice is merely a suggestion that one particular section of people in this country should be placed in a position of privilege, and I, Sir, am opposed to that.

I do not want to enter further into this argument because I feel myself that there is no doubt that what is proposed by Government, and what the Select Committee has proposed, is in fact the right and proper thing to do. Before I came to listen to this debate I was satisfied about that. Since I have heard the arguments of those who talk to the contrary I am more than ever convinced that what Government wish to do is not only right but necessary.

Now, Sir, with regard to the last question of limitation in clause 24. It has been argued that the period of 12 years,-which I may say, was originally six years, and which the Select Committee altered to 12 years,—is unreasonable and shows very little regard to the practical affairs of life. Mr. Sri Prakasa was very emphatic on the question of increasing the period from 12 years. I . think he suggested as an alternative 60 years. Well, Sir, I cannot believe that he seriously meant it and if he would look at clause 12 he will find that in fact Government and the Reserve Bank have thought of some of the difficulties. which he advanced as arguments in favour of his own suggestion of 60 yearsi a instead of 12. In clause 12 it provides that the bank in certain cases may deterd mine summarily in whom the title of a security vests. That has been put init precisely to cover special and difficult cases such as my Honourable friend Mr. is Sri Prakasa had in mind. He argued, quite rightly, that cases arise where legal proceedings drag on for years and years. I know of such cases myself. They are frequent and we all know that. It is precisely to cover such cases that clause 12 has been inserted in the Bill. I believe that if Mr. Sri Prakasa and other speakers who have opposed this Bill (at any rate certain clauses of it) had been present in the Select Committee and had heard the arguments advanced there in the somewhat cooler atmosphere of a Select Committee. I am quite certain that a great many of the misapprehensions which are now in the minds of so many Honourable Members would not in fact be there at all. They would recognise this Bill to be what it is a consolidating measure to remedy a state of affairs that is not serious but has given rise to a ogod deal of trouble to the Reserve Bank. I am sure that the whole House agrees that at a consolidating measure of this kind is both right and necessary. The only difference between us is that some of us say that one or two clauses should + amended in a manner that they desire and others of us think that these claus should remain as they are. I have given my reasons why I think the clauses should remain in exactly the form in which they have emerged from the Select Committee.

There is one exception to that, which I should like to mention very briefly and that relates to clause 24 to which there is an amendment of my Honourable friend Mr. Chettiar. Mr. Chettiar has proposed an amendment about which, frankly, I am not quite clear as to what line is right to adopt. I know what' he wants to achieve and I sympathise entirely with him. At the same time in measures of this kind what we have to consider is first and last very careful • wording, because if we do not adopt very careful wording in a Bill of this kind we merely defeat the very object that we have set out to achieve. Therefore, though I feel sympathetic to amendment No. 12, on the list of amendments we have received, I am still of an open mind as to whether in fact it will do as much good as the Honourable the Mover of it no doubt believes that it will. But with that exception I do believe that this Bill is essentially one that is necessary and useful and need not, in fact, have given rise to the sort of debate that we have had in the last two hours. I am not suggesting of course that we should all express one hundred per cent. agreement with anything that the Select Committee recommends. I am not so stupid as to suggest that. But I do feel in this case there has been a good deal of misunderstanding, simply because Honourable Members have heard one point advanced by somebody, who is thinking of some special case which he had in mind, or another point by somebody else, who was not quite clear as to how the various sections would be read together. I could wish, Sir, that the House reconsiders the utitude which we have seen this afternoon and that it comes to the conclusion, as we in this Group have come to the conclusion, that this in fact is a useful and necessary measure and one to which we can give our wholehearted support. Sir, I support the Bill.

Mr. Leichand Navalrai (Sind: Non-Muhammadan Rural): Sir, the main question which we have debated today is with regard to clause 7 of the Bill, as it has emerged from the Select Committee. The main point contained in this clause is that in case of a government security the Bank will not be compelled to give the money of the security without a certificate of the court. This is being required as a safeguard or as a protection to the Bank for the purpose of giving this security to any person and to save themselves from any liability thereafter. That is the main question which is contained in clause 7 which says that the title of the security will be recognised by the bank only on production of a succession certificate. So far as the succession certificates are concerned, besides these there are other ways also by which the Bank can get protection and that is, as I will presently show, a certificate by a District Magistrate. I

and that is, as I will presently show, a certificate by a District Magistrate. I ll confine myself with reference to the cases I will cite, principally to depo-'s in the Post Offices. In the case of a joint Hindu family, when there is any spute between the parties, it requires more protection than when there is no ispute at all. Therefore what I am submitting is that Government instead of asking the surviving coparconers of the deceased to secure a certificate from a court the security can be obtained by giving a certificate issued generally after an enquiry by the District Magistrate. Of course there is a difference in the enquiry that is made by a court. It is laborious and costly but similar enquiry made by a District Magistrate takes very little time and his is as good as a succession certificate by a court. The amendments that have been moved by my Honourable friends Messrs. Sri Prakasha and T. T. Krishnamachari both require that in the case of a joint Hindu family, where there is a manager, the bank should not insist upon getting a court certificate before giving the amount of the security to the surviving conarcener, who as I said will occupy the place of the manager. In a joint Hindu family they elect a manager, the eldest ember is generally the manager, and they have all faith in him: all transactions are made by the manager, and that manager carries on on behalf of the Imle family and all-the members of that family. Therefore he is the autho-

where ranning and another members of that ranning. Therefore he is the authoimpremacy of a manager, goes to a bank and secures government securities, why should it be that it should not be given to another survivor who will occupy the place of the manager, and that man will have the same status and same authority as that of the former deceased manager....

Mr. President (The Honourable Sir Abdur Rahim): It is now 5 o'clock. The Honourable Member can resume his speech tomorrow.

The Assembly then adjourned till Eleven of the Clock on Tuesday, the 14th November, 1944.