

**REPORT**  
**OF THE**  
**RESOURCES AND RETRENCHMENT**  
**COMMITTEE**  
**APPOINTED BY THE**  
**PUNJAB GOVERNMENT**



**Lahore :**  
Printed by the Superintendent, Government Printing, Punjab.  
1935.

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X:99V, 54-236. N4t

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## CHAPTER I. INTRODUCTION.

*Appointment and constitution of the Committee.*—In his opening statement on the inauguration of the present autonomous Government in this province the Honourable the Premier declared the intention of the new Government to appoint two committees : one to advise and report on the best ways of coping with the problem of unemployment ; the other to suggest practicable means of effecting economy in administration as well as of augmenting Government-revenues with a view to enabling the new Government to enter upon a programme of providing suitable relief where necessary and intensifying nation-building activities.

The notification constituting and appointing the Committee on Resources and Retrenchment was published on the 17th June 1937.\* As announced at the time, it was to comprise the following gentlemen :—

1. The Honourable Mr. Manohar Lal, Finance Minister—as Chairman.
2. Khan Bahadur Nawab Muzaffar Khan, C.I.E., M.L.A.
3. Dr. Gopi Chand Bhargava, M.L.A.
4. Professor Brij Narain, M.A.
5. Khan Bahadur Mian Mushtaq Ahmad Gurmani, M.L.A.
6. Sardar Sahib Sardar Ujjal Singh, M.L.A.
7. Rai Bahadur Lala Binda Saran, M.L.A.
8. Khan Bahadur Chaudhri Riasat Ali, M.L.A.
9. Professor Dr. Sardar Mohammad Akhtar, M.A., Ph.D., of the Islamia College, Lahore.
10. Pir Akbar Ali, M.B.E., M.L.A.
11. Chaudhri Suraj Mal, B.A., LL.B., M.L.A.

*Secretary.*—Mr. A. D. Grindal, M.B.E., lately Deputy Secretary to Government, Punjab, Finance Department.

*Assistant Secretary.*—Dr. Bal Krishna Madan, M.A., Ph.D., Lecturer in Economics, Punjab University.

Khan Bahadur Mian Mushtaq Ahmad Gurmani and Sardar Sahib Sardar Ujjal Singh intimated their inability to serve on the Committee on account of their other official and parliamentary duties. Their seats were filled by the nomina-

\*See Punjab Government, Finance Department, notification No. 1795-F-37/23323, dated the 17th June 1937.



tion to the Committee of Sardar Muzaffar Ali Khan, Bar.-at-Law, M.L.A., and Tika Jagjit Singh, M.L.A. Shortly after the personnel of the Committee had been announced Professor Brij Narain also expressed his inability to work on it. A little later Dr. Gopi Chand Bhargava stated that he was unable to extend his co-operation to the work of the Committee and resigned his membership. We particularly regret that the Committee should have been deprived of the knowledge and experience of Professor Brij Narain and Dr. Gopi Chand. Their places were filled by Professor Krishan Datta of the Hailey College of Commerce and Rao Bahadur Captain Rao Balbir Singh, O.B.E., M.L.A. During the months of March to July 1939 Professor Krishan Datta left for Europe and was not able to attend the sittings of the Committee in which our main conclusions were arrived at.

2. *Terms of Reference.*—The following were the terms of reference to the Committee :—

- “ (1) To explore, with particular reference to the recommendations of the Sources of Revenue Committee of 1931, the possibility of tapping fresh sources of revenue without placing additional burdens on classes of the community which cannot afford to bear them.
- (2) To examine the provincial expenditure, with special reference to the report of the Retrenchment Committee of 1931, with a view to explore the possibility of securing further economies without impairing the efficiency of the administration ; and in particular to investigate whether there is any avoidable duplication or overlapping of activities and whether any economy can be effected by a reorganization of departments or otherwise.”

3. *Number of meetings held by the Committee.*—The Committee held their first meeting on the 28th October 1937 at Lahore in which the procedure and general course of action were settled. About three months were spent in receiving answers to the questionnaires issued by the Committee, and the actual session of the Committee started in January 1938. Between this date and July 1939 when the main work of

the Committee was over, 79 meetings were held. In addition a sub-committee consisting of three members sat for 23 days in considering in detail the question of allowances, special pays and office and residential telephones. Besides, other sub-committees visited the Cattle Farm at Hissar, the Agricultural College, Workshop and the Industrial School, at Lyallpur; the Borstal Institution, Lahore, and the Moghulpura Reformatory School and Settlement. The total number of days in which the members of the Committee were therefore actually engaged in the Committee and sub-committees is 117. In the latter half of July and the early part of August 1939 the report was settled in conformity with the decisions of the Committee. The work of printing took about a month and a half. After the report had been received from the press the Committee took six days for final consideration before signatures were appended.

4. *Resources.*—The Committee issued an exhaustive Questionnaire on Resources towards the end of November 1937. This was very widely distributed, copies being sent to the Government of India, the Finance Departments of other Provincial Governments, Heads of Departments of the Punjab Government, members of the Provincial Legislature and of the Central Legislature belonging to the Punjab, Chambers of Commerce, banks, insurance companies, newspapers, Economic Associations, trade unions and federations, heads of the economics departments of all Indian Universities, Principals of all Punjab Colleges, Fellows of the Punjab University, and also to all District Boards and Municipal Committees and Panchayats in the Province. The response to the questionnaire was not unsatisfactory having regard to the rather technical nature of the questions involved. In all 139 replies were received; 108 of these were by officials and 33 by non-officials. In view of the amount of written evidence received oral evidence was confined to a few non-official witnesses, only 7 persons being examined in respect of the questionnaire, besides heads of departments and other officials.

5. *Retrenchment.*—On retrenchment the Committee framed questions in respect of each Government department and issued them to the Heads of Departments. The Heads of Departments were later examined on the replies given by them. Certain retired officials who, it was felt, were in a

position to provide useful information were also invited to give their evidence.

6. *Different nature and scope of economy in 1931 and 1937.*--Reference may be made here to the difference in conditions under which the Retrenchment Committee of 1931 and the present Committee were constituted. The previous Committee was appointed under the immediate shadow of an acute economic crisis which completely upset the budgetary equilibrium and compelled immediate resort to strict measures to cut down expenditure. The present Committee was constituted in more normal circumstances, with the general idea of economy as a policy which a popular Government must at any rate pursue to fulfil its two-fold aim of affording judicious relief in taxation and finding money for wider beneficent services.

The whole field of provincial expenditure had been scrutinised so closely by the previous Retrenchment Committee of 1931, only seven years before, that the work of the present Committee in seeking further economy became particularly difficult. A more minute and laborious search for possible economies became necessary. Much of the reduction in expenditure made on the recommendation of the previous Committee was of an emergency character. The activities of Government were curtailed all round. The efficiency of administration probably suffered considerable impairment. Such heavy reduction caused by emergent circumstances could not naturally continue in its full force for very long. The task with which the present Committee are confronted is the long range problem of maintaining the existing activities of the state more or less at their present level of efficiency with a smaller outlay. The problem is at once more fundamental and difficult; this explains the relatively modest results attained in the direction of economy. Perhaps in view of the different conditions in which the present Committee was appointed, recent pruning by the previous Committee and even more recent revision of grades of pay over a wide range, there has been some natural reluctance on the part of Heads of Departments to surrender any money.

It is pertinent at this stage to point out that we have made no recommendation about imposing a cut on the salaries of Government servants. This is fully explained by what has been said above: the previous Retrenchment Committee of 1931 who proposed a cut were instructed to recom-

“mend forthwith all possible reductions in expenditure . . . having regard especially to the present financial position and outlook” with a view to meeting a heavy budget deficit. Out of a sum of Rs. 9 crores they had to effect economies amounting to at least Rs. 2 crores just in order to balance the financial position. A cut in pays was therefore recommended as a temporary measure, to be restored as soon as conditions permitted. We are not called upon to propose a purely temporary reduction in expenditure to meet a transitory loss of income, but only such economies in expenditure as may enable the Government to increase expenditure in other directions and to assume fresh recurring charges. Now, no permanent expansion of State activities was ever undertaken on the basis of a temporary cut in salaries, and a cut is essentially a temporary measure. A so-called permanent cut is in reality a downward revision in the scales of salaries of existing incumbents. This, at any rate, is not a matter for this Committee to consider. As regards a temporary cut, it is always open to Government to impose it, should the situation so require; if and when imposed, it would best be on some graduated basis with a fair level of exemption from its scope.

The present Committee's terms of reference required them to examine retrenchments in the light of the recommendations of the Retrenchment Committee of 1931. A great many of the Committee's recommendations, therefore, contain a reference to the previous Retrenchment Committee's proposals.

7. *Arrangement of the Report.*—Chapter II contains the Committee's recommendations for such measures of economy as are of general application. Chapter III contains their recommendations for retrenchments affecting particular departments. Chapter IV contains the Committee's recommendations for increasing the resources of the Government, whether by fresh taxation or increase of receipts from existing heads of revenue. In explanation of this arrangement we may say that the Committee's aim has been to see that maximum economies are secured from the resources already at the disposal of Government, before resort is had to taxation—fresh or additional—to finance a progressive state programme. As a rule no reference has been made to matters or departments in respect of which the Committee's examination failed to disclose any

possibility of economy or increase in revenue. Wherever possible an estimate has been given of the extent of economy or additional revenue likely to result if the Committee's recommendations were adopted. Where no figures have been given it may be assumed that no estimate is possible.

8. *Financial results.*—A summary of the Committee's conclusions and recommendations, with their financial effect, appears as Appendix A to this report. Only those recommendations are included in the summary of which the Committee have been able to calculate the extent of the economy or saving. It is estimated that these recommendations for retrenchment and economies, if accepted by the Government, will result in a reduction of the existing expenditure by about Rs. 50 lakhs a year. There are a number of other recommendations of which the financial effect cannot be calculated but which, if accepted, will result in further substantial economies. The proposals for tapping fresh sources or securing additional receipts under existing revenue heads, if adopted by the Government, are likely to bring in an extra income of Rs. 50 lakhs immediately, with prospects of some automatic expansion in this estimate in subsequent years.

Besides the summary, a series of other Appendices have been attached to the Report, including the statement of allowances and special pays recommended for reduction or abolition by the Committee, the Questionnaire on Resources and other statements bringing together information about rates of various taxes, duties or fees levied in different provinces.

9. *Acknowledgments.*—It is our pleasant duty gratefully to acknowledge the co-operation received from Heads of Departments and other officials. Frequent demands had to be made for information which were readily complied with. Our thanks are also due to Khan Bahadur Nawab Muzaffar Khan for the readiness with which he came forward to act as Chairman on several occasions when pressure of business or illness prevented the Honourable Mr. Manohar Lal from presiding. We also wish to record the help we received from the replies sent to the Committee's Questionnaire on Resources by many officials and non-officials.

Finally, we wish to record our appreciation of the services of Mr. A. D. Grindal, our Secretary, and Dr. Bal Krishna.

recent Secretariat experience has been of great value to us. He organised the office with his usual thoroughness and we had at all times easily available all relevant literature concerned with our enquiry. His knowledge and experience has been at all times unreservedly available to us. Dr. Madan has been concerned mainly with the enquiry into resources. His knowledge of economic theory and finance and his familiarity with economic conditions in India have been of the greatest help to us in considering questions of additional resources. The Committee learnt to rely upon his judgment and his abundant knowledge from the very beginning. Our task has been heavy, particularly in view of our multifarious duties and the frequent demands of the Assembly on our time, but our two Secretaries endeavoured to the utmost to afford us every possible relief in the preparation of the material to be considered and in bringing to our notice all possible aspects of problems that were at any time under study. We should also like to mention that Mr. Amir Chand Tuli has been of very great assistance in keeping the office in a very efficient condition. Howsoever onerous the work, he was never for a day behind hand with his work, and the Committee unanimously wish to express their commendation of the manner in which he discharged his duties.

10. *Reservations.*—It will be observed that the Committee's Report is unanimous, both in respect of retrenchment and resources. Such slight differences of opinion as arose in a few matters, have been noted in the body of the report. Except for any reservations qualifying specific recommendation of the Committee in the Chapters themselves, the members have no separate dissent to record and fully accept the conclusions contained in the report.

It is our most pleasant duty to record our sincerest appreciation of the way our able Chairman conducted the deliberations of this Committee throughout its existence. His profound knowledge both theoretical and practical, of the problems we had to examine, his ability and tact in smoothing out differences of opinion whenever they arose, his unflinching courtesy and helpful guidance in the face of difficult issues and, not the least of all, his great sense of humour which throughout kept up a cheerful and friendly atmosphere,

have all been of the greatest value to the progress of our work. We thank him most sincerely.

MUZAFFAR KHAN,  
JAGJIT SINGH BEDI,  
AKBAR ALI,  
MUZAFFAR ALI QIZILBASH,  
SARDAR M. AKHTAR,  
KRISHAN DATTA,  
SURAJ MAL,  
RIASAT ALI,  
BALBIR SINGH,  
BINDA SARAN.

## CHAPTER II.

### GENERAL RECOMMENDATIONS FOR ECONOMIES.

11. *Scales of pay.*—At the outset of our work we examined the question of some possible reduction in the scales of pay of Government servants in the province. It was found that the Government had as recently as April 1937 carried out an extensive revision of the grades of pay of all its servants, except those belonging to the all-India services which provincial Governments in India are at present not empowered to alter. A drastic reduction has been carried out in the scales of pay for new entrants, amounting in some cases to as much as 80 and 83 per cent. This revision, as remarked, has been carried out both for provincial and subordinate services. It must also be remembered that the fact of the Provincial Services, Class I, replacing the all-India services in certain departments had itself resulted in very substantial reductions in the expenditure on the services under the control of Provincial Governments. For example, the time-scale of an all-India service like the I. E. S. provided for a pay rising from Rs. 400 to Rs. 1,250, along with a selection grade from Rs. 1,250 to Rs. 1,750. The Class I Provincial Educational Service for men, which has taken the place of the I. E. S., provides for a pay rising from Rs. 300 to Rs. 1,000 only, along with a selection grade of Rs. 1,050—30—1,250. Further the pay of the Director of Public Instruction as Head of Department is now Rs. 2,250 to Rs. 2,750, but the revised scale provides for his pay being Rs. 1,600—100—2,000 only. Moreover, in pursuing our enquiries we have kept in mind the consideration that no reduction should be attempted of the pay of individuals whose existing emoluments are regulated by agreements or covenants.

Therefore, though some of us are of opinion that Government have not in certain cases gone far enough, we do not wish to reconsider the revised scales as we do not favour frequent changes in scales of pay which might undermine the stability of the public services.

We think that the recent revisions of the pay of provincial and subordinate services are already beginning to have some effect on the total pay bill. It is calculated



that these revisions will ultimately result in a total saving of over Rs. 30 lakhs a year to the Government, though this will not be fully apparent for at least 25 years.

12. *Compensatory allowances and special pays.*—The previous Retrenchment Committee of 1931 made certain recommendations in regard to the compensatory allowances and special pays, except fixed travelling and conveyance allowances, drawn in the province. In the Government orders on that Committee's report it was stated that a large number of allowances and special pays had been abolished or reduced. Notwithstanding the action taken on the previous Retrenchment Committee's report, it was found that there were a very large number of allowances and special pays still in existence. We understand that the total expenditure on this account is about Rs. 25½ lakhs a year. A sub-committee was appointed to examine in detail all the allowances and special pays that are still in existence and to consider whether any of these can suitably be discontinued or reduced in amount. The sub-committee held 20 meetings for this purpose. Their report has been included as Appendix B. We are indebted to this sub-committee for a very careful and thorough report. We heartily endorse all the principles which the sub-committee had laid down for their own guidance in framing their recommendations. We were therefore able to accept practically all their proposals. Our recommendations are incorporated in the statements appearing as Appendix C. Only those allowances and special pays appear in the statements where we have recommended any change in the existing arrangements. A complete statement of the allowances and special pays examined by us has been separately furnished to the Government. It is calculated that if our proposals in regard to compensatory allowances and special pays are adopted by Government there will be a saving\* of about Rs. 6½ lakhs annually.

13. *Compensatory (Hill) Allowances for Secretariat establishments.* (i) *Superior establishments.*—It has been necessary to examine in more detail the hill allowances paid to the establishments which move to Simla every year along with the headquarters of the Punjab Government. The statement below compares the allowances paid by the

Punjab Government with those given to the Government of India Secretariats while on duty at Simla :—

1	2		3	
Rate of pay.	ALLOWANCES PAID BY PUNJAB GOVERNMENT (*TOTAL FOR 5 MONTHS.)		HOUSE ALLOWANCE PAID BY GOVERNMENT OF INDIA.	
	Married.	Single.	Married.	Single.
	Rs.	Rs.	Rs.	Rs.
Less than Rs. 100 .. ..	200—250	200	225	145
Rs. 100—150 .. ..	250—375	200—325	260	145
Rs. 150—200 .. ..	375—500	225—300	300	145
Rs. 200—250 .. ..	500—625	300—375	350	145
Rs. 250—300 .. ..	625	375—450	350	145
Rs. 300—350 .. ..	625—700	450—525	400	145
Rs. 350—400 .. ..	700—750	525—600	400	145
Rs. 400—500 .. ..	750	600—625	450	145
Rs. 500—600 .. ..	750	625	500	145
Over Rs. 600 .. ..	750	625	550	145

\* *Explanation.*—The figures given in column 2 of the statement are the totals for 5 months of the allowances actually drawn. These allowances are paid at a monthly rate. The totals for 5 months have been shown as this is generally the period of the stay at Simla of the Punjab Government. The figures in column 3 of the statement represent the house rent allowance paid by the Government of India in a lump sum for the Simla season. This house allowance is paid only to those Government servants who are not allotted Government residences in Simla. Those who are allotted Government residences receive no allowance, but occupy their residences rent-free. They are, however, liable for furniture rent, water and electricity.

As the house allowance given by the Government of India is paid to those Government servants only who have applied for but have not been given Government quarters, it must be regarded for such Government servants as the equivalent of a rent-free Government house. It is very probable that a Government servant who fails to get a Government quarter has to pay for outside accommodation a rent somewhat in excess of 10 per cent of his pay. Therefore the Government of India rate of house allowance may be taken as representing a compensatory allowance slightly in excess of ten per cent of the pay of the Government servant concerned.

We consider that in the past, employees of the Punjab Government have been somewhat generously treated in the matter of their Simla allowances and we feel that it will now be sufficient to bring them on an equality with the Secre-

ariat establishments of the Government of India. It may fairly be assumed that the Government of India have not been ungenerous in the treatment of their employees. The Punjab Government have not a sufficient number of Government quarters at Simla for their establishments, so that there would be some difficulty in applying to Punjab establishments the Government of India rule of rent-free quarters. We have therefore refrained from recommending the grant of rent-free quarters, but in making our proposals have taken into account the value of this concession. We recommend the following scales of allowances, to replace the existing rates :—

(1) Compensatory Allowance for the period of residence at Simla :—

(2) For Government servants residing with their families :—

	<i>Pay per mensem.</i>	<i>Allowance per mensem.</i>
		Ra.
I. Less than Rs. 100 .. .. .		30
II. Not less than Rs. 100 but less than Rs. 150 .. .. .		35
III. Not less than Rs. 150 but less than Rs. 200 .. .. .		40
IV. Not less than Rs. 200 but less than Rs. 300 .. .. .		50
V. Not less than Rs. 300 but less than Rs. 400 .. .. .		55
VI. Not less than Rs. 400 but less than Rs. 500 .. .. .		65
VII. Not less than Rs. 500 but less than Rs. 600 .. .. .		70
VIII. Rs. 600 and over .. .. .		80

(3) For Government servants not residing with their families half the above rates will be granted.

(2) House rent allowance.—Rent will be charged under the ordinary rules for all Government quarters allotted in Simla. All members (whether employed in a permanent or other capacity) of the superior establishments of migratory offices below the rank of Registrar or Assistant Secretary, who are eligible for Government quarters and who apply for but are not provided with such quarters, will be granted a house-rent allowance at the following rates for the period of residence at Simla :—

<i>Pay per mensem.</i>	<i>Allowance per mensem.</i>
	Rs.
I. Less than Rs. 100 .. ..	15
II. Not less than Rs. 100 but less than Rs. 150 .. ..	15
III. Not less than Rs. 150 but less than Rs. 200 .. ..	20
IV. Not less than Rs. 200 but less than Rs. 300 .. ..	20
V. Not less than Rs. 300 but less than Rs. 400 .. ..	25
VI. Not less than Rs. 400 but less than Rs. 500 .. ..	25
VII. Not less than Rs. 500 but less than Rs. 600 .. ..	30
VIII. Rs. 600 and over .. ..	30

(a) *Inferior establishments.*—The above recommendations affect only the clerical establishments of migratory or recessing officers. There remain the inferior servants. Our recommendations on hill allowances generally as appearing in Part II of Appendix D apply both to superior (that is, clerical) and inferior establishments. It will therefore be quite in order to examine the Simla allowances of the inferior establishments of migratory and recessing officers. Under the present rules such establishments are entitled to an allowance equal to one-third of their pay for the period of their stay at Simla. Inferior servants.

employed in the Government of India Secretariats are entitled to local allowances on the following scale :—

<i>Pay.</i>	<i>Amount of allowance.</i>
	Rs. A. P.
Less than Rs. 9 .. ..	.. 2 8 0
Rs. 9 but less than Rs. 11 .. ..	.. 2 12 0
Rs. 11 but less than Rs. 17 .. ..	.. 3 4 0
Rs. 17 but less than Rs. 20 .. ..	.. 4 4 0
and upwards .. ..	.. 4 8 0

In addition such inferior servants as are not provided with Government quarters free of rent are entitled to an allowance of Rs. 2 a month.

We consider that, along with the clerical establishments, the inferior servants of the Punjab Government who move to Simla along with the Government should be given allowances at Simla on the Government of India scale, and we recommend accordingly.

We were informed that the expenditure at present incurred by the Punjab Government on the grant of these Simla allowances amounts to over Rs. 78,000 a year. If our proposals are accepted the saving under this head should not be less than Rs. 30,000.

14. *Travelling allowance rates.*—The sub-committee referred to in paragraph 12 also examined the travelling allowance rates in force in the Punjab in the light of similar rules of the Government of India and of the neighbouring province of the United Provinces. The total travelling allowance bill of the Punjab is at present about Rs. 50 lakhs. Our recommendations in regard to travelling allowance rates are indicated below. If these are accepted and given effect to, it is reckoned that the saving in the total expenditure on travelling allowance will be nearly Rs. 6½ lakhs annually :—

(i) Rail mileage.—At present the Punjab Government allows for all grades of Government servants, except inferior servants, 1½ fares of the class of accommodation to which entitled. We recommend that only 1½ fares be allowed as in the case of the Government of India and the United Provinces.

(ii) Road mileage.—We have considered the proposals of our sub-committee to reduce the mileage rate for journey

by motor car for Government servants of grades I to IV from 5 annas to 4 annas. We find that the rate of 5 annas per mile was deliberately adopted by Government after very careful consideration of the actual cost of running a car. We are not therefore prepared to recommend any reduction of this rate. We, however, recommend the adoption of the Government of India rate of 2 annas per mile, applicable to their third grade officers, in the case of those grades of Punjab Government servants (grades VIII and IX) where the existing rate is 2 annas and 8 pies.

(iii) Daily allowance.—For the reasons given in the sub-committee's report we consider that there is room for some reduction in the existing rates of daily allowances. The rates we recommend are indicated below:—

<i>Pay.</i>	Rs.    A.    P.
For Heads of Departments and others who receive a special rate of daily allowance ..	7   0   0
For those drawing Rs. 1,000 and over ..	5   0   0
For those drawing Rs. 750 to Rs. 999 ..	4   8   0
For those drawing Rs. 350 to Rs. 749 ..	3   8   0
For those drawing below Rs. 350 ..	2   8   0
For those drawing above Rs. 299 ..	2   8   0
For those drawing Rs. 200 to Rs. 299 ..	2   4   0
For those drawing Rs. 150 to Rs. 199 ..	1   12   0
For those drawing Rs. 100 to Rs. 149 ..	1   4   0
For those drawing Rs. 50 to Rs. 99 ..	0   14   0
For those drawing below Rs. 50 ..	0   8   0

(iv) Hill tracts.—We suggest that in future there should be only one list of hill tracts for this province instead of the existing two categories of "hill tracts—ordinary" and "hill tracts—special" as detailed in Notes 4 and 5 to Travelling Allowance rule 2-23. We recommend that the present list of "hill tracts—ordinary" be removed from the category of hill tracts for the purposes of travelling allowance, and that the list of "hill tracts—special" be regarded in future as the only list of hill tracts for this province. In these tracts the ordinary rate of daily allowance may be increased by 25 per cent. The rate of road mileage would also be increased by 33½ per cent, as at present, in these tracts only.

(v) Conveyance and horse allowances.—The cases in which we suggest a reduction or alteration of the existing rates are detailed below :—

Serial No.	Designation of Government servant.	Amount.	Classification.	Remarks explanatory of the allowance.	Recommendation of the Committee.
1	2	3	4	5	6
	<b>MEDICAL DEPARTMENT.</b>				
1	Medical Superintendent, Punjab Mental Hospital, Lahore.	Rs. 75 per mensem.	Conveyance allowance.	For performing the duties of Medical Officer for European Officers of the Superior Civil Services and their families stationed at Lahore.	The special reasons for which this allowance has occasionally to be given are fast disappearing and there should seldom be any necessity for this arrangement. It should be abolished.
	<b>GENERAL ADMINISTRATION.</b>				
2	First Assistant to the Deputy Commissioner, Lahore.	Rs. 75 per mensem.	Conveyance allowance.	After the outbreak of communal riots at Lahore in 1927 it was decided that the Deputy Commissioner, Lahore, should always have a senior P.C.S. officer (preferably a European or Anglo-Indian) capable of holding charge of the district when the Deputy Commissioner is absent from headquarters. The holder of this post has to maintain a motor-car for the efficient performance of his duties, and in view of the arduous nature of the work and increased responsibility he gets this allowance.	We do not agree that this allowance is necessary. This officer performs the same duties as any other officer during riots and other disturbances. We recommend that the allowance be abolished.

SECRETARY'S OFFICE

POLICE DEPARTMENT.					
3	Sergeants when not required to keep horses (except when employed as clerks or attached to the Railway Police).	Rs. 11-4-0 per mensem.	Conveyance allowance.	See serial No. 21 of Appendix C to the Travelling Allowance Rules.	May be abolished. We see no reason or justification for this allowance. If a bicycle is kept we would allow a cycle allowance of Rs. 8 for this, as is done in the case of serial No. 23 of Appendix C to the Travelling Allowance Rules.
4	Inspectors and Sub-Inspectors employed on prosecuting duties or in the G. I. D., etc., and Assistant Sub-Inspectors employed in G. I. D.	Rs. 11-4-0 per mensem.	Ditto	See serial No. 22 of Appendix C to the Travelling Allowance Rules.	Ditto ditto.
5	Inspectors and Sergeants attached to Cantonments, Cities and Civil Stations who are allowed to keep motor cycles instead of horses. Clause (g) to (g).	(a) 50-0-0 .. (b) 27-8-0 .. (c) 20-0-0 .. (d) 22-8-0 .. (e) 18-12-0 .. (f) 20-0-0 .. (g) 22-8-0 ..	Motor Cycle allowance. Do. Do. Do. Do. Horse allowance. Motor Cycle allowance.	See serial No. 24 of Appendix C to the Travelling Allowance Rules. This is admissible only when these officials are allowed, with the sanction of the Inspector-General of Police, to keep a motor cycle instead of a horse. Provided a horse is maintained.	We would reduce the rates as follows :— (a) to Rs. 35. (b) to Rs. 30. (c) to Rs. 25. (d) to Rs. 20. (e) to Rs. 20.
6	Sub-Inspector in charge of Police Station, Daghah, in the Simla district.	Rs. 40 ..	Motor Cycle allowance.	See serial No. 23 of Appendix C to the Travelling Allowance Rules.	We would reduce this to Rs. 35.

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Serial No.	Designation of Government servant.	Amount.	Classification.	Remarks explanatory of the allowance.	Recommendation of the Committee.
1	2	3	4	5	6
	<b>MEDICAL DEPARTMENT.</b>				
7	Assistant Surgeon in charge Charitable Dispensary, Phillaur.	Ra. 10 per mensem.	Conveyance allowance.	Is in charge of the Police Training School Hospital with additional charge of the Civil Dispensary, Phillaur.	May continue, but as a bicycle allowance of Rs. 3.
8	Sub-Assistant Surgeon, Police Hospital, Lahore.	Ra. 5 per mensem.	Bicycle allowance.	..	This should be reduced to Rs. 3, the usual rate for bicycle allowances.
	<b>AGRICULTURAL DEPARTMENT.</b>				
9	Sub-Assistant Surgeon, Hansi..	Ra. 5 per mensem.	Bicycle allowance.	An allowance of Rs. 15 was sanctioned in 1918 for the Sub-Assistant Surgeon visiting the Hansi Agricultural Farm to render medical aid to the Government employees there. The Sub-Assistant Surgeon, Hansi, gets a bicycle allowance of Ra. 5 per mensem now.	The cycle allowance should be reduced to the general rate of Ra. 3 per mensem.
	<b>VETERINARY DEPARTMENT.</b>				
10	Superintendent, Government Cattle Farm, Hisar.	Ra. 30 to 80	Horse allowance.	See serial No. 52 of Appendix C to the Travelling Allowance Rules. Ra. 30 for each horse, subject to a maximum of Rs. 80.	We recommend that the allowance be reduced to Ra. 50 if two horses are kept, and if one is kept, Ra. 30.

11	One Assistant Superintendent (Stock) and 1 Assistant Superintendent (Fodder) at Government Cattle Farm, Hissar.	Rs. 5 each..	Motor car allowance.	Allowances of Rs. 50 each were sanctioned from 1st January 1929. In view of the large area which comprises the sphere of their activities the maintenance of a car by these officers is a necessity. The allowance has now been raised to Rs. 75 per mensem each.	In addition to allowance these officers allowed the use of six hacks and a driving tonga costing Government more than Rs. 2,000 a year to maintain. A conveyance allowance of Rs. 75 each should be allowed, leaving it to the officers to keep a car or other means of conveyance.
CO-OPERATIVE DEPARTMENT.					
12	Assistant Registrar, Co-operative Societies, Lahore and Jullundur.	Rs. 20 ..	Conveyance allowance.	See serial No. 55 of Appendix C to the Travelling Allowance Rules. Subject to reduction at rate of 1/30th of total amount of the allowance for each day when daily allowance or road mileage is drawn.	We would discontinue this allowance.
INDUSTRIAL DEPARTMENT.					
13	Lady Superintendent, Government Zenana Industrial School, Lahore.	Rs. 15 ..	Conveyance allowance.	A conveyance allowance of Rs. 15 per mensem has been sanctioned for the Lady Superintendent, Government Zenana Industrial School, Lahore, with effect from 1st January 1929. It was not possible to provide her with free quarters on the premises and hence she is allowed a conveyance allowance.	May continue, but its designation should be altered to house-rent allowance.

(vi) Permanent monthly travelling allowances.—The allowances which we propose for reduction are detailed below:—

Serial No.	Designation of Government servant.	Amount.	Classification.	Remarks explanatory of the allowance.	Recommendation of the Committee.
1	2	3	4	5	6
	<b>GENERAL ADMINISTRATION.</b>				
1	Commissioners of Divisions ..	Rs. 250	Fixed travelling allowance.	See serial No. 16 of Appendix B to the Travelling Allowance Rules.	We would reduce this to Rs. 200 as was done in the United Provinces some time ago. With the improvement of the means of communication and the greater amount of touring by motor car that is now possible, it is considered that there is room for some reduction of this allowance. We are informed that the United Provinces Government have since reduced their rate to Rs. 160 but we would not go so far as this.
	<b>PUBLIC HEALTH DEPARTMENT.</b>				
2	Sub-Assistant Health Officers ..	Plains Rs. 37-8-0 ; hill tracts—ordinary Rs. 55; hill tracts—special Rs. 75.	Fixed travelling allowance.	See serial No. 34 of Appendix B to the Travelling Allowance Rules.	May stand, but the allowance for hill tracts—special should disappear and that for hill tracts—ordinary become the allowance for hill tracts generally. Ditto ditto.
3	Sanitary Inspectors of Special Public Health Staff.	Plains Rs. 30, ordinary hill tracts Rs. 45, special hill tracts Rs. 60.	Ditto	See serial No. 36 of Appendix B to the Travelling Allowance Rules.	
	<b>FISHERIES DEPARTMENT.</b>				
4	Sub-Inspectors of Fisheries ..	Rs. 35 in hill tracts, Rs. 30 in plains.	Fixed travelling allowance.	See serial No. 30 of Appendix B to the Travelling Allowance Rules.	We suggest this be reduced to one uniform rate of Rs. 20.

(vi) Concessions allowed by Travelling Allowance rules 2.19 and 2.22.—Rule 2.19 empowers the local Government to include a Government servant in a grade higher than that to which his pay entitles him. Rule 2.22 empowers the local Government to declare any particular Government servant to be entitled to rail accommodation of a higher class than that prescribed for the grade. Certain cases relating to these concessions were referred for our advice. We are in full agreement with the views of our sub-committee as detailed in paragraph 9 of their report and consider that, except for very strong reasons, no further additions should be made to the list of exceptions appearing under rule 2.19. We also support the recommendation of our sub-committee for the withdrawal in the cases named below of the concession allowed by rule 2.22 :—

- (1) Agricultural Assistants in the A Division and Demonstrators in the Punjab Agricultural College, Lyallpur.
- (2) Personal Assistant to the Warden of Fisheries.
- (3) Sergeants of Police.
- (4) Stenographers on Rs. 150—10—300 when accompanying officers on tour.
- (5) Medical graduates on the emergency plague staff.
- (6) Veterinary Assistant Surgeons on Rs. 150—10—300, or the revised grade later introduced.
- (7) Medical graduates employed in the Mayo Hospital, Lahore.
- (8) Industrial Surveyors.

15. *Leave Rules.*—Our attention was drawn to the leave rules applying to Government servants, which are held to be extremely liberal in character and to involve unnecessarily heavy expenditure by Government. The previous Retrenchment Committee had also remarked on this. Their view was that the influence of the all-India services leave rules, which are designed to meet the case of men whose homes are in Europe, had seriously affected the leave rules for persons whose homes are in India. They were anxious that the principle should be adopted that leave rules applicable to officers of Asiatic domicile need bear no relation to leave rules for officers of non-Asiatic domicile.

The question of curtailing the leave concessions has been often discussed, but while there has been a more or less general consensus of opinion that these concessions are unduly generous, there has been little agreement as to the extent or the form of curtailment which should be effected. The Government of India made it clear that they would not interfere with the leave concessions of officers appointed by the Secretary of State to the superior civil services, nor would they curtail privileges enjoyed by the existing incumbents under the Fundamental Rules. This principle of preserving the rights of existing incumbents was adopted by the Punjab Government too when it undertook the revision of scales of pay of Provincial and Subordinate services.

It is noticed that when in 1930 the Punjab Government, at the suggestion of the Government of India, considered the question of formulating leave terms for future recruits for services and posts controlled by the local Government, they decided to make no change in the leave rules in the direction of making their terms less liberal in the matter of the amount of leave that can be taken, or the amount of leave salary admissible.

In 1931 the Government of India reopened the question. They considered that even the reduced terms previously suggested were too generous for locally recruited staffs who serve in their own country and in most cases within easy reach of their homes. The Government of India were inclined to think that for locally recruited staff one month's leave annually, including casual leave, but excluding regular gazetted holidays, together with fairly liberal medical leave on half average pay, is a sufficient allowance. The Punjab Government considered these proposals and accepted the suggestions—(a) one month's leave a year for locally recruited staff, (b) provincial services and gazetted officers to earn up to  $\frac{3}{22}$ nds instead of  $\frac{2}{11}$ ths of total service, and (c) full leave salary should be either the pay of the post held substantively at the time of proceeding on leave or the average pay calculated over the preceding three years, whichever was more favourable to the officer concerned.

Subsequent to this the Punjab Government in 1936, following the lead of the Government of India, issued their Punjab Revised Leave Rules. These are the outcome of the

proposals that were under consideration in 1931. The rules apply, roughly speaking, to all members of Provincial and Subordinate services whose domicile is Asiatic or who, if their domicile is non-Asiatic, have not been specially recruited overseas for service in India. Furthermore, they apply to persons who entered Government service on or after 1st January 1931, thus following the principle of preserving the rights of existing incumbents. These rules are far less liberal in their terms than the previous leave rules which were introduced with the Fundamental Rules in 1922.

In effect, therefore, the Punjab Government have adopted the principle which the previous Retrenchment Committee had advocated, of making an essential difference between the leave rules of officers having an Asiatic domicile and those with a non-Asiatic domicile. So far as the rules of 1936 are concerned, we have little to say. But we still think that some attempt should be made to deliberalise the previous leave rules as introduced with the Fundamental Rules in 1922, in so far as provincial Governments have the power to do so. It will be recognised that at the moment the majority of Government servants are subject to these rules and if any substantial economy in the expenditure on leave salary is desired, it must be by making less liberal the leave terms of such Government servants as are governed by the Fundamental Rules.

It is possible to divide existing Government servants broadly into four classes as regards the liabilities for the existing leave rules being altered :—

- (a) firstly, members of all-India services, in whose case no amendment of the rules is possible without the approval of the Secretary of State ;
- (b) secondly, Government servants subject to the rule making control of the Punjab Government who were in service prior to 8th March 1926, in whose case no amendment of the rules can be made to their disadvantage without approaching the Secretary of State ;
- (c) thirdly, those Government servants subject to the rule making control of the Punjab Government who had entered service subsequent to 8th

March 1926 but previous to 1st January 1931, to whom the leave rules in the Fundamental Rules apply, in whose case the local Government have the power to amend the rules in the direction of making them less liberal :

- (d) fourthly, those Government servants subject to the rule making control of the Punjab Government who entered service after 1st January 1931, to whom the Revised Leave Rules, 1936, apply and in whose case the local Government have full powers to amend the rules as they choose.

It will be observed, therefore, that provincial Governments have the power to amend the leave rules under the Fundamental Rules in respect of a limited number of Government servants, namely, those who entered service subsequent to the 8th March 1926. The rules being as liberal as they are, we feel justified in making certain recommendations for their amendment. Our proposals are detailed below :—

- (i) The present limit for leave on average pay on medical certificate is 8 months whether taken in India or outside India. We recommend that this be reduced to 6 months.
- (ii) For leave on average pay taken outside India the present limit is 8 months. We recommend that the limit for outside India should not exceed that for leave taken in India, namely, 4 months. In other words, the 8 months limit should be withdrawn.
- (iii) As to leave salary, the existing definition under the Fundamental Rules bases it on the average pay of the previous 12 months. Thus, if an officer has been acting in a post and drawing more than his substantive pay, he can, when he ceases to act in the post, proceed on leave and draw while on leave a leave salary which would be higher than the pay of his substantive post. This is a definite encouragement to an officer to proceed on leave immediately he vacates a higher acting appointment, and is

a source of extra expense to the Government. We strongly recommend that leave salary should be limited to the pay of the post last held substantively at the time of taking leave, instead of average pay as now defined in the Fundamental Rules.

- (iv) It was found that the Special Leave Rules which, under the Fundamental Rules, apply only to members of the superior civil services who are of non-Asiatic domicile, had been made applicable in certain cases to officers who had been recruited outside India on contract for service in temporary posts. We consider that this has resulted in giving such officers unduly liberal leave terms. We recommend that in future such officers should be given only the ordinary leave terms.

In regard to the Punjab Revised Leave Rules, 1936, we would recommend their amendment in the following directions, namely :—

- (i) The earned leave admissible to an officer in superior service in permanent employ, if of non-Asiatic domicile recruited in India and entitled to passage concessions—see rule 9 (i)—should be one-eleventh, instead of one-ninth, of the period spent on duty.
- (ii) The limit after which an officer ceases to earn leave—proviso to rule 9—in the case of an officer in superior service other than one of non-Asiatic domicile, who belongs to a provincial service or who holds a special post, should be raised from 120 days to 150 days, as provided for officers of non-Asiatic domicile.
- (iii) For leave on private affairs the present aggregate of 18 months in all for members of provincial services—see rule 13 (a)—should be reduced to 12 months, and for leave taken on any one occasion the limit should be 4 months, whether the leave be taken wholly in Asia or spent wholly outside Asia. That is to say, the limit for leave taken in Asia should be raised from 3 months



to 4 months, but the limit for leave outside Asia should be reduced from 9 months to 4 months. In the case of members of subordinate services—see rule 13 (b)—the limit of 3 months for leave taken on any one occasion should similarly be raised to 4 months, which should apply whether the leave be taken wholly in Asia or wholly outside Asia. That is to say, the limit for leave outside Asia should be reduced from 6 months to 4 months ;

- (iv) Furthermore, should it be decided to retain the distinction we consider that instead of the distinction being between leave taken in Asia or outside Asia, it should be between leave taken in India and outside India.

16. *Overseas pay for Provincial Services.*—When fixing the scales of pay for the Class I Provincial Services, which have replaced the old all-India services, the Punjab Government provided for the grant of overseas pay on the same conditions as applied to members of the all-India services. The rates of overseas pay fixed for these new Provincial Services were the old all-India rates of Rs. 150, £15, £25 and £30. Further, in drawing up the scales of pay for these new Provincial Services, the Government provided for these rates being drawn after the same periods of service as were laid down by the Secretary of State in the time-scales for the corresponding all-India services which had been replaced. It seems to have been overlooked, however, that the scales of pay for these new Provincial Services are substantially lower than the previous all-India scales. The result has been that—to take one example only—whereas, under the all-India scales an officer began to draw overseas pay of £30 when his basic pay reached the stage of Rs. 1,200 in the I. C. S. and Rs. 800 or Rs. 900 in other services, under the new Provincial scales he begins to draw £30 when his basic pay reaches Rs. 575 only. In other words, the scale of overseas pay is excessive in comparison with the new and reduced scales of basic pay in the Provincial Services. To remedy this state of things we decided to recommend the immediate grading down of the rates of overseas pay for the Class I Provincial Services. Instead of relating the rate of overseas pay to the length of service we suggested that it

should vary with the amount of the basic pay, as in the table below :—

On basic pay not exceeding Rs. 400	..	Rs. 100.
On basic pay exceeding Rs. 400 but not exceeding Rs. 750	..	£ 12 or Rs. 120.
On basic pay exceeding Rs. 750, but not exceeding Rs. 1,000	..	£ 20 or Rs. 200.
On basic pay exceeding Rs. 1,000	..	£ 25 or Rs. 250.

We further proposed that the rates suggested above should be adopted in cases where the Government finds it necessary to recruit officers on a contract basis to whom it is proposed to grant overseas pay. An *interim* recommendation on the lines indicated above was forwarded to Government. We have since had this matter under further consideration. Some of us are of the opinion that the overseas pay allowed to members of the Class I Provincial Services should be completely abolished. We have finally decided to recommend that the existing rates be reduced by one-half—these reduced rates to be given according to the amount of the basic pay as already proposed by us.

17. *Passages for members of Provincial Services, Class I.*—Government have issued certain rules which provide for the grant of free passages to those members of the Provincial Services, Class I, who are of non-Asiatic domicile. This has been done because the Class I Provincial Services have replaced the all-India Services, and members of the all-India Services have always been entitled to passages under the Superior Civil Services Rules. While admitting that there is some case for the grant of passages to such members of the Provincial Services, Class I, as were of non-Asiatic domicile at the date of their appointment, we feel that Government should endeavour to keep down the cost of the concession as much as possible. This could be done in two ways, firstly, by providing for a fewer number of passages for each officer and his family, and secondly, by fixing the grade of accommodation to be allowed on a lower basis than that allowed to members of the all-India services. This would be justified by the fact that the scales of pay of the Provincial Services have been fixed much below the scales of pay of the corresponding all-India services.

18. *Delay in carrying out transfers of Government servants.*—We are given to understand that in consequence of delay in issuing orders of transfer it very often happens that two or three officials are kept waiting at a single station for their orders. Furthermore, in some departments frequent and unnecessary transfers are ordered from place to place without due regard to the expenditure involved in travelling allowance. Whatever be the administrative difficulties, we cannot too strongly deprecate this waste of public funds. We feel that a great deal of this unnecessary expenditure could be avoided by greater care being exercised in the issue of transfer orders.

19. *Extensions of service.*—We have had under our consideration the question whether it is advisable in the interest of economy for the Government to lay down a definite policy that ordinarily no Government servant should be given an extension of service after attaining the age of 55 years. We also considered whether there would be any objection to laying down a rule that all ministerial Government servants must retire on attaining the age of 55 years, and that no extensions be given in any case. The purport of the existing rules on this subject, as given in Fundamental Rule 56, is that a Government servant, other than a ministerial servant is ordinarily required to retire on attaining the age of 55 years, but he may be retained in service after that age on public grounds. A ministerial servant, on the other hand, may be required to retire at the age of 55 years, but should ordinarily be retained in service, if he continues efficient, up to the age of 60 years. In effect, retirement at the age of 55 years is the rule for all Government servants other than ministerial servants, and extensions are the exception. For ministerial servants, extension after the age of 55 years is the rule, and retirement the exception. We obtained the views of the heads of the larger departments in this province on the questions referred to above. Generally speaking, all are agreed that for Government servants, other than ministerial servants, retirement at the age of 55 years should be insisted upon as the invariable rule, but some departments still urge that extensions should be provided for in very exceptional cases. For ministerial Government servants, most departments are agreed that there would be no objection to making it a rule that retirement should take place on attaining the

age of 55 years, but here too it is considered that there should be provision for granting extensions in exceptional cases.

To refrain from granting extensions of service not only makes for economy "since it may be assumed that the vacancy resulting from a retirement at the lower end of a chain of arrangements will be filled on the revised and reduced scale of pay" but it also helps to alleviate, in however small a measure, the extent of prevailing unemployment. Taking all these factors into consideration, we have decided to recommend that no extensions of service should be given to Government servants who are due for retirement. By "due for retirement" we mean all Government servants who have attained the age of 55 years, whether ministerial Government servants or others.

20. *Commutation of pensions.*—Our attention was drawn to the recent decision of the Government of Madras contained in their order No. 51 (Finance/Pensions) dated the 10th January 1939, discontinuing the system of commutation of pensions. We are on the whole inclined to the opinion that, while causing no real hardship to the pensioner, the abolition of the system of commutation of pensions would probably lead to economy.

21. *Issuing self-contained letters, instead of circulating masses of correspondence.*—A case was brought to our notice where a certain department, as the administrative department dealing with the subject, had sent out to all Administrative Secretaries, a mass of correspondence received from the Government of India which contained a decision on a certain matter. Attention was drawn to paragraph III (3), Chapter VI, of the Secretariat Instructions which lays down that when decisions of Government or orders of general application, have to be communicated on questions of policy they should be drafted in the circular or resolution form. We were told that in many cases Deputy Commissioners and all superior officers have pages of material flung at them at considerable expense, when a brief precis would save time and money, and be better appreciated.

We are of the view that in order to effect economy in stationery and labour letters should, as far as possible, be self-contained and the number of enclosures should be reduced to the minimum, in order to avoid a mass of unneces-

sary correspondence, which apart from being uneconomical was highly inconvenient. The practice of issuing self-contained letters, instead of circulating pages of correspondence, not only saves time in copying and typing but economises in stationery and postage.

22. *Execution of works in which more than one Department is involved.*—In the case of works carried out by Government as, for instance, residential buildings or offices, it often happens that two or more different departments are involved in some part of the work. This would be the case, for instance, in a building in which there are sanitary and electrical installations. The existing arrangements necessitate each department having to carry out its share through its own agency. If the work happens to be in an out-of-the-way place where all these departments do not have a resident representative, a man may have to come from a distance to see to his department's work. Expenditure has thus to be incurred on travelling allowance and other charges. A case was quoted of certain work required in the Commissioner's residence at Multan where the Public Health Department was also involved. The nearest man of that Department was in Montgomery. Similarly, in the case of certain works carried out at Fort Munro under the existing arrangements, each department's man had to see to the execution of its own work and this meant that several men had to come from a distance. It has been suggested that in such cases it would make for economy if there were a standing order or rule that the whole work should be carried out by, or under the supervision of, the department which has an authorised representative on the spot. The other departments which have a share in the work would be responsible for the planning and designing of their portion of the work, but the actual execution would lie with the department that can most conveniently carry out the work. We are whole-heartedly in support of the adoption of this arrangement.

23. *Recessing Heads of Departments.*—We considered the case of the Heads of Departments of the Punjab Government who are permitted to move to Simla during the summer and recess there for a part of the stay of the local Government. These Heads of Departments are permitted to bring up a stenographer, one clerk and 2 peons who receive travelling allowance and hill allowance on the scale allowed to the es-

tablishments of required officers. It will be convenient to give a short history of how the present arrangement has been arrived at.

The Heads of Departments in question, referred to herein as "recessing Heads of Departments", are now the following:—

1. Inspector-General of Civil Hospitals.
2. Inspector-General of Prisons.
3. Director of Public Health.
4. Director of Agriculture.
5. Director of Industries.
6. Chief Conservator of Forests.
7. Chief Engineer, Hydro-Electric Branch, Public Works Department (added in 1937).
8. Deputy Commissioner for Criminal Tribes and Reclamation Officer (added in 1936).

Formerly these Heads of Departments were treated as "Permitted Officers" under the Punjab Government's Hill Allowance Code as it then existed (see rule 2 of the Code as revised up to 1st May 1924). That is to say, they were permitted to move to Simla and reside there, in some cases during the whole, but in most cases during a part only, of the stay of the local Government. They received no travelling allowance at all for the move to or from Simla. For tours performed during the summer while in residence at Simla the rule was as follows:—

"When any of these officers, during the course of residence at Simla, proceeds from that place on a tour of inspection or other duty, the travelling allowance that may be drawn is that admissible from Simla to destination and back, limited in amount to what would be admissible for a journey between Lahore and destination and back. Consequently no travelling allowance is admissible for a visit to Lahore".

The rule referred to above continued in force until the year 1929 when the Punjab Government reconsidered the position and made such of the Heads of Departments named above as then existed "Required Officers" under the Hill Allowance Code. This gave them travelling allowance for all journeys performed between Lahore and Simla in the same way as travelling allowance is drawn by Secretaries to Government and other required officers. They could also receive travelling allowance as from Simla for all tours performed while in residence there. In a sense this concession to these Heads of Departments involved greater expenditure than in the case of the regular required officers, because the recessing Heads of Departments do regular touring while the required officers seldom, if ever, go on tour to the plains during the period the Government stays at Simla.

The arrangement mentioned above continued until 1931 when, in pursuance of the economy campaign then being undertaken by the Punjab Government, these Heads of Departments were made recessing officers with permission to recess in Simla. Recessing officers of other classes receive no travelling allowance for moving to the hills, but these Heads of Departments were allowed travelling allowance for one journey to and from Simla. For tours made from Simla they received travelling allowance as from Lahore. For journeys between Simla and Lahore they could get travelling allowance if certain conditions were observed. Applications were frequently received from these Heads of Departments for Government's sanction to the grant of travelling allowance for journeys made from Simla to Lahore. In order to avoid such applications the rules were liberalised in October 1935 to this extent, namely, that these Heads of Departments can now draw travelling allowance on two occasions for journeys between Simla and Lahore, apart from the travelling allowance they are already allowed for the first journey up to Simla and the last journey down.

Another direction in which there is a tendency for extra expenditure in this case is that many of these Heads of Departments bring up their Superintendents or other senior Assistants as their clerks. These people draw more travelling allowance and hill allowances than a junior clerk would receive. The intention all along was that these Heads of

Departments should bring up a junior hand *plus* a stenographer.

We consider that there is no justification for the Government incurring this extra expenditure to allow these Heads of Departments to recess at Simla and undertake their regular tours from that station. In this respect greater expenditure is now involved on the travelling expenses of these Heads of Departments than on the travelling allowance of the required officers. We recommend that the position as existing prior to 1929, when these Heads of Departments received no travelling allowance, should be restored. It is estimated that this would result in a saving of at least Rs. 10,000.

Some members of the Committee were of opinion that the Director of Public Instruction, with his Deputy Director, should no longer be treated as "required officers" but might suitably be brought into the category of "recessing Heads of Departments" if this were to continue. We also notice that recently the Officer in charge of the Special Enquiry Agency was declared a "required officer". We cannot see how he could be placed even on the list of "recessing officers".

24. *Method of condemning typewriters.*—We consider that the present procedure for the condemnation of unserviceable typewriters results in a great deal of unnecessary expenditure. The rules on the subject are contained in paragraph 11·7 of the Punjab Printing and Stationery Manual. When the head of an office, on the advice of the representative of a Typewriter Company, considers that a particular typewriter is ripe for condemnation, the machine is forwarded to the Superintendent, Government Printing, to be placed before the Board of Condemnation. The machine is then sent to the local representative of the Company concerned for a detailed estimate of repairs, and for supply of certain other information—see clause (II) of paragraph 11·7 of the Stationery Manual. When this is supplied the machine is placed before a meeting of the Board, at which the typewriter company's representative is always present. What generally happens at these meetings is that the Board asks the representative for his advice, and almost invariably he advises condemnation, either on the ground of old age or bad handling and usage. The members of the Board are not



technical experts on typewriters and are bound therefore to accept the expert's view. The result invariably is that the typewriter is condemned and is replaced by a brand new machine. We feel that there must be quite a large number of machines which have been condemned on very scanty examination; in other words, that there must be many cases of premature condemnation, the result being that Government is put to unnecessary additional expenditure on the purchase of new machines. The practice of taking the expert advice of the representatives of the typewriter companies, who are interested in their sale and hence condemnation, is open to obvious objection and should be discontinued. The remedy appears to be to have the Government's own technical expert for the examination of all machines proposed for condemnation, and further to have the Government's own repairing factory. The cost would be more than met from the savings that would accrue from the smaller number of typewriters condemned and replaced. It is realised that the typewriter companies are bound to complain that their machines must be serviced and repaired by their own firms, otherwise they cannot guarantee their continued efficiency. But Government, as the largest buyers of typewriters, would always be in a strong position to refuse to buy machines from any company that did not accept the new arrangements.

25. *Telephones.*—We have considered the expenditure incurred on telephones installed at Government expense in offices and residences of officials employed under the Punjab Government. The normal rent of a telephone is Rs. 18 per mensem, or Rs. 192 per year, and there are other incidental expenses for installation and shifting and additional rent for fitting H. M. T. receivers. The rent is paid by the Provincial Government to the Government of India, Posts and Telegraphs Department. No telephone can be installed except with the sanction of the local Government in the administrative department concerned, and with the previous consent of the Finance Department.

In Lahore alone there are over 270 telephones in offices and 100 in residences for which the Punjab Government has to pay to the Government of India an annual rent of over Rs. 70,000. It should be explained that about 70 of

the office and 55 of the residential telephones in Lahore are closed down for the summer when the Punjab Government offices move to Simla. But the same number of telephones are then installed at Simla, so that the cost as shown above has been correctly calculated on a twelve months' rental. A sub-committee was appointed to examine the details and to report on the possibilities of effecting economy by the withdrawal of such telephones as they considered were not required with due regard to the proper despatch of Government business. We are indebted to the sub-committee for their report and have been able in the main to adopt their recommendations. In general we recognise the convenience and facility afforded by this amenity of modern life. In respect of mufassil telephones, it was found that on the whole there is small scope for reduction in their number; as the number installed is relatively small. Except in towns like Amritsar and Rawalpindi, there are relatively few telephones in district towns and hardly any in tahsil headquarters. Most of them appear to be necessary in the interests of the prompt and efficient despatch of official business, and the maintenance of quick communication where this is essential.

In respect of Lahore and Simla, the utility of office telephones has in general not been questioned as we recognise that these must have been given after due enquiry by the administrative departments concerned. In a few cases, however, the official necessity of even such telephones appeared to us very doubtful and we have recommended that they be discontinued. It is mainly in respect of residential telephones that we have been inclined to adopt a critical view, because the amount and importance of official work relatively to the extent of the private use to which many such telephones must be put does not appear to us to justify their maintenance at Government expense. The criterion that was applied in our examination is that laid down in a note recorded by Sir Geoffrey deMontmorency, as Governor, when in 1931-32 the Punjab Government decided in the interests of economy to discontinue the residential telephones of some of its officials. The note observes: "Urgency is the real test. Nothing of provincial importance would totter if, instead of ringing up these three officials at their residences after office hours, one was obliged to send them a note by a messenger. I feel that in the

interests of economy these three house telephones must be abolished". Applying that criterion to the present residential telephones we have found that a considerable number of them could be dispensed with. For instance, a telephone is certainly justified at the private residence of a Superintendent of Police or the Superintendent of a Jail where the need may arise at any time for an immediate call as, for example, on a riot or other disorder breaking out. But it can scarcely be said that any such immediate necessity would ever arise in the case of the heads of certain small offices or Under-Secretaries in the Public Works Department or Civil Secretariat.

The criterion mentioned above was laid down with particular reference to residential telephones, but it can be applied to a great extent in the case of office telephones. Where the nature and amount of official business to be transacted is such that the difference in the time saved between a telephone call and a written note sent by bicycle peon is not of vital importance, we think that the need for an office telephone is not clearly established. As already observed, however, we have not taken a rigidly narrow view of official necessity in the case of office telephones and have not recommended the abolition of an office telephone unless we were clearly of opinion that it should be discontinued.

We wish to make one further observation about the installation of telephones in Simla at the residences of officers who are permitted but not required to move up. Since these officers are recessing officers and are allowed to go up for the sake of their own convenience and at their option, and on the clear understanding that no extra expense is caused to Government, it is only fair that Government should not be burdened with the expense of maintaining telephones at their residences. Their office telephones at Simla may be retained if the corresponding ones in Lahore are closed down for the summer months. But we do not consider that such officers should be allowed telephones at Government expense at their residences in Simla even though their residential telephones in Lahore may have been closed down.

We have carefully scrutinised the lists of telephones installed in Lahore and several district towns in the province and the cases in which we recommend the withdrawal of

Government paid telephones are mentioned below. If our recommendations are accepted there would be a saving of about Rs. 17,500 in the present expenditure of the Punjab Government on telephones :—

Serial No.	Designation of official.	NUMBER OF TELEPHONES-INSTALLED.		Recommendation of the Committee.
		Office.	Residence.	
1	2	3	4	5

TELEPHONES AT HEADQUARTERS.

1	Commissioner, Rural Reconstruction.	1	1	Residential telephone to be withdrawn.
2	Government Press ..	4	..	One general telephone or, at the most, two should suffice, with necessary extensions. The other two should be closed down.
3	Parliamentary Secretaries (in Assembly Chamber).	6	..	The general telephone for M.L.As., which is very conveniently situated, should suffice for all Parliamentary Secretaries. These six telephones should be withdrawn.
4	Secretaries to Government and Financial Commissioners (in Assembly Chamber).	4	..	One common telephone should suffice. These are only used occasionally. The remaining 3 should be withdrawn.
5	Under-Secretary, Political	1	1	The residential telephone is not required and should be withdrawn.
6	Under-Secretary, Local Government Departments.	1	1	Ditto ditto.
7	Assistant Secretary, Finance Department.	1	1	Ditto ditto.
8	Chairman, Public Services Commission.	1	1	Ditto ditto.
9	Members, Public Services Commission.	1	1	Ditto ditto.
10	Secretary, Public Services Commission.	1	1	Ditto ditto.
11	Superintendent, Office of the Public Services Commission.	1	..	This is not required and should be abolished. An extension from the Secretary's office telephone will suffice.
12	Under-Secretary, Public Works Department, Buildings and Roads Branch.	1	1	Residential telephone to be withdrawn.

Serial No.	Designation of official.	NUMBER OF TELEPHONES INSTALLED.		Recommendation of the Committee.
		Office.	Residence.	
1	2	3	4	5

## TELEPHONES AT HEADQUARTERS—continued.

13	Registrar, Buildings and Roads Branch Secretariat.	1	1	Residential telephone to be withdrawn.
14	Principal, MacLagan Engineering College.	1	1	Ditto ditto.
15	Deputy Chief Engineer, Hydro-Electric Branch, Public Works Department.	1	1	Ditto ditto.
16	Commercial Officer, Hydro-Electric Branch.	1	1	Ditto ditto.
17	Under-Secretary, Irrigation Branch (Establishment).	1	1	Ditto ditto.
18	Registrar, Irrigation Branch Secretariat.	1	1	Ditto ditto.
19	Director, Irrigation Research Institute.	1	1	Ditto ditto.
20	Additional District Magistrate, District Courts, Lahore.	1	1	Both telephones should be abolished as they are not considered essential.
21	Personal Assistant to Deputy Commissioner, Lahore.	1	1	Ditto ditto.
22	Revenue Assistant, District Courts, Lahore.	1	1	Ditto ditto.
23	Deputy Commissioner for Criminal Tribes.	1	1	Residential telephone to be withdrawn.
24	Deputy Director of Public Instruction.	1	1	Ditto ditto.
25	Principal, Central Training College.	1	1	Ditto ditto.
26	Vice-Principal, Central Training College.	1	..	This telephone should be withdrawn as it is not necessary.
27	Development Secretary to Financial Commissioners.	1	1	Residential telephone to be withdrawn.

Serial No.	Designation of official.	NUMBER OF TELEPHONES INSTALLED.		Recommendation of the Committee.
		Office.	Residence.	
1	2	3	4	5
<i>TELEPHONES AT HEADQUARTERS—continued.</i>				
28	Revenue Secretary to Financial Commissioners.	1	1	Residential telephone to be withdrawn.
29	Additional Revenue Secretary to Financial Commissioners.	1	1	Ditto ditto.
30	Under-Secretary to Financial Commissioners.	1	1 (Simla).	Ditto ditto.
31	Conservator of Forests, Western Circle.	1	1	Ditto ditto.
32	Conservator of Forests, Eastern Circle.	1	1	Ditto ditto.
33	Deputy Registrar, High Court.	..	1	To be withdrawn. It is not necessary.
34	Special Official Receiver, High Court.	1	1	Both telephones to be withdrawn. He is not a paid Government servant.
35	Electric Inspector ..	1	1	Residential telephone to be withdrawn.
36	Personal Assistant to the Hon'ble the Speaker, Legislative Assembly.	1	1	Office telephone is not required and may be withdrawn.
37	Director of Land Records	1	1	Residential telephone to be withdrawn.
38	Assistant Inspector-General of Civil Hospitals.	1	1	Ditto ditto.
39	Principal, Veterinary College.	1	1	Ditto ditto.
40	Assistant to Director of Industries.	1	..	To be abolished.
41	Headmaster, Government Technical School.	1	..	Ditto.
<i>Medical College.</i>				
42	Professor of Medicine ..	..	1	Residential telephone to be withdrawn.
43	.. .. Ophthalmology	..	1	Ditto ditto.
44	.. .. Midwifery ..	1	1	Ditto ditto.
45	.. .. Pathology and Bacteriologist.	1	1	Ditto ditto.
46	.. .. Dentistry and Dental Surgeon.	1	1	Ditto ditto.

Serial No.	Designation of official.	NUMBER OF TELEPHONES INSTALLED.		Recommendation of the Committee.
		Office.	Residence.	
1	2	3	4	5

## TELEPHONES AT HEADQUARTERS—concluded.

47	Medical College—concluded. Professor of Operative Surgery.	..	1	Residential telephone to be withdrawn.
48	.. .. Clinical Medicine.	..	1	Ditto ditto.
49	.. .. Materia Medica	..	1	Ditto ditto.
50	.. .. Surgery ..	1	1	In the case of this Professor who happens to be Principal of the College, both telephones may be retained while this is the position. If the Principalship and Professorship of Surgery get dissociated it will have to be made out why the Professor of Surgery should have a telephone at his residence.

## TELEPHONES IN THE MUTASSIL.

51	Superintendents of District Jails.	1	1	Where the Superintendents of District Jails reside within or near the District Jail, that is, at a distance of half-a-mile or less, they should not be allowed to have residential telephones.
52	Assistant Registrar, Co-operative Societies, Julundur.	1	..	This telephone to be withdrawn.
53	Superintendent, District Jail, Multan.	1	1	Residential telephone to be withdrawn.
54	Superintendent, District Jail, Ludhiana.	1	1	Ditto ditto.
55	Superintendent, District Jail, Gujranwala.	1	1	Ditto ditto.
56	Superintendent, District Jail, Siakot.	1	1	Ditto ditto.
57	Central Jail Office, Montgomery.	1	..	Should be abolished.
58	Superintendent, District Jail, Jhelum.	1	1	Residential telephone to be abolished.
59	Superintendent, District Jail, Lyallpur.	1	1	Ditto ditto.

Serial No.	Designation of official.	NUMBER OF TELEPHONES INSTALLED.		Recommendation of the Committee.
		Office.	Residence.	
1	2	3	4	5
<i>TELEPHONES IN THE MUWASSIL—concluded.</i>				
60	Additional District Magistrate, Rawalpindi.	1	1	Neither telephone is required and both should be abolished.
61	Superintendent, District Jail, Rawalpindi.	1	1	Residential telephone to be abolished.
62	Superintendent, District Jail, Amritsar.	1	1	Ditto ditto.
63	Additional District Magistrate, Amritsar.	..	1	See remark against serial No. 60. The residential telephone should be abolished.
64	In-charge, Infectious Diseases Hospital, Amritsar.	1	1	The residential telephone should be withdrawn.
65	Principal, Medical School, Amritsar.	1	1	Ditto ditto.
66	Vice-Principal, Medical School, Amritsar.	..	1	This telephone should be withdrawn.
67	Lecturers and Surgeons in the Medical School, Amritsar.	..	1	See remarks against serial Nos. 42 to 50. The residential telephones should be withdrawn.
68	Superintendent, Central Workshops, Amritsar.	1	1	The residential telephone should be withdrawn.
69	Central Workshops, Amritsar (General).	1	..	This telephone should be withdrawn.
70	Superintendent, Reformatory Settlement, Amritsar.	1	1	The residential telephone should be withdrawn.
71	Agricultural Station, Sarogodha.	1	..	This telephone should be abolished.
72	Superintendent, District Jail, Campbellpur.	1	1	The residential telephone should be abolished.
73	Superintendent, Agricultural Sub-Station, Karnal.	1	..	This telephone should be abolished.
74	Superintendent of Jail, Karnal.	1	1	The residential telephone should be abolished.
75	Deputy Commissioner's Office, Rohtak.	2	1	An extension only to the office should be given.
76	General Assistant, Simla District Courts.	1	..	An extension only, not a complete telephone, should be allowed.



**CHAPTER III.**  
**RECOMMENDATIONS FOR RETRENCHMENTS AFFECTING  
PARTICULAR DEPARTMENTS.**

**LAND REVENUE DEPARTMENT.**

26. *Consolidation of holdings.*—The work of consolidation of holdings is being undertaken at present in two separate departments. A certain amount is being done in the Revenue Department under the control of the Director of Land Records. Here the Consolidation Officers are four Tahsildars who have under them a staff of 14 Kanungos and 68 Patwaris. The total cost of this department was Rs. 71,000 in 1938-39. The major portion of the consolidation work, however, is being done in the Co-operative Department. There the staff is much larger and consists of an Assistant Registrar, 25 Inspectors, 27 Clerks and 275 Sub-Inspectors. The total cost of this establishment was Rs. 2,56,000 in 1938-39. We consider that the work of consolidation of holdings should be centralised in one Department and recommend that the Revenue Department should take over the entire arrangements. It is felt that the work could be done more cheaply and equally efficiently by the Revenue Department.

**EXCISE DEPARTMENT.**

27. *Percentage of expenditure to income in Excise Department.*—When comparing the income with expenditure of the Excise Department the Retrenchment Committee of 1931 omitted from the figures of expenditure what the Provincial Government pays to the Government of India as the cost of opium supplied to the Excise Department, but they did not similarly omit from the receipt side the revenue realised from the sale-proceeds of excise opium. Either both should be omitted, or both included. We have included these figures in our comparison. The percentage of total expenditure to income in the Excise Department was 11·6 in 1931-32, 9·9 in 1933-34, and the budget for 1939-40 shows it to be 10·4. We have recommended elsewhere the directions in which it should be possible to increase the excise revenue. Here we shall confine ourselves to proposals aiming at a reduction of the present scale of expenditure,

By this means we hope to reduce to some extent the percentage of expenditure to income in this Department.

28. *Comparison of Excise staffs of the Punjab and the United Provinces.*—In considering the expenditure of the Punjab Excise Department as a whole it was found that the United Provinces, with a revenue 31 per cent greater than that of the Punjab, spends only 16 per cent more than this Province on its excise establishment. The United Provinces have a staff of 7 Assistant Excise Commissioners, corresponding to the Punjab Government staff of 2 Excise Superintendents and the Excise Assistant to the Financial Commissioners. The United Provinces have no Sub-Inspectors, but their Inspectors total 160 for the 48 districts of those provinces compared with a total of 161 Inspectors and Sub-Inspectors for the 29 districts of the Punjab. The Punjab thus has a proportionately stronger staff, though in the United Provinces the Inspectors cost over Rs. 4½ lakhs compared to the total of Rs. 2,67,000 for the Punjab Inspectors and Sub-Inspectors together.

29. *Consumption of Excise opium in the Punjab.*—It was noticed that for cost of opium supplied to the Provincial Excise Department the Punjab provides Rs. 6,30,000 (see budget for 1939-40), whereas the United Provinces provide a sum of Rs. 3,50,000 only. The Government of India charge the same rate for their excise opium from both these provinces. So it means that the Punjab consumes nearly twice as much excise opium as the United Provinces, and this despite the fact that its population is less than half that of the United Provinces.

30. *Number of Excise Sub-Inspectors.*—The Retrenchment Committee of 1931 had some criticism to make on the large number of Excise Sub-Inspectors employed in this province and they recommended that if the present system of coping with excise crime is to continue, 50 Sub-Inspectors should be brought under reduction. The Government did not accept this recommendation. Indeed, the temporary staff of Sub-Inspectors that the Committee of 1931 alluded to has recently been made permanent. In our view the additional excise staff employed, as reflected in the increased expenditure on staff since 1931, has not brought about an equally substantial increase in revenue. On the other hand, the percentage of expenditure on income at

present, as appearing from the figures in the budget estimates of the current year (1939-40), is 10·4, about four times that of 1919-20. The increase in establishment has been almost entirely in Sub-Inspectors employed in districts, mainly on the duty of checking illicit distillation or preventing smuggling of charas and opium. While there were only 63 Sub-Inspectors in 1919-20 there are now 116. As recognised by the previous Retrenchment Committee in 1931, the only justification for the existence of this largely increased staff is that they help in increasing excise revenue by preventing illicit distillation, smuggling and other breaches of the excise laws. We do not find any appreciable decrease in the amount of excise crime. The conclusion must therefore be that the largely augmented staff of 116 Sub-Inspectors has not done more work in this direction than what the 63 Sub-Inspectors did in 1919-20. In addition to their pay bill having been practically doubled, there is additional expenditure on travelling and other allowances. In these circumstances we recommend that Government should seriously consider the desirability of a substantial reduction in the staff of Sub-Inspectors.

31. *Excise Superintendents.*—At present there are two Excise Superintendents, who are responsible for the Excise work of two Divisions each and one Excise Assistant who, in addition to the Excise work of one Division, is responsible for the inspection of all distilleries and breweries in the province. We recommend that one of these three posts should be reduced. There should be two Excise Superintendents in charge of the whole of the province. It is noticed that at present there are Excise Inspectors supervising the work of Excise Sub-Inspectors, and the two Excise Superintendents supervising the work of Excise Inspectors and Sub-Inspectors. We consider that there should be Inspectors to supervise the work of Sub-Inspectors, and then two Excise Superintendents to supervise their work, who would be in charge of half the province each, including the distilleries working in their areas. This would result in a saving of about Rs. 5,000 a year.

32. *Transfer of excise work to the Police.*—In paragraph 28 of their report the Retrenchment Committee of 1931 recommended the examination of the possibility of transferring to the police the control of excise crime. No action was taken on this suggestion. This proposal was again

considered. The Financial Commissioner, Revenue, in his evidence before us admitted that the Excise Department received adequate assistance from the police. He did not think that they could abolish the posts of Sub-Inspectors of Excise and entrust their duties to the police because the police did not interest themselves greatly in excise offences which were regarded as a crime in a technical sense only. The Inspector-General of Police informed us that if the work of prevention and detection of excise crime was transferred to the Police Department, it could not be done without additional staff. We are of opinion that there is clearly a duplication of functions between the Police and the Excise staff. The conclusion is unavoidable that a specially organised staff for prevention of excise offences is not a necessity. If an Excise Sub-Inspector in the course of his work receives information of the existence of an illicit still or has reason to suspect that smuggling of excisable articles is going on, he has to obtain the assistance of the police in carrying out raids or similar duties. This means that officials of two separate departments of almost equal status are needed to work together for the prevention of excise crime. This being so, the question naturally arises—why not let the Police Sub-Inspector do this work on his own? It is admittedly necessary to have a staff of Excise Inspectors and Sub-Inspectors for the duty of inspecting liquor and drug shops and of seeing that excise licensees carry out the provisions of their licences. But for the duty of checking such crime as the existence of illicit distillation or the smuggling of opium, charas and the like, we consider that the ordinary Police staff is just as capable of carrying it out. In fact the police being more in touch with the people and with crime generally, should be better able to perform this duty. We, therefore, recommend that this question be again examined.

33. *Excise rewards.*—The provision at present made for excise rewards is about Rs. 50,000. We recommend that the total grant for excise rewards should not exceed Rs. 15,000 and that no single reward should exceed Rs. 50. We are not in favour of the regular grant of rewards to excise officials, though we recognise that in outstanding cases some such rewards may be necessary.

#### FOREST DEPARTMENT.

34. *Growth of expenditure on Forests.*—The forests of the Punjab are a valuable property which it is incumbent

on the Government to preserve for the sake of future generations. As the previous Retrenchment Committee remarked "it is not possible to regard this department purely as a business concern, the success or failure of which must be judged by the visible dividend it earns." But we have felt it necessary to subject the expenditure of this Department to careful examination. Of the six largest provinces in India the Punjab has the smallest area in the charge of its Forest Department, namely, 5,185 square miles. Bengal and Bombay have 10,639 and 14,185 square miles, respectively. But the strength of the staff, particularly superior staff, in the Punjab is nearly equal to that of Bengal and Bombay. An examination of the figures of revenue and expenditure of this Department over the period 1921 to 1938 shows that in the Punjab the percentage of expenditure to revenue has almost invariably been in excess of 80. This figure has now gone up to 96, which is easily the highest percentage in this respect in India. The conclusion is unavoidable that the Punjab is spending an inordinate amount on the administration of its forests. Expenditure on forest administration should in present circumstances be limited to the minimum necessary to collect the revenue with reasonable efficiency, to protect the valuable species of timber from fire and theft, to prevent the denudation of the areas liable to erosion by the action of chos, and to provide for future domestic needs in respect of firewood on a modest scale.

85. *Superior staff in the Punjab Forest Department.*— It has been recognised for some years that the Punjab Forest Department is over-staffed in the superior grades. The Retrenchment Committee of 1931 drew attention to this fact, but the Government has not been able to do anything to remedy matters beyond, what can be regarded only a temporary makeshift, transferring certain of the surplus officers temporarily to other departments. We have examined this matter in detail and have come to the conclusion that there is a superfluity of superior staff in the Forest Department. Moreover, it was in evidence before us that the arrangement of transferring certain of these officers to other departments had proved far from satisfactory from the point of view of those departments. It is clear that an unnecessarily large cadre of Imperial Service officers has been created in the Forest Department. We are strongly of opinion that this cadre should be substantially reduced by every

measure possible. The Retrenchment Committee of 1931 recommended that the number of I.F.S. officers, other than Conservators, should be reduced by eleven from 27 to 16. It is noticed that the present number of such officers is still as high as 24. So that in spite of the view of that Committee, the actual reduction that has taken place since 1931 is only 3 I.F.S. officers, and this reduction is due to retirements and is not the result of any effort at bringing the number to real normal requirements. The North-West Frontier Province has so far been staffed in the superior grades from the cadre of the Punjab. The requirements of that Province are therefore included in the figures that follow. In December 1938 when we examined the position, there were 9 major divisions and 7 minor divisions in the Punjab and North-West Frontier Province (excluding one—the Tramways Forest Division, Chhanga Manga—which was being held by an Indian Forest Engineering Service officer). Of the 9 major divisions, 8 were held by Divisional Forest officers of the I.F.S. and one by a member of the P.F.S. Of the seven\* minor divisions four were held by I.F.S. officers and three by the P.F.S. Besides these 12 I.F.S. officers employed in the various major and minor divisions, there were four I.F.S. and four P.F.S. officers who were employed outside the Department and whose pay was not a charge on the Forest Department budget. We observe that of the four I.F.S. officers last mentioned, one whom it had been decided to transfer to another province, is going to continue in the Punjab, and the Game Warden informed us during the course of his evidence that he would soon revert to his post in the Forest Department. It, therefore, appeared to us that only six officers were going to function outside the Forest Department whose pay would not be met by that Department.

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<i>* Minor Division.</i>				<i>Held by</i>
1. Hoshiarpur .. .. .	..	..	..	I. F. S.
2. Seraj .. .. .	..	..	..	I. F. S.
3. Jhelum .. .. .	..	..	..	I. F. S.
4. Multan .. .. .	..	..	..	I. F. S.
5. Depôt West.. .. .	..	..	..	P. F. S.
6. Montgomery .. .. .	..	..	..	P. F. S.
7. Peshawar .. .. .	..	..	..	P. F. S.

As already noted, four of the minor divisions are at present in charge of I.F.S. officers. There seems to be no real reason why officers of this higher class should be in charge of these minor divisions, which are primarily intended for Provincial Service officers. We recommend that P.F.S. officers should be posted to these minor divisions. We understand that when the I.F.S. officer who was holding the post of Personal Assistant to the Chief Conservator of Forests in November 1938, retired in January 1939, the total number of officers in the I.F.S. cadre of the Punjab was definitely reduced by one.

36. *Future requirements of I.F.S. and P.F.S. officers.*— Subsequent to the examination of the position as outlined above we learnt that proposals, arising out of the report of the Forest Enquiry Commission, had been submitted to the Government and accepted by it for the constitution of an anti-erosion circle which is to deal exclusively with problems connected with the reclamation and re-forestation of areas subject to the action of Chos. This circle is to be of a semi-permanent character and will comprise 4 divisional charges and four other miscellaneous posts under the charge of a senior Forest Officer designated Director of Anti-erosion. These nine posts are being filled from the existing cadres of the I.F.S. and P.F.S. in this province. The fact that this can be done without increasing the existing number of posts in the Department is conclusive evidence, if any were still required, that the Punjab Forest Department is overstaffed in its superior grades. We have examined the position once again in the light of the information now made available to us, and have arrived at the conclusions indicated below :—

For posts to be filled by the I.F.S., I.F.E.S., or members of the new Class I Provincial Service — the permanent requirements appear to be :—

Administrative charges	.. 3	(1 Chief Conservator of Forests and 2 Conservators).
Executive charges	.. 8	Divisions.
Miscellaneous posts	.. 4	(1 Silvicultural Research Officer. 2 Working Plan Officers. 1 Government of India post.)

Allowance for leave, deputations, etc.	..	4
Forest Engineer	..	1
		—
Total	..	20

For posts to be filled by the Provincial Forest Service, the permanent requirements appear to be :—

Divisional charges	..	5
Attached Officers	..	5
Miscellaneous posts	..	3 (1 Silvicultural Research Assistant, 1 Forest School, and 1 Working Plan Officer.)
Allowance for leave, deputations, etc.	3	
		—
Total	..	16

For temporary requirements for the anti-erosion circle it appears that 3 I.F.S. and 6 P.F.S. officers will be needed. Thus the total requirements of the Department at present are :—

(i) I.F.S., I.F.E.S. or P.F.S. Class I officers :—

Permanent	..	..	..	20	} 23
Temporary	..	..	..	3	

(ii) P.F.S. Class II officers :—

Permanent	..	..	..	16	} 22
Temporary	..	..	..	6	

For filling the 23 posts noted at (i) above the Forest Department has at present a cadre of 23 officers of the I.F.S. and 1 of the I.F.E.S., making a total of 29 officers. Even allowing that two of these are working in the North-West Frontier Province and one with the Government of



India, there is still a surplus of 8 officers. For filling the 22 posts noted at (ii) above the Department has a cadre of 21 P.F.S., Class II officers. The shortage of one officer here can be made good from the surplus of 8 officers of the I.F.S., which still leaves 2 officers in excess. We recommend that steps be taken for the early reduction of these two excess posts.

87. *Number of Conservators.*—We have also considered whether it is really necessary for the Punjab with its two permanent Conservators' circles to have in addition a Chief Conservator of Forests. In this connection we examined the position in Bengal where the area under the Forest Department is double that in the Punjab. That province is able to carry on with two Conservators and has no Chief Conservator of Forests. We consider that a similar arrangement should be possible in this province, particularly if, as recommended by the recent Punjab Forest Enquiry Commission, the system of centralising the control of establishment in the Chief Conservator's office is terminated, and each Conservator, as head of his department, is authorised to refer cases to Government and administer his charge as a clearly defined administrative unit.

88. *Reason for heavy expenditure on Forest establishment.*—The Chief Conservator of Forests explained that the heavy expenditure on establishment in the Forest Department was due to the unbalanced character of the staff. Even the most junior officer in the Imperial Service in his Department had 10 years' service. The whole of the staff consisted of senior men and therefore the expenditure was heavy. We consider that the administrative department concerned must gradually remove this defect.

89. *Chief Superintendent, Office of Chief Conservator of Forests.*—We have before us the recorded opinion of the Financial Commissioner, Development, that the post of the Chief Superintendent in the office of the Chief Conservator of Forests is superfluous and that the Personal Assistant to the Chief Conservator could do the work at present shared between him and the Chief Superintendent. We agree with this opinion and recommend that arrangements be made for the abolition at an early date of the post of Chief

Superintendent. The Personal Assistant should then carry on the entire work.

40. *Leased forests of Bashahr State.*—In his evidence before us the Chief Conservator of Forests suggested that the Punjab Government should, as a measure of economy, give up the lease of the Bashahr forests. We have obtained from that officer a statement giving the history of this lease. The first lease of the Bashahr forests was taken in 1864 on a fixed royalty for each tree felled. It was revised in 1877 on an annual payment of Rs. 10,000 to the Raja for 50 years, renewable at the option of Government. The sums paid to the Raja have been modified from time to time and in addition money has been spent out of the profits of the Bashahr forests on improving the communications in the State. The terms of the present lease are to be found on page 122 of the Punjab Forest Manual, Volume I. It is for 25 years from 1st November 1928. The minimum payment is rupees one lakh per annum. From 1929-30 to 1937-38 there has been a loss of Rs. 7,04,846. The loss has been incurred mainly in the first 3 years, viz., Rs. 5,04,994. In the last 3 years there has been a surplus of Rs. 14,829. This surplus is, however, not a genuine profit, but is due to advance realisations of revenue.

If the lease money had been Rs. 75,000 per annum instead of rupees one lakh, there would have been no loss during the last few years, though there would have been a loss during the years of depression, that is, between 1930 and 1932. This is not quite the same thing as saying that there would be a saving to Government of Rs. 25,000 if the lease were given up. In calculating this Rs. 25,000 a profit of 10 per cent. on all expenditure has been taken into consideration to cover interest on money invested in the business and indirect overhead charges. These latter charges would remain even if the lease were given up, and there are no definite means of ascertaining what the indirect overhead charges amount to. Even the direct overhead charges are liable to fluctuate according to the pay of officers posted to the two Bashahr Divisions. At present these charges are lower than they have been as one of the divisions is being held by a Provincial Service officer. The Chief Conservator of Forests gave it as his opinion that the saving to Government in the event of giving up the Bashahr lease under the present conditions, would be Rs. 13,000 per annum, provided the staff could also be reduced or otherwise usefully

employed. This is due to calculating 10 per cent profit on expenditure, introducing a debit of some Rs. 26,000, whereas the actual cost of money invested in the Bashahr timber business is probably nearer 5 per cent. The debit is, therefore, reduced to Rs. 18,000. The present book profits plus saving on establishment together balance the advance realisations of revenue at Rs. 11,000 per annum. We understand that the question of the restoration of the Bashahr forests to the Raja is under consideration of Government. We would advise that when considering that question the fact that there is a loss to the Punjab Government from the continuance of this lease on its present terms, should be prominently kept in mind.

41. *Sutlej Valley irrigated plantations.*—The Chief Conservator of Forests also suggested the scrapping of the Sutlej Valley plantations. The plantations referred to are those at Dipalpur, Arifwala and Miranpur. It was pointed out that the Forest Department is required to pay to the Irrigation Department Rs. 5-8-0 per acre for water for these shisham plantations, and that the supply is a precarious one. The Forest Department point out that the areas given to the Department for the formation of these plantations are at or near the tail of the various distributaries, the water supply is inadequate and irregular and the soil is for the most part bad. In addition two of the three plantations are at a considerable distance from the nearest railway station. Due to the unsatisfactory condition of soil and the inadequacy of irrigation it has in the first place been necessary to reduce the area to be planted in each plantation from 10,000 acres as originally proposed to 4,000 acres. In addition as planting starts later on this plantation, and other adverse factors hinder the work, shisham planting has proved successful in the first year on the best soil only. In most cases planting has had to be done several times, while large areas have proved to be unsuitable for shisham during this rotation. All this has greatly increased the cost, while the yield will not, for several rotations at any rate, approach the level of other plantations. It is, therefore, unlikely that these three plantations can ever be a financial success. There is thus no hope of the Forest Department ever being able to make these areas pay, at any rate for a great many years. The Department lost money on the Changa Manga plantations for 30 years before the plantation began to pay and it cannot expect to do any better, if as well, in the case of the

Sutlej Valley plantations. A statement appears below showing the actual expenditure incurred on these plantations during the 3 years ending 1937-38 in respect of establishment and other charges :—

Name of Plantation.	Area in acres.	Year.	ACTUAL EXPENDITURE ON		
			Establishment charges.	Other charges.	Total.
Arafwala .. ..	9,839	1935-36 ..	Rs. 9,044	Rs. 13,077	Rs. 22,121
		1936-37 ..	8,669	17,737	26,406
		1937-38 ..	8,807	18,108	26,915
		Average of 3 years.	8,840	16,307	25,147
		Dipalpur .. ..	9,538	1935-36 ..	8,164
1936-37 ..	8,428	18,686	27,114		
1937-38 ..	8,250	20,999	29,249		
Average of 3 years.	8,280	19,879	28,159		
Miranpur .. ..	9,995	1935-36 ..	10,157	19,258	29,415
		1936-37 ..	9,806	19,420	29,226
		1937-38 ..	9,321	20,539	29,860
		Average of 3 years.	9,761	19,739	29,500
		Total .. ..	29,372	Average of 3 years.	26,881

A further statement of the estimated revenue and expenditure of these plantations has been furnished by the Chief Conservator of Forests, and is reproduced below :—

Name of plantation.	Revenue.	Expenditure.	Surplus+ or deficit—
	Rs.	Rs.	Rs.
Dipalpur .. ..	99,110	32,990	+6,120
Arifwala .. ..	20,450	28,965	—8,515
Miranpur .. ..	4,550	28,920	—19,370

It will be noticed that the expenditure on these three plantations has averaged Rs. 82,800 a year. The abandonment of these plantations would save Government this recurring expenditure of over three-quarters of a lakh. Apart from this, the area of Government land so set free—totalling 29,372 acres—would be available either for sale or for leasing out on temporary cultivation. In either case a very substantial revenue would accrue to Government. We recommend that Government should seriously consider the abandonment of these three plantations. According to figures supplied by the Forest Department the cost of the staff that would be retrenched on the abolition of these three plantations is :—

				<i>Cost per annum.</i>
				Rs.
Arifwala	..	..	..	4,080
Dipalpur	..	..	..	4,628
Miranpur	..	..	..	4,854
				13,562
	Total	..	..	13,562

Apart from the above it would be possible to abolish the Montgomery Division and amalgamate it with the Tramways Division. A gazetted Assistant with one clerk would be still necessary at Chichawatni, and the posts of 3 clerks and 2 peons could be abolished. The annual saving would be about Rs. 3,081, together with Rs. 600 on account of the Divisional Forest Officer's charge allowance. That is to say, a sum of Rs. 3,681 can be added to the figure of Rs. 13,562 given above, making a total of Rs. 17,243.

42. *Other irrigated plantations in the Punjab.*—We have obtained from the Forest Department similar figures of expenditure and revenue for the remaining irrigated plantations in their charge. These plantations were started by Government in order to meet the increasing demand in the province for firewood. We have excluded the Changa Manga plantation which is now showing a substantial surplus of income over expenditure and which, in any case, we have no desire to see closed down. For the other plantations a statement is given below showing the actual expenditure incurred during the last three years for which figures are available in respect of establishment and other charges:—

Name of plantation.	Area in acres.	Year.	ACTUAL EXPENDITURE ON		
			Establishment charges.	Other charges.	Total.
	Acres.		Rs.	Rs.	Rs.
Chichawatni ..	11,536	1935-36 ..	14,320	60,198	74,518
		1936-37 ..	14,493	57,228	71,711
		1937-38 ..	15,810	66,134	81,944
		Average of 3 years ..	14,871	61,187	76,058
Daphar ..	7,212	1935-36 ..	15,398	43,183	58,561
		1936-37 ..	15,748	41,440	57,188
		1937-38 ..	16,431	48,076	64,507
		Average of 3 years ..	15,859	44,226	60,085
Khanawal ..	19,465	1935-36 ..	18,298	1,13,968	1,32,266
		1936-37 ..	18,308	1,17,562	1,35,870
		1937-38 ..	19,588	1,30,920	1,50,508
		Average of 3 years ..	18,731	1,20,817	1,39,548
Tehra ..	837	1935-36 ..	2,216	4,293	6,509
		1936-37 ..	2,181	5,421	7,602
		1937-38 ..	2,331	3,963	6,294
		Average of 3 years ..	2,243	4,559	6,802
Total ..	39,052	Average of 3 years ..	51,704	2,30,789	2,82,498

A further statement of the estimated revenue and expenditure of these plantations has been furnished by the Chief Conservator of Forests, and is given below :—

Name of plantation.	Revenue.	Expenditure.	Surplus+ or deficit—
	Rs.	Rs.	Rs.
Chichawatni ..	87,050	84,295	+2,815
Daphar ..	78,485	49,578	+28,912
Khanewal ..	1,01,000	1,98,000	-97,000
Tehra ..	5,870	5,885	-15

The statement below, supplied by the Forest Department, shows the financial position of three of the more important of these irrigated plantations :—

Name of plantation.	Area gross (i. e., area planted out plus roads, etc.)	Firewood yield per acre a. ft.	Timber yield per acre a. ft.	Deficit— or surplus+ per acre.
				Rs. A. P.
1935-36.				
Daphar ..	6,468	1,417	0.5	-2 6 6
Chichawatni ..	9,674	1,601	..	-2 3 1
Khanewal ..	13,600	1,001	..	-2 8 0
1936-37.				
Daphar ..	7,133	1,759	..	-3 14 3
Chichawatni ..	9,674	1,519	..	-0 8 0
Khanewal ..	13,600	976	..	-4 8 2

Area figures for Daphar have been calculated on a different basis in the two years. The planted area has not been increased.

The Chief Conservator of Forests has given the following explanations of these figures :—

*Daphar* figures are unsatisfactory and the loss per acre has little real meaning. In 1935-36 a very small area was

felled and hence the revenue was low. In 1936-37 there was an outstanding of Rs. 16,387 at the close of the year which covers most of the deficit. The Forest Department are not likely to lose much on Daphar in the first rotation of which 15 years remain, and thereafter the profit should be as good as in Changa Manga.

*Chichawatni.*—The figures are normal. The difference in loss per acre in the two years 1935-36 and 1936-37 is about Rs. 18,000, and was due to increased prices of firewood and a reduction in expenditure, mainly irrigation charges. Chichawatni should show a small profit as soon as the plantation gets into the second rotation.

*Khanewal.*—The firewood yield per acre of the plantation felled is very low as compared with the other plantations. This is due to poor soil. Expenditure was abnormally high by about Re. 1 per acre in 1936-37 due to 2,500 acres of the plantation having been underplanted to increase the yield. This abnormal expenditure will occur for some 3 or 4 years more by which time the whole plantation will have been underplanted. Allowing for this a loss of Rs. 2-8-0 to Rs. 3-8-0 per acre may be anticipated for the first rotation. After this the plantation should at least cover expenses. Khanewal is badly situated as regards its water supply as the rainfall is only 6 inches and the soil being very sandy requires more water than is used in other plantations. Water rate in 1936-37 was Rs. 82,154, or just over Rs. 6 per acre. At this rate it is not possible to make the plantation pay. The rate the Forest Department agreed upon when the plantation was started was less than half this and under those conditions the Department should not have lost money in the first rotation. The Irrigation Branch, however, forced the Department some years ago to pay 'garden rates' for irrigation. Had the Department known this, when the plantation was originally proposed, they would not have started it at all.

It was pointed out by the Forest Department that the factor mainly responsible for the poor financial results of these plantations is the charge made by the Irrigation Department for water supplied. When the plantations were started the Forest Department were charged a rate of Rs. 2-5-4 per acre. This was subsequently raised to Rs. 5-8-0 per acre—an increase that has entirely altered the financial outlook. In the words of the Chief Conservator of Forests, "it is absurd to expect the Forest Department



to pay full agricultural prices for water and to grow firewood with the water, and yet make the same profits as the cultivator makes from cotton and sugarcane." The Forest Department themselves are in favour of the retention of these plantations. They point out that owing to the spread of canal irrigation the rakh that originally supplied fuel have been almost entirely converted into cultivation, and with the completion of the Haveli project the area remaining as rakh will be further greatly reduced. The Changa Manga plantation can only meet a very small portion of the demand, and now the only alternative sources of supply left are the remaining trees in village waste lands or on the edges of fields, and any steps likely to accelerate their destruction would be entirely opposed to the principles of rural reconstruction. The only alternative to such destruction is the retention and, if possible, extension of the system of irrigated plantations, even if they should not prove directly a financial success. After careful consideration of the position we have decided to recommend the abolition of these four irrigated plantations. We think that the problem of firewood supply is not so acute as to justify the retention of all these plantations. The zamindars would be able to meet the demand for firewood by growing trees in their fields. We regard this suggestion as of particular importance in view of the growing pressure of population on land. Moreover, it would be cheaper to grow trees for purposes of firewood in sub-montane districts like Hoshiarpur, Attock, Rawalpindi and Jhelum, as Government is already doing. The areas under these plantations total 39,052 acres. We are of opinion that if these areas were sold it would fetch a substantial amount in the form of capital and there would be a regular income in land revenue. Besides this, the abolition of these plantations would bring about a large decrease in staff.

43. *Free supply of firewood.*—We suggest that the concession of free supply of firewood to the officials in the Forest Department should be stopped, except in the case of menials and establishment in the inferior grades.

44. *Expenditure on conservancy and works.*—Finally, an examination of the Forest department budgets of the larger Provinces in India reveals the fact that the Punjab has been making the highest provision for conservancy and works. For the year 1938-39 a sum of Rs. 14½ lakhs was provided, though for the current year this has been reduced to

Rs. 12½ lakhs. Compared with this the Central Provinces have provided Rs. 14 lakhs, Madras Rs. 12½ lakhs and the United Provinces Rs. 11½ lakhs. But in two of these Provinces the area under the Forest Department is more than three times that in the Punjab. It seems, therefore, that in this direction too the Punjab is spending an unduly large amount, and substantial economy is called for. We would recommend that this matter be carefully considered by Government.

#### REGISTRATION DEPARTMENT.

45. *Total expenditure on Registration.*—When the previous Retrenchment Committee reported in 1931 the expenditure of the Registration Department was Rs. 99,000. That Committee recommended a reduction of 20 per cent in the rates of commission paid to Sub-Registrars, and also suggested that the question of reducing the number of Sub-Registrars should be examined. The fees were in consequence reduced by 20 per cent. The number of Sub-Registrars has also fallen from 36 to 32 and the rates of pay of other Sub-Registrars have also been materially reduced. The total expenditure of the Department is now Rs. 72,000, showing a reduction of Rs. 27,000 since 1931.

46. *Two Sub-Registrars at Amritsar.*—It is noticed that whereas there is only one Sub-Registrar for Lahore, the Government have appointed two Sub-Registrars for Amritsar. We are not aware of the circumstances in which it was found necessary to have two Sub-Registrars for Amritsar. The amount of fees paid to the two Sub-Registrars during the last two years is as follows :—

	1937.	1938.
	Rs.	Rs.
Sub-Registrar, Amritsar City ..	4,426	4,401
Sub-Registrar, Amritsar Tahsil ..	1,718	1,700
	<hr/>	
Total ..	6,144	6,101
	<hr/>	

It will be seen that the amounts paid as fees are in excess of the limit of Rs. 5,000 a year laid down by Government as the maximum limit of fees admissible to any one Sub-Registrar. If the two posts were amalgamated the amount paid by Government as fees would be substantially less than at present. Apart from this, other charges such as house-rent, contingencies and cost of clerical establishment would also be reduced. The economy that would result from the amalgamation of the two posts of Sub-Registrars at Amritsar would not be large. The question, however, whether it is necessary to retain two Sub-Registrars at Amritsar might be administratively examined.

#### OTHER TAXES AND DUTIES—CHARGES UNDER ELECTRICITY ACTS.

47. *Electric Inspector, Punjab.*—The Electric Inspector of the Punjab has three Assistant Inspectors and 2 Electric Overseers to help him, besides an office staff of 11 men. The total annual cost of this establishment is at present Rs. 67,500. Madras has a staff of 1 Inspector and 2 Assistants costing Rs. 67,700; Bengal has 6 Inspectors and 3 Assistant Inspectors costing Rs. 80,000. In Bombay the Electric Inspector is also Executive Electrical Engineer, and is provided for under the Public Works head. In the United Provinces there is only 1 Inspector and 1 Assistant Inspector.

The duties of the Electric Inspector are imposed under the Electricity Acts. In the Punjab his duties are primarily to inspect all the works executed by the Hydro-Electric Department and the works of all licensed electric supply companies, non-licensed electric supply concerns, electrical installations in factories and cinemas. Previously the duties of the Electric Inspector and Electrical Engineer in this Province were combined, but they were separated about four years ago. When asked whether his functions could not be performed by an officer of the Hydro-Electric Branch, the Electric Inspector stated that this could not be done as it was a matter of well-established principle that the work of inspection should be undertaken by an independent agency. In his view it would be fundamentally wrong for an officer responsible for the execution of any work himself to have to adjudicate on the propriety of the work. All work executed by the Hydro-Electric Department had

to be inspected by the Electric Inspector and certain works could not function without his authority, given after due inspection. This was absolutely essential. The Electric Inspector pointed out that his work was increasing considerably owing to the development of electricity in this province. He saw no possibility of retrenchment in his Department but in fact had in hand proposals for more clerical assistance to deal with increasing correspondence. We took the opportunity when examining the Chief Engineer, Hydro-Electric Branch, to enquire if the duties of the Electric Inspector could not be performed by an officer of his Branch. The Chief Engineer explained that the Electric Inspector criticised the distribution lines built by the Hydro-Electric Branch. It was necessary that the inspection branch should have a free hand to criticise the construction branch. Therefore it was essential that inspection should be entirely separate from construction. This was recognised all the world over. It was explained that the Electric Inspector had nothing whatever to say about the working of his Branch, but as a guardian of the safety of the public, he inspected the type and form of construction of lines, machinery, installations, etc., where, by any possibility, any member of the public might receive injury if the work was not properly done.

In Bombay where the Electric Inspector is also Executive Electrical Engineer, we have ascertained that the Chief Engineer is definitely against this combination of functions and realises the desirability of the duties of inspection and construction being separated. We consider that this separation of functions should be maintained in this province. But we feel that the electric inspection staff in the Punjab is, firstly, very highly paid and, secondly, it is excessive. We notice that while the scales of pay of all other services were revised by Government some time ago, those of the Electric Inspector and his Assistants were not touched. We think that they might now be revised. The scale of pay of the Electric Inspector and his Assistants should not exceed that prescribed by Government for Executive Engineers and Sub-Divisional Officers, respectively. If Madras can manage with a staff of 1 Inspector and 2 Assistants and the United Provinces with 1 Inspector and 1 Assistant only, it is for consideration whether this province should not be able to get on with 1 Inspector and 2 Assistants. We strongly recommend that the number of Assistant Inspectors be reduced to two,

## IRRIGATION BRANCH, PUBLIC WORKS DEPARTMENT.

48. *Progress of the Irrigation Department.*—The expenditure of the Irrigation Branch of the Public Works Department is spread over two or three separate account heads. It is not necessary for us to enlarge on the great importance of the Irrigation Department. By virtue of its immense service it can be easily regarded among the foremost of our beneficent departments. The Retrenchment Committee of 1931 rightly described this Department as a large commercial concern, the capital assets of which are represented by the canals of the province. The outgoings of the concern were stated to be its Working Expenses, its expenditure on Establishment, and sundry other items and the interest on the capital invested, while its receipts are the income from water rates and certain miscellaneous sources. Its visible dividend is its receipts less its outgoings. But more important is the large invisible dividend represented by the increased prosperity and security which accrue to the province from its canals. The wider its canal systems are extended the greater is the security afforded to the province from drought and famine, with the consequent further increase of its prosperity. The following statement illustrates the financial side of the growth of irrigation in the Punjab :—

	(IN LAKHS OF RUPEES).			
	1913-14.	1919-20.	1927-28.	1937-38.
Value of capital assets	16.78	22.44	30.96	35.86
Expenditure ..	1.49	1.81	3.17	3.08
Income ..	3.25	4.38	6.55	6.40
Profits ..	1.76	2.47	3.38	3.32
Percentage of profits on capital.	10.5	11	10.8	9.2

The capital value of the canals has more than doubled in 25 years. The expenditure has also doubled in this period while the irrigation revenue has very nearly doubled. These figures are a striking testimony of the progress that has been made in this Department during the last quarter of a century.

49. *Incidence of cost of Irrigation Department per acre irrigated.*—It will be interesting to see whether with the

expansion that has taken place in irrigation in the province, with its attendant increased expenditure on establishment charges, maintenance and repairs, the incidence of the cost per acre irrigated has also shown any increase. The relevant figures appear in the following statement :—

Year.	Total area irrigated.	Establishment charges.	Maintenance and repairs (excluding plantations).	RATE PER ACRE IRRIGATED OF	
				Establishment charges.	Repairs.
		Rs.	Rs.		
1921-22 ..	10,461,179	86,84,422	62,69,441	0·83	0·60
1924-27 ..	10,177,930	88,32,160	62,58,468	0·87	0·61
1931-32 ..	12,353,716	94,64,526	82,79,000	0·77	0·67
1936-37 ..	11,941,239	98,19,641	68,49,868	0·82	0·67
1937-38 ..	12,291,774	97,39,868	58,74,058	0·79	0·48

Starting with the year 1921-22 figures have been given at intervals of five years. The year 1937-38 is the last year for which figures were obtainable from the Department. In a period of less than 20 years the total area irrigated by the canals of the Punjab has increased by nearly 2 million acres, representing an increase of over 17 per cent. In the same period the expenditure on Establishment charges has gone up by Rs. 10½ lakhs, or 12 per cent only. But the cost of maintenance and repairs, which one would also expect to show an increase, has actually decreased by about Rs. 4 lakhs or roughly 6 per cent. On examining the figures of the incidence of expenditure per acre irrigated it is found that the cost of establishment has varied very little. For the year 1937-38 it is actually less than it was in 1921-22. The cost of repairs per irrigated acre has gone down from ·60 to ·48 of a rupee. The Retrenchment Committee of 1931 considered that for Establishment charges a rate of ·86 per acre should not be exceeded, and even expected that this rate could be reduced. It has actually come down to ·79 per acre. For maintenance that Committee saw no reason to go above a figure of ·47 plus an allowance of ·05 for anti-waterlogging measures, or ·52 in all. We consider the position as evidenced by these figures to be on the whole satisfactory.

50. *Irrigation Establishment charges.*—In the foregoing paragraphs little has been said about irrigation establishment charges, except that, when viewed in the light of the increase in the total area irrigated, the total of such charges do not show much apparent increase. But since the cost of the establishment of this Department represents nearly one-fifth of the total establishment charges of the province it was felt necessary to subject it to a detailed examination. In paragraph 41 of their Report the Retrenchment Committee of 1981 produced a statement which gave figures for permanent posts, commanded and irrigated areas and length of channels in each canal system. A similar table has now been prepared from the latest information available. For

comparison the total figures of the 1931 Report have also been shown :—

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Name of Canal.	PERMANENT POSTS.							Number of Canal Head-Works.	Gross commanded area, 1936-37.	Area irrigated, 1936-37.	Length of channels.	Length of drains.
	Chief Engineers.	Superintending En-Engineers.	Divisional Officers.	Sub-Divisional Off-icers.	Deputy Collectors.	Zilladars.	Overseers.					
								Acres.	Acres.	Miles.	Miles.	
Western Jumna Canal Circle	1	4	12	3	22	46	1	3,058,665	1,087,320	2,481	751	
Sirhind Canal Circle	1	4	11	3	24	49	1	4,357,915	1,877,079	3,998	151	
Upper Bari Doab Circle	1	4	9	3	24	38	1	1,584,101	1,318,284	1,834	337	
Lower Bari Doab Canal Circle	1	3	8	3	24	36	1	1,801,107	1,272,792	1,467	195	
Upper Chenab Canal Circle	1	4	9	3	20	39	1	1,533,852	607,252	1,400	239	
Lower Chenab West Circle	1	4	9	3	24	48	1					
Lower Chenab East Circle	1	3	9	3	27	37	1	3,611,190	2,437,731	2,889	439	
Upper Jhelum Canal Circle	1	3	7	1	10	30	1	538,998	307,254	713	265	
Lower Jhelum Circle	1	3	8	3	22	37	1	1,468,640	952,877	1,413	14	
Nili Bar Circle	1	3	9	3	23	40	1	2,144,289	940,086	1,288	..	
Ferozepore Canals Circle	1	4	10	3	21	39	1	1,439,099	608,784	1,457	..	
Derajat Circle	1	4	11	4	7	52	1	2,383,837	1,289,907	2,396	..	
Drainage Circle	1	2	2	..	..	8	..	..	..	..	..	
Total	3	13	45	114	35	248	12	23,505,723	12,675,936	21,326	2,391	
Total for 1931	2*	10	37	99	29	208	9	17,800,786	10,492,255	16,987	1,049	

\*There were actually 3 Chief Engineers in 1931, but one was for the Sutlej Valley Project the figures for which did not appear in this statement.



It should be explained that the figures as given in paragraph 41 of the Report of the Retrenchment Committee of 1931 related only to the open canals of the time, that is, the Sutlej Valley project was excluded. The figures now given include the area irrigated by the Sutlej Valley project. The most striking thing is, of course, the fact that there are now 3 Chief Engineers, the post created temporarily for the Sutlej Valley project having been retained. The Committee of 1931 were of opinion that the third post of Chief Engineer was not necessary. The number of Superintending Engineers has remained the same, with the addition of 3 posts for the two Sutlej Valley Canal Circles and for the Drainage Circle. On the old open canals the number of Executive Engineers has decreased by one, and the number of Sub-Divisional Officers by six. On these same canals there has also been a decrease of four Zilladars and five Overseers.

51. *Chief Engineers.*—We examined the question of reducing the number of Chief Engineers. It was felt that on the whole and particularly in view of the new projects actually in hand, as also the waterlogging and tube-well investigations, it would probably neither be feasible nor advisable at present to reduce the number of Chief Engineers below the existing number of three. We are further of opinion that the present system by which each of the three Chief Engineers also works as a Secretary to Government is on the whole working satisfactorily.

52. *Superintending Engineers.*—The Retrenchment Committee of 1931 calculated that the average irrigated area controlled by a Superintending Engineer was about one million acres. If the Drainage Circle is excluded, this average has slightly increased. The Superintending Engineers, Upper Chenab, Lower and Upper Jhelum, Nili Bar and Ferozepore Canals have less than the average to supervise—particularly so the Upper Jhelum. The previous Committee recommended that the question of combining in one charge the Upper Jhelum and Upper Chenab be seriously examined. The total irrigated area of these two circles would still be less than the average area in charge of a Superintending Engineer. In its orders on the previous Committee's report the Government remarked that certain reductions had been effected, including the posts of one Superintending Engineer, three Executive Engineers and ten Sub-Divisional Officers. The possibility

of reducing one of the posts of Superintending Engineer has again been examined. Indeed the Chief Engineers, during the course of their evidence before us, agreed that this would be possible as a result of the amalgamation of the Upper Jhelum and Lower Jhelum Canal Circles. Our own examination of the facts and figures led us to the distinct conclusion that effect could be given to this proposal, and we recommend that this be done at once, and not after two years as suggested by the Chief Engineers.

We find that the Lower Chenab Canal area was split up into two Superintending Engineers' Circles, namely, the East and West Circles. We are not convinced of the necessity for this and consider that one Superintending Engineer, with the possible assistance of an Executive Engineer as Personal Assistant, should be able to manage the entire area. We recommend that this course be adopted.

In connection with these specific recommendations for reduction of certain posts of Superintending Engineers we would refer to the observations made by the previous Retrenchment Committee in paragraph 42 of their Report. We were informed that the work of remodelling will be done in future at the head-quarters and not by Superintending Engineers. This furnishes another ground for abolishing some of the posts of Superintending Engineers.

53. *Executive Engineers.*—The average charge of an Executive Engineer as calculated by the Retrenchment Committee of 1931 was 300,000 acres of irrigation and 430 miles of channels. The average charge as calculated on the figures now furnished in paragraph 50 is just about 295,000 acres of irrigation and a little under 500 miles of channels. On these figures the Executive Engineers in the Upper Chenab, Upper Jhelum and Ferozepore Canal Circles have areas much below the average to look after. We have already recommended that the Upper Jhelum and Lower Jhelum Canal Circles be amalgamated. The Upper Jhelum Circle is a very small circle. There are three Executive Engineers in this Circle at present but in our opinion there is really not work for more than two Executive Engineers. There is only one division on this Canal in which there is any appreciable amount of revenue work. The Gujrat division could easily disappear and the remaining two divisions carry on the entire work of the present circle which could then be amalgamated with the Lower Jhelum Circle and placed

in charge of one Superintending Engineer. We also consider that one post of Executive Engineer can easily be reduced on the Upper Chenab Circle, the existing charges of the four Executive Engineers being increased so as to provide three divisions only. We are of opinion that in a large cadre such as exists in the Irrigation Branch, and in view of the fact that there must be at least 5 retirements every year, it should be possible to give effect to the above proposals without any dislocation.

54. *Sub-Divisional Officers*.—On the figures given in paragraph 50 a Sub-Divisional Officer is responsible on an average for about 113,000 acres of irrigation and 190 miles of channels. On this basis the charges of Sub-Divisional Officers on the Western Jumna, Upper Chenab, Upper Jhelum and Ferozepore Canal Circles are very light—particularly the last named two canals. The Retrenchment Committee of 1931 recommended that the question of increasing the size of the charge of Sub-Divisional Officers on all canals should be examined with a view to a reduction in numbers. We would repeat this recommendation, particularly for the Upper Chenab and Upper Jhelum Canals.

55. *Overseers*.—The Retrenchment Committee of 1931 calculated that the ordinary Overseer had about 40 miles of channel to look after. They recommended an increase in the size of their charges to 50 miles and the application of this standard to all canals so as to reduce the total number of overseers required to about 320. On the figures appearing in paragraph 50 above the average charge has now increased to 43 miles of channels which is still below the figure suggested by the Committee of 1931.

56. *Remodelling work*.—The expenditure on remodelling work in the province was Rs. 2½ lakhs in 1936-37 and a little less than Rs. 2 lakhs in 1937-38. The opinion of one Superintending Engineer whom we examined was that remodelling work ought to be in the hands of experts. At present it was in everybody's hands and was being carried on in a haphazard manner. It was not work that should be undertaken by every Engineer as such—it needs specialisation. This Superintending Engineer went so far as to say that a separate branch of the department should be placed in charge of remodelling work, and further that remodelling properly carried out would not require frequent changes as take place to-day. In their evidence before us the Chief Engineers stated that it was expected that in future general

remodelling of the outlets would take place much less frequently than in the past. It was contemplated at present to have a remodelling section in the Secretariat and the proposals for remodelling would be examined much more carefully in future by the Chief Engineers. In the opinion of one Chief Engineer it was not likely to result in any considerable amount of saving. We feel that substantial savings should result from remodelling becoming less frequent, apart from other indirect advantages which a better system of remodelling was bound to yield to the province.

57. *Canal beldar's charges.*—We were informed by the Chief Engineer that there had already been a considerable reduction in the ordinary expenditure on maintenance and repairs of the canals and that by the end of the year 1938-39 they hoped for a saving of between 9 and 10 lakhs of rupees. It was explained that the main item of saving had been in the reduction of expenditure on the maintenance of canal patrol roads along the main canal and branches by increasing the length of maintenance of the canal beldar from 1½ miles to 2 miles. It was hoped that a further increase to 2½ miles in the near future, and perhaps in some cases to 3 miles, might be possible. We recommend that the length of maintenance per canal beldar be increased to 3 miles generally. If this were done there would be a further saving of some Rs. 80,000 in canal maintenance.

58. *Canal treasury system.*—We considered the existing system under which the Irrigation Department employs its own establishment of barkandaz guards for the carriage of treasure, instead of adopting the ordinary money order system. The establishment employed consists of one Daffadar on Rs. 15 per mensem and 3 Barkandazes on Rs. 13 per mensem each per sub-division. The Chief Engineers thought that it was necessary to maintain this system in the interest of prompt payments to the officials, contractors and labourers who were working in out-of-the-way places. In our opinion this system has now outlived its usefulness. It came into existence at a time when the means of transport were few and defective. There is now an extensive system for the disbursement of money to officials in other departments, as, for example, school teachers, revenue patwaris and kanungos, District Board heldars, etc. We are clearly of opinion that the present treasury system in the Irrigation Branch should be done away with. The Chief Engineers reported that the abolition of this system would lead to an economy of Rs. 1,32,000 annually.

59. *Canal dāk system.*—The Irrigation Branch have their own canal dāk system. We considered whether this could not be replaced by the ordinary post office system. The Chief Engineers were of opinion that the post office system would be more expensive in the case of the carriage of daily dāk, etc. It was explained to us by a retired Chief Engineer that it was difficult to replace the present canal dāk system by the postal system, as the canal staff was scattered all over the province where in many places there were no post offices. The canal dāk *harkaras* run from rest house to rest house which are situated at distances of 8 to 9 miles, and they had to pick up dāk from Sub-Divisional Officers to Overseers, Zilladars, Patwaris and Gauge-readers. If the Postal Department were to do this work, they would not be able to reach all those places as quickly as under the present system. In the opinion of this witness the present system was most efficient as all the letters could reach every subordinate the following day. We were furnished with figures of the comparative cost of the two systems which had been worked out for two or three different canal circles. These show that the post office system would be more expensive than the present special canal system. After consideration of all the evidence on the subject, some of us were of opinion that the replacement of the present canal dāk system by the postal system would not result in any economy, while others insisted that it should be totally abolished. We finally decided to recommend that Government should try to introduce the postal system on one of the canals, preferably the Upper Chenab Canal. If it was found useful and economical, then the present canal dāk system might be replaced by the postal system.

60. *Contingencies of Irrigation Department.*—The Chief Engineers stated that they were attempting to effect economies in the canal contingencies and that the expenditure under this head was going down every year. There did not appear to them to be much scope for effecting a further reduction in this direction, but the Chief Engineers promised to examine the matter further. We consider the present expenditure of about Rs. 9½ lakhs on contingencies in the Irrigation Department to be excessive and recommend that this expenditure of the Department should be kept in the neighbourhood of Rs. 7 lakhs.

61. *Canal dispensaries.*—In reply to an enquiry whether there was any possibility of closing down some of these dispensaries, the Chief Engineers stated that from the figures they got they observed that the doctors in these dispensaries had enough to do. They suggested as a measure of economy the establishment of a few canal travelling dispensaries which would move about among the canal staff. While it is probably correct that a certain number of canal dispensaries must be retained it was felt that the question of each dispensary should be examined by the Irrigation and Medical Departments working together in order to see whether some of them could not be retrenched. While it was not possible for us to go into details, we were inclined to the opinion that such an examination would reveal the possibility of at least some reduction in the number of canal dispensaries. It would be difficult to justify the existence of canal dispensaries where civil dispensaries exist either in the same town or within a distance of three or four miles of the canal dispensary. We could not examine the cases of all canal dispensaries, but a list was laid before us of 13 dispensaries\* situated at places where other facilities for medical aid exist either in the same station or within a distance of four miles.

62. *Jungle Allowance.*—The Chief Engineers informed us that the compensatory allowance termed 'jungle allowance' drawn by officers of the Irrigation Department who are members of the I. S. E., and who are serving in certain out of the way places, was steadily dying out. It was noted that although there are no less than 92 places at which this allowance is admissible, yet at present only 16 officers are actually drawing the allowance—12 at the higher rate of Rs. 100 per mensem and 4 at the lower rate of Rs. 50 per mensem. Furthermore 13 of the 16 officers who are drawing the allowance are stationed at

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- \*1. Montgomery.
  - 2. Khanewal (Divisional Head-quarters).
  - 3. Killa Ram Kaur (Sub-Divisional Head-quarters).
  - 4. Lyallpur.
  - 5. Chianwali (Sub-Divisional Head-quarters).
  - 6. Mundri (Sub-Divisional Head-quarters).
  - 7. Binjhol (Sub-Divisional Head-quarters).
  - 8. Sirsa (Sub-Divisional Head-quarters).
  - 9. Dhaipai (Sub-Divisional Head-quarters).
  - 10. Khudian.
  - 11. Pakpattan.
  - 12. Sechanwala.
  - 13. Musaffargarh.

the headworks of canals, which can scarcely be described as jungles. We do not think that this allowance is now justified at any place. There are hardly any places now to which the description "jungles" can apply; so the conditions which led to the grant of jungle allowance no longer hold good. We have, in dealing with allowances generally, recommended the total abolition of this allowance. This would result in a saving of about Rs. 17,000.

63. *Land attached to canal bungalows.*—We were informed that in many cases in the Irrigation Department there were extensive areas attached to canal rest-houses. The Chief Engineers furnished a list of their rest-houses which had compounds exceeding  $5\frac{1}{2}$  acres in area. It was observed that in many instances the areas are as large as 30 and 40 acres. It cannot possibly be that the Department ever wanted such large areas for their rest-houses. We are glad to note that Government had disposed of many canal rest-houses which were not considered to be serving any useful purpose, owing to the increased facilities afforded by the more general use of motor traffic. But there is still a very large number of canal bungalows—as many as 331— which have compounds exceeding  $5\frac{1}{2}$  acres attached to them, and presumably there is as large a number which have areas between 2 and 5 acres attached to them. We are of opinion that no rest-house, except possibly those situated at canal headworks, should have a compound exceeding 2 acres in area. This area should be sufficient for the purpose of a rest-house, including a vegetable garden. We strongly recommend that the Irrigation Department should make an effort to dispose of the spare areas round their rest-houses, either by leasing these out for temporary cultivation or, if a good price is forthcoming, selling them outright. In this way there would be a regular income to the Department.

64. *Irrigation Secretariat establishment.*—It was pointed out to us that by transferring to Superintending Engineers of Circles the control of certain classes of subordinate divisional establishments, the Chief Engineers and their Secretariat staff would be relieved of a large amount of work which could, and should, be done by Superintending Engineers. The Secretariat would control gazetted staff only. We recommend that this matter be carefully examined. We are definitely of opinion that if this measure of delegation or decentralisation were adopted, there could be a reduc-

tion of two of the existing three establishment sections or branches in the Secretariat, resulting in a saving of about Rs. 25,000 annually.

65. *Amalgamation of revenue and canal patwaris.*— We had again before us the long debated question of amalgamation of canal and revenue patwaris. During the course of their evidence the Chief Engineers admitted that there was distinct overlapping in the duties of canal and revenue patwaris and they naturally thought that if any patwaris were to be dispensed with they ought to be the revenue patwaris. On this question of the amalgamation of the canal patwaris and the revenue patwaris and the higher establishment concerned in the two departments, the relevant facts seem to be :—

- (1) The number of revenue patwaris is 9,141 and the number of canal patwaris is 2,748.
- (2) The revenue patwaris, besides their revenue work, have a large number of other multifarious duties and they cover the whole province, while the canal patwaris are confined to irrigated areas under the jurisdiction of canals. The circle of a revenue patwari is much smaller than that of a canal patwari. It is obvious that the revenue patwari could not, if he were also given the additional work which the canal patwari does, manage to keep even his present size of circle. In other words, any amalgamation would necessitate an increase in the number of revenue patwaris. It is not easy to determine what this increase will have to be, but it was felt that it could not be less than half the number of canal patwaris, and possibly a much larger proportion. In other words, judged by mere considerations of economy, the scheme of amalgamation is not so attractive as it might at first sight appear. In the popular mind there has been an effort to conclude that the amalgamation would reduce the expenditure on patwaris by half. This is obviously incorrect. It would be more correct to say that the reduction in expenditure would only be a very small



amount as compared with the total expenditure on revenue patwaris at present, possibly not more than 10 per cent.

(8) Other difficulties in amalgamation were also felt. Some of these are noted below :—

- (i) The areas allotted to canal patwaris were according to canal distributaries, minors and rajbahas, while the revenue patwaris' areas were distributed according to villages.
- (ii) The Zilladars will not be able to do the Qanungos' work and *vice versa*.
- (iii) When any new projects are opened it would not be easy to transfer the work of the canal patwari to the revenue patwari.

Of course, there is in addition the major difficulty of abandoning the existing system to which we have all got accustomed, and of starting on a wholly new plan. Experience in the past does not recommend such a course because the only time when an experiment of amalgamation in a limited area was tried, it did not succeed. On that occasion the general complaint appears to have been that zamindars could no longer rely on getting regular supplies of water because revenue officials are too busy or too distant to give immediate hearing to their applications, and that canal distributaries are often split up between different tahsils, with the result that it takes longer to collect indents showing the requirements on them and in consequence to adjust the distribution of canal supplies. These representations appeared to indicate that, in spite of certain advantages, there were difficulties inherent in the suggested change which were likely to make it less efficient and acceptable to the people than the old system. After the experiment had been in force for three years and there were general complaints against it, the Chief Engineer was asked to examine the case. His conclusions were—

- (a) the system is impracticable,
- (b) the advantage gained, if any, does not compensate for the deterioration in the efficiency of the irrigation system,
- (c) the ultimate dissatisfaction of the people concerned with the scheme.

It cannot be said that circumstances have much changed since then, and in the course of evidence it appeared that the Chief Engineers on the Irrigation side did not support any such course. The Director of Land Records in charge of the Revenue establishment thought that, if the Government were clearly of the opinion that amalgamation should be brought about, the difficulties may tend to disappear.

In this connection it is important to note the evidence of Rai Bahadur Bawa Natha Singh, retired Chief Engineer, Public Works Department, Irrigation Branch. Bawa Natha Singh admitted that there was considerable overlapping in the activities of the canal and revenue department establishment, but he did not think it feasible to combine the two departments unless the Revenue Department officials could be made to feel a greater sense of responsibility. He was afraid that the Revenue Department officials were likely to be generous at the expense of the Irrigation Department. The Rai Bahadur was also of opinion that this combination would be dangerous for the revenues of the province. He pointed out that he, as Chief Engineer, Irrigation Branch, considered the matter, but was not able to arrive at any satisfactory solution.

Taking all the factors into consideration it appeared to us doubtful whether the Government ought to enter upon a new experiment in this direction. In our opinion it would lead to a good deal of saving if the departments concerned put their heads together and secured all necessary reduction in the number of patwaris, it being admitted that there was distinct overlapping in the duties of the patwaris of both departments. While we could not go into the question of overlapping in any detail it was felt that even if the total number of patwaris were reduced by 500, i.e., equal to 1/24th of the total number, there would be an annual saving of over a lakh of rupees.

#### GENERAL ADMINISTRATION.

66. *Growth of expenditure on General Administration.*— Under the head General Administration is included the cost of the administration of Government which is not debitable to other heads like Education, Agriculture, Jails, Police, etc. It embraces expenditure on the Head of the Province, Ministers, the Provincial Legislative Assembly, the Secretariat, the Financial Commissioners, Commissioners

and Deputy Commissioners. Under the minor head 'Other Establishment' is included provision for the cost of the Copying Agencies in Deputy Commissioners' offices and of the department which has been formed for the reclamation of criminal tribes, including the Borstal and Adult Farms in the Reclamation Department and the Reformatory School at Delhi. Under this head is also now shown the cost of the Public Services Commission. It also provides for the expenditure on the elections for Indian and Provincial Legislatures.

When the Reforms of 1921 were initiated the total annual expenditure under this head was about three lakhs short of a crore. The corresponding provision in the current year's budget is over Rs. 116½ lakhs—representing an increase of roughly Rs. 20 lakhs in 20 years. It will be interesting to compare the cost of this side of Government's activities in the last year (1919-20) of the old pre-reform system with what it was in the last year (1936-37) of the system under the Montague-Chelmsford reforms, and then compare both with the provision now made under provincial autonomy. The following statement gives the necessary information :—

(In thousands of rupees.)

	1919-20.	1936-37.	1939-40.
(a) The Governor and his household	2,44	2,91	3,01
(b) The Cabinet .. ..	..	3,14	2,75
(c) (i) The Legislature proper ..	9	1,86	5,77
(ii) Parliamentary Secretaries ..	..	19	90
(d) Civil Secretariat (including Legal Remembrancer's Office)	5,14	8,90	9,81
(e) Financial Commissioners .. ..	2,41	3,75	4,15
(f) Commissioners .. ..	3,53	4,25	4,19
(g) District Administration .. ..	45,50	70,49	70,79
(h) Local Fund Audit .. ..	96	1,75	2,33
(i) Department of Criminal Tribes ..	..	4,51	4,74
(j) Elections for Legislatures .. ..	..	2,43	17
(k) Public Services Commission .. ..	..	..	1,72
(l) Expenditure in England .. ..	4,27	4,16	5,23
Miscellaneous items .. ..	..	55	1,06
<b>Total .. ..</b>	<b>64,34</b>	<b>1,06,89</b>	<b>1,16,63</b>

Of the increase of over Rs. 44½ lakhs between the years 1919-20 and 1936-37 the creation of a cabinet, a reformed legislature and the department of criminal tribes accounted for over Rs. 9½ lakhs, while of the remainder the Civil Secretariat and District Administration accounted for Rs. 28½ lakhs. The Retrenchment Committee of 1931 compared the expenditure of 1919-20 with what was expected in the year 1931-32. They explained that the increase in the cost of the Civil Secretariat was directly due to the increased complexity of the system of administration—arising from the reforms introduced in 1921. The number of officers in the Secretariat had increased by three only, but establishment charges had risen by 140 per cent. There were two reasons for this increase. Firstly, there had been quite a large increase in numbers and secondly, there had also been the general increase in the rates of pay of all services that took place during the years 1919 and 1920. The budget provision for the year 1939-40 is over Rs. 116½ lakhs. Autonomy has been introduced in the provinces of India and the system of administration has become still more complex and expensive, with a further enlarged Assembly. The introduction of the present autonomous form of Government has resulted in a further increase of about Rs. 8 lakhs, half of which is due to the enlarged legislature and about Rs. 1½ lakhs to the constitution of the Public Services Commission.

Except for the expenditure on the elections for the legislatures which occurs at stated intervals, the whole expenditure under this head is recurring and liable to a steady annual increase. As already remarked, the budget provision has risen since 1921 by practically Rs. 20 lakhs—an increase of over 20 per cent. The Provincial Legislative Assembly is responsible for the greatest proportion of this increase, seeing that the expenditure on this one head alone has increased by nearly Rs. 4 lakhs since 1936-37—the year previous to the introduction of provincial autonomy. The expenditure on the Civil Secretariat has increased by Rs. 8 lakhs, and on General Establishment, that is, District Establishments, by Rs. 12 lakhs.

We have examined for the more important provinces in India the percentage of expenditure on the head General Administration to the total provincial expenditure. In 1921-22 the Punjab came midway among the larger provinces with a figure of 11 per cent. Six years later this fell to 9·3 per cent. In 1931-32 the Punjab was lowest with 10·4

per cent, and immediately before the inauguration of provincial autonomy the Punjab's percentage was 10·7. On these figures it could be urged that there is little to complain of in the pitch of the Punjab Government's expenditure on General Administration. But it must not be forgotten that in most other Provinces the Secretariat includes the portions of the headquarters administration dealing both with the Public Works and Education Departments, whereas in the Punjab these appear under separate heads.

67. *Salary of the Honourable Speaker of the Assembly.*—We observe that the Honourable Speaker of the Provincial Legislative Assembly receives a salary of Rs. 3,000 a month. \*We recommend that the salary attaching to the post of Honourable Speaker should be reduced to Rs. 2,000. In making this recommendation we have taken into consideration the fact that the salary of Honourable Ministers has been reduced from Rs. 5,000 to Rs. 3,000 while that of the Honourable Speaker has remained the same.

68. *Expenditure on general elections and bye-elections to the Central Assembly.*—It is noticed that a certain amount of expenditure is incurred by the Provincial Government on general elections and bye-elections undertaken in the Province for the Central Assembly. We see no reason why the Provincial Government should be liable for such expenditure and we recommend that the Government of India should be asked to bear the cost of such elections and bye-elections.

69. *Punjab and North-West Frontier Province Joint Public Services Commission.*—The Punjab has a Joint Public Services Commission with the North-West Frontier Province. The Punjab has appointed its four members, including the Chairman, and the North-West Frontier Province its two members. One-sixth of the total cost of this joint Commission is recovered from the North-West Frontier Province Government. The Chief Secretary to Government was inclined to think that it would be quite fair for each province to pay for its own Members, and for the cost of the office to be divided as at present, that is, the North-West Frontier Province contributing one-sixth of the cost and the Punjab the remainder. In our opinion each Government should pay for its own Members, but the North-West Frontier Province Government should bear one-third of the cost of the office, instead of one-sixth, as at present.

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\*The Chairman's opinion was that this could apply to future incumbents only.

The North-West Frontier Province would in that case be liable for about Rs. 67,000 a year, instead of the sum of about Rs. 34,000 which is paid under the present arrangement. We recommend that steps be taken to secure this distribution of the cost of the Commission.

70. *Financial Commissioner, Development.*—We have considered the views and recommendations of the previous Retrenchment Committee, as contained in paragraphs 56 to 58 of their report, in which they had recommended the abolition of the post of Financial Commissioner, Development. In his evidence before us the Chief Secretary to Government explained that both the Financial Commissioners were hard worked. He stated that in the past there used to be one Financial Commissioner, one Settlement Commissioner and one Excise Commissioner, in addition to the five ordinary Divisional Commissioners. The present system of having two Financial Commissioners had been in existence for 29 years and was now firmly established. It was explained that with the lapse of time and the growing complexity of the administration, the work of both Financial Commissioners had definitely increased and therefore at this stage Government would not probably contemplate the possibility of reverting to the old system. The Chief Secretary was of opinion that it could not be said that we had now an unnecessary multiplicity of Financial Commissioners. We feel that the arguments advanced by the previous Retrenchment Committee still hold good. Indeed, these have since become stronger. Our attention was drawn particularly to the work of colonies which is at present being done by the Financial Commissioner, Development. The work in colony areas has now reached a stage of stability which it certainly had not at the time that the previous Retrenchment Committee reported. This work is now done by an officer of the standing of a Colonization Officer and proper orders of the Honourable Minister concerned in all colony matters could be secured on the matter being examined by a Secretary who should have experience of both revenue and colony work. We would also observe that since the last Retrenchment Committee reported another post of Secretary has been created in the Secretariat. In effect the post of Revenue Secretary has been revived. This officer is also working as Joint Secretary, Development, and deals independently with many of the subjects dealt with by the Financial Commissioner, Development, namely, Agriculture, Co-operative

"Societies and Veterinary.\* We are of opinion that, so far as the work of these departments is concerned, the Joint Secretary, Development, is perfectly able to, and in fact already does, secure the orders of the Honourable Minister concerned direct, instead of through the Financial Commissioner, Development. Furthermore, a post of Under Secretary has recently been created for dealing mainly with the subjects of Co-operative Societies and Court of Wards. This official could function as an Under Secretary to the Joint Secretary, Development, on the Secretariat side. That being so, we are definitely of opinion that the post of Financial Commissioner, Development, is no longer required and we unanimously recommend that steps be taken for its abolition. With the abolition of the post of Financial Commissioner, Development, we suggest that there should also be some consequent reduction in the strength of the office of the Financial Commissioners. This would lead to an economy of some Rs. 40,000 a year.

71. *Commissioners of Divisions.*—On the question of Commissioners of Divisions, the opinion of some of us was that the posts of Commissioners could be abolished altogether. Others were of the opinion that their number could certainly be reduced. In this they were reinforced by the observations made in paragraph 59 of the report of the last Retrenchment Committee. We examined in some detail the Chief Secretary to Government on this point. He was of opinion that a reduction in the number of Commissioners to three would adversely affect the administration of the province. He stated that the Commissioners of Lahore and Multan were particularly hard worked. He also explained that in the present day administration it was most desirable to have a senior officer like the Commissioner to give guidance to the district officers on the spot. One of the functions of the Commissioners was to introduce harmony in the district administration and co-operation between departments, and his advice to the Deputy Commissioners was really valuable. While admitting that there was quite a considerable volume of work in which the Commissioner might be said to be acting as a 'post office,' the Chief Secretary pointed out that the major portion of the work of Commissioners was of a very responsible nature and was quite onerous. For all these reasons the Chief Secretary considered that the posts of

\*It is since learnt that this officer is no longer dealing with the subjects of Agriculture and Veterinary which have gone to the Under Secretary to the Financial Commissioners.

Commissioners were necessary. The Chief Secretary also stated that the idea of Deputy Commissioners seeking Government's advice through the Chief Secretary, or the Chief Secretary's advice directly, would not work as it would not be possible for any one to advise the District Officers without having been in close touch with local conditions. It is realized that the recent agrarian legislation has thrown some further responsibility on Commissioners, but even so we\* are clearly of opinion that their number should be reduced. The majority of us were of opinion that the number could be reduced from 5 to 3. As regards any difficulties in the matter of coping with appellate work, it is noticed that recently an officer of the standing of a Deputy Commissioner had been invested with special appeal powers. We consider that, if necessary, such a temporary arrangement might meet the difficulties of accumulated appellate work. As regards the work of local bodies, we are of opinion that this work could come up direct to Government from Deputy Commissioners. It will also be realized that the system now being introduced of appointing Inspectors of Local Bodies in each Division must afford a certain amount of relief to Commissioners in the discharge of their functions as the supervising agency for local bodies. These facts, coupled with a popular demand in this province for many years that the number of Commissioners must be substantially reduced, if their posts could not be completely abolished, and the fact that one of the provinces in India (Assam) has abolished these posts and two other provinces are urging their reduction, have led us to recommend the reduction of two posts of Commissioners out of the present number of five. This would result in a saving of Rs. 1,60,000 a year.

72. *Work of Magistrates.*—We noticed that the Retrenchment Committee of 1931 drew the attention of Government—*vide* paragraph 61 of their Report—to certain methods by which the work of magistrates could be reduced. No action seems to have been taken on these decisions. We have thought it best to repeat these recommendations which are reproduced below for facility of reference.

"(a) The amendments to sections 256 and 526 of the Criminal Procedure Code have undoubtedly added to the length and cost of cases and have been of little advantage to accused persons, for whose benefit they were introduced. We recommend that these amendments be reviewed. In the case of section 256, we suggest that the words "forthwith or, if the magistrate for reasons to be recorded in writing so thinks fit, at the commencement of the next hearing of the case" be substituted for the words introduced.

\*The Chairman expressed no opinion.



by section 71 of the Act XVIII of 1923. In the case of section 526 we consider that a magistrate should not be bound to stay proceedings until an injunction to stay proceedings has been received from a court to which he is subordinate.

(b) Proceedings in the courts of Committing Magistrates are unduly prolonged. We recommend simplification as far as possible, and consider that committal proceedings should close as soon as the magistrate finds that a *prima facie* case is made out. There seems no necessity for the recording in the committal stage of the evidence of innumerable and often purely formal witnesses.

(c) We were impressed both by the number of cases instituted on complaint which end in acquittal or discharge and also by the amount of time wasted in the trial, under the procedure laid down in Chapter XXI of the Criminal Procedure Code, of comparatively trivial offences. We recommend a greatly extended use of trial by summary process by experienced first class magistrates and would like to see all offences which involve only a minor degree of criminality, under whatever section of the Indian Penal Code they fall, made triable summarily. A corollary to this recommendation is the disappearance of second and third class magisterial powers except for training purposes. We are anxious that Tahsildars and Naib-Tahsildars should cease to try cases both because we do not consider them generally to be competent magistrates..... and because we desire that they should have more time to devote to their revenue duties."

73. *Travelling allowance of district staffs.*—It is noticed that the budget provision for travelling allowance for the District Establishments under minor head "District Administration" is now Rs. 4,94,000 as against Rs. 3,80,000 in 1931 and Rs. 3,00,000 in 1920. This increase does not seem to be justified either by the increase of work or the exigencies of the service, nor by the increase in the number of officers concerned. It seems to us to show that a great deal of unnecessary touring is done. We are of opinion that touring by magistrates ought to be restricted by definite rules. Normally it should be confined to cases of cattle-lifting or cases under section 110 of the Criminal Procedure Code, and in other cases only where it is absolutely necessary for a magistrate to visit the spot. In cases of the latter description it is presumed that reference will be made to the District Magistrate before any touring is undertaken. We suggest that this be made the invariable rule.

74. *Scale of pay for the I. C. S.*—We have referred elsewhere to the revision of the scales of pay of provincial and subordinate services carried out by the Government, and stated our conclusion that, at any rate at present, no further reduction of these scales of pay is called for. When that revision took place nothing was done in regard to the scales of pay of the all-India services, for the reason that Provincial Governments are not empowered to make any change in the rates of pay of such services. We have, however, examined the scales of pay of the I. C. S. and the I. P. and are of opinion that in present circumstances these are unduly high. We strongly recommend that Government should press the Secretary of State for a substantial reduction in the scales of pay

or these Services. We believe that suitable candidates for the I. C. S. could be recruited on a scale of pay commencing at Rs. 400 for Indians and Rs. 550 for non-Indians and terminating at Rs. 1,200 for Indians and Rs. 1,600 for non-Indians. We have suggested elsewhere what we consider a suitable scale for the Indian Police Service.

75. *Extent of recruitment to the I. C. S.*—We examined certain figures showing the method of recruitment to the I. C. S. in the Punjab. It appears that the figure of recruitment for each year is determined on a particular theoretical basis laid down by the Secretary of State. This very often results in recruitment in excess of actual requirements. For the year 1938-39, for instance, while the province was shown, on the basis of those calculations, as having a probable actual strength 7 in excess of the sanctioned strength, yet steps were taken to recruit 5 more candidates. We recommend that Government should arrange to determine a method of recruitment to the I. C. S. in the Punjab which would be more in accordance with the actual requirements.

76. *Allowances for purchase of civil uniform.*—For some years past the Punjab Government has been making provision in its budget of a sum which is expended on the grant of allowances to certain classes of officials, who are entitled to wear civil uniform, to enable them to purchase such uniform. The sum involved is Rs. 5,000 only. This provision has been appearing in the Punjab Government budget under head "General Administration—Civil Secretariat" for some years now. We realise that the total amount involved is small, but this is really a concession granted to a class of officials who already enjoy many concessions like overseas pay, free passages and free medical treatment in hospitals. The officials concerned are generally highly placed officers who may be expected to provide the uniforms at their own expense. The Governments of India, Bengal and Bombay do not grant any such allowance to their officers. We see no good reason why the Punjab Government should continue to grant these allowances and we recommend that the provision made in the budget for this purpose be omitted in future.

77. *Criminal Tribes and Reclamation Departments.*—The Criminal Tribes Department, that is, the department in charge of the various wandering and settled criminal tribes,

in the province, came into being in 1917. Later, a Reclamation Department was constituted under the charge of an official designated Reclamation Officer. The main function of this Department was the care and control of prisoners released from Jails under the provisions of the Good Conduct Prisoners' Probationary Release Act, 1926. Under this department were placed the two farms in the Nili Bar known as the Borstal and Adult farms, and also the Reformatory School at Delhi. The cost of the Reclamation Department previous to 1931-32 was nearly Rs. 2½ lakhs, while the provision for the Criminal Tribes Department was Rs. 3,64,000. In that year the two departments, that is, the Criminal Tribes and Reclamation, were amalgamated and placed in charge of the Deputy Commissioner for Criminal Tribes. The provision for the combined departments is now roughly Rs. 4½ lakhs, so that the amalgamation has effected an initial saving of about Rs. 1½ lakhs.

We have examined two or three proposals put before us which aim at a reduction in the cost of this Department. One was that the post of Superintendent of the Burewala Farms, i.e., the Borstal and Adult farms in the Nili Bar, should be abolished and the farms placed in charge of one of the existing two Assistants to the Deputy Commissioner for Criminal Tribes, whose head-quarters should be transferred from Lahore to Burewala. The Deputy Commissioner for Criminal Tribes pointed out that the arrangement suggested was not feasible. It was incorrect to say that the settlements round Burewala were situated within a radius of 20 to 30 miles. The distance was really 80 to 90 miles and a whole-time gazetted officer was required there. Moreover, neither of the Assistants to the Deputy Commissioner for Criminal Tribes could be shifted from Lahore as their jurisdiction extends to other parts of the province as well, and their hands are already full. In the circumstances this proposal does not appear to be practicable. Another suggestion was that the Reformatory School at Delhi should be closed down and the boys from that School accommodated in the Reformatory School at Amritsar. The Deputy Commissioner for Criminal Tribes pointed out that the Delhi School was constituted under the Reformatory Schools Act, while the Amritsar Reformatory was established under the Criminal Tribes Act. The Delhi School was just like a Borstal Institution and was being administered by him in the capacity of Inspector-General of Reformatory Schools. The Reformatory School at Delhi

was being jointly maintained by Baluchistan, the North-West Frontier Province, the Punjab and Delhi provinces and each province was contributing its share of expenditure. Moreover, the Delhi Reformatory School was up to the vernacular middle standard and was meant for convicts up to the age of 18 years, while the Amritsar Reformatory School was meant for Criminal Tribes boys. We understand that the number of boys in the Delhi Reformatory School is 109 and the total expenditure amounts to Rs. 42,000. This would appear excessive for an institution of its size and character. Some of us felt that the school at Delhi might be closed down and the boys accommodated either in the Amritsar Reformatory if that be feasible, or, alternatively, in the Borstal Institution at Lahore. Other members were not prepared in principle to accept either of these two courses.

78. *Criminal Tribes Settlement at Moghalpura.*—It is noticed that very high expenditure is being incurred on the Criminal Tribes Settlement and School located at Moghalpura. This is due mainly to the high rent paid to the North-Western Railway for the site of the Settlement. We doubt whether there is need to the same extent for this Settlement being located at Moghalpura as there was formerly when most of the inmates of the school were employed in the Railway Workshops. We understand that there are two institutions at the Moghalpura Reformatory Settlement, namely, (1) the Reformatory School which has about 90 criminal tribes boys on its rolls, and (2) the Reformatory Settlement. The Reformatory Settlement has got another school of its own which is meant for the children of the parents who are living there. As already observed, the high expenditure on this Settlement is due to the exorbitant rent of Rs. 750 per mensem paid to the North-Western Railway. As regards the School, the opinion of some of us was that this institution should be closed down and the boys transferred to their home districts or home villages and absorbed there in local schools. On the facts before us it appeared that the transfer to Amritsar of these 90 criminal tribes boys should be possible. We understand that at the Amritsar Reformatory land is available for extending the school and a very modest katcha building could be put up there at small expense. As regards the Settlement, we have ascertained from the Deputy Commissioner for Criminal Tribes that all the inmates of this industrial settlement can be absorbed in other Criminal Tribes

settlements. Another alternative is to shift the Settlement to a plot of nazul or other Government land not far removed from the Railway Workshops, so that the inmates could continue their present occupation. We understand that the question of shifting the Settlement to a plot of nazul land close to the village abadi of Singhpura in the vicinity of Moghalpura is under consideration. If this proposal cannot be adopted, we recommend that the present inmates of the Moghalpura Settlement be absorbed in other Criminal Tribes settlements, and that the Settlement be closed down.

79. *Criminal Tribes Headquarters Office.*—We notice that in the headquarters office of the Criminal Tribes Department no less than 10 additional clerks have been added in the last 2 or 3 years. There has been a large reduction in the number of criminal tribesmen under the control of this Department, and further the settlements have now been properly organised. In view of these facts we consider that Government should carefully examine the need for the retention of the whole of this additional staff in order to see if it is possible to effect some economy in the cost of the headquarters office.

#### ADMINISTRATION OF JUSTICE.

80. *Growth of expenditure on Administration of Justice.*—This head includes the provision for the High Court, the Law Officers of the Crown, the Administrator-General and Official Trustee and the courts of District and Sessions Judges, Sub-Judges and Small Cause Judges—also for certain other connected expenditure such as diet and travelling expenses of witnesses appearing in the criminal courts. In 1921-22—the first year of the last Reforms—the total expenditure on Administration of Justice reached a figure of Rs. 44½ lakhs. In 1923-24 it rose by over Rs. 7½ lakhs. The increase occurred entirely under Criminal Courts where for the first time was included expenditure on diet money to witnesses and on the establishment of Honorary Magistrates' Courts. The expenditure in 1930-31 was Rs. 59½ lakhs and represented the normal increase resulting from increments. The next two years saw the effect of retrenchment in consequence of the slump in prices, and expenditure dropped by Rs. 4½ lakhs in 1931-32 and a further Rs. 3½ lakhs in 1932-33. Since then the expenditure has varied but little and by 1937-38 had reached a figure just short of Rs. 54 lakhs.

Very often any suggestion for reduction in the scale of expenditure on the administration of justice is opposed, as also proposals for increase in the existing rates of court fees. This opposition is based on the belief that the administration of justice brings a profit to the State. This, however, does not appear to be quite correct, particularly if the cost of criminal courts is taken into account. The income from judicial stamps, which has been falling steadily during the last seven or eight years, is now about Rs. 55½ lakhs (Rs. 67,97,000 less Rs. 12,62,000 the share transferable to other heads as representing income from motor taxation and copying agencies). Against this must be set firstly, the expenditure recorded under head Administration of Justice, namely, Rs. 54 lakhs, and then a proportion of the expenditure under minor head General Establishment of the head General Administration, representing the cost of subordinate criminal courts. This latter figure would fairly be one-half the provision under the minor head General Establishment or, say, roughly 30 lakhs. If this were done, it will readily be seen that whereas the cost of the Administration of Justice amounts to Rs. 54 lakhs plus Rs. 30 lakhs, or Rs. 84 lakhs round, the income from judicial stamps is only Rs. 55 lakhs. These figures provide a strong argument against any proposal that may be put forward for a reduction of court-fees. On the other hand there appears to be considerable ground for examining the present scale of expenditure under this head in order to see whether it is possible to effect some economy.

81. *High Court Judges.*—In his evidence before us the Registrar of the High Court stated that the present normal strength of the High Court is 11 Judges. The average pending file in the High Court was between 1,800 and 1,900 and had been much reduced in the last few years, thereby making a reduction in the number of Judges to 11 possible. It was explained that one of these Judges was occupied at present almost entirely on liquidation work. The Registrar was of opinion that there was considerable company liquidation work from the commercial towns like Delhi, Lahore and Amritsar and that new cases were now taken in the High Court instead of, as heretofore, in the District Courts which were not equipped to deal with them properly. It was explained that regular inspection of lower courts by a High Court Judge formed a very important part of the Judges' duties in the cold weather and was now being done more systematically. The idea now is that every Sessions Division must be inspected.

once in two years. Individual Judges inspected all courts (Criminal and Civil) and the Registrar thought this work of inspection was probably done more thoroughly in this province than anywhere else, and that it had definitely proved to be of value. He stated that the system of inspections was likely to continue so as to enable the Judges to check and supervise the working of subordinate courts. All the High Court administrative work was now being done by a senior specially empowered Registrar. This change took place in 1936. Before 1936 one Judge was in charge of the administrative work (the Registrar being a junior officer) and was unable to devote his whole time to Bench work. The present arrangement was economical. It is to be noted that there has been an appreciable fall in the number of institutions of civil cases in the High Court, but it has to be remembered that the pending list is being steadily reduced, and the life of an appeal now is much shorter than it used to be. Some of us were of the opinion that the possibility of investing District Judges with higher powers of hearing appeals of the value of Rs. 10,000 may be examined. We, however, had no adequate material before us to express any final opinion on this subject. The members who favoured this suggestion did so to explore the possibility of reduction in the strength of the High Court. Other members were impressed by the fact that recently every effort had been made to keep down the number of Judges whenever, as Judges proceeded on leave, this was possible. The feeling was, however, general that the time had already arrived when the whole question of the strength of the High Court should be carefully examined by Government.

82. *Subordinate Judges.*—We have considered the question whether any decrease is possible in the number of Subordinate Judges. In his evidence before us the Registrar of the High Court, while admitting that the number of money suits had considerably decreased and their number was likely to go down still further as a result of the establishment of Debt Conciliation Boards in Tahsils, stated that it was yet too early for the High Court to express any decided view on this subject and that the question would be reviewed next spring. He explained that, firstly, the High Court had received some information that one effect of these Debt Conciliation Boards was increase in the execution work and, secondly, that there were a good many declaratory suits brought by the aggrieved parties as a result of the decisions of the Debt Conciliation

Boards. The Registrar stated that the High Court would be prepared to consider a reduction in the number of Sub-Judges once they were satisfied that the Debt Conciliation Boards were really helping to reduce the work of Sub-Judges, and the pending file of the province had been reduced as explained later. This question had been discussed in a recent conference held in the previous February and it had been decided to reconsider the matter after a year's experience of the Debt Conciliation Boards. It was explained that the present cadre of Sub-Judges in the Punjab was 162 excluding Delhi, and of these the number who were actually working was 157—five being counted as a leave reserve. The normal number of pending files for 157 Sub-Judges was considered to be 36,500 per annum, including all kinds of money suits, land suits, mortgage suits, etc., but excluding insolvency cases. It was pointed out that most of the land suits took a long time. The average disposal of a Sub-Judge was about 3,000 cases per year. The Honourable Judges considered that a balance higher than 36,500 cases of pending files for the province is undesirable as leading to congestion and delay, and as long as the actual balance remained higher than that figure, the present cadre of Sub-Judges could not be further reduced, specially as it had been reduced by 5 posts in the year 1932. The Honourable Judges were of opinion that the present cadre of Sub-Judges was required to cope with the fresh work that comes in during the course of the year, to reduce the excessive pending files still further, and to ensure that all civil cases are decided within a year of institution. The Registrar stated that the number of pending files at the end of 1931 was 81,000 and it had been reduced to 58,000 by the end of 1937. He was of opinion that there was a possibility of bringing down the number of pending files to the normal referred to above, provided the cadre of Subordinate Judges was not reduced at this stage. He stated that, judging from the past, and provided no new factors came into existence, it would take about 3 to 5 years before the number of pending files reached a normal figure.

Judged by the number of original civil suits instituted in the courts of the province it is clear that there has been a considerable fall in the amount of work coming before the civil courts. In 1932 the total number of suits instituted was 242,684. In 1937 the number had



dropped to 153,525, a decrease of 36 per cent. The Judges of the High Court have themselves commented on this decrease in their Note on the administration of civil justice during the year 1937, where they state that the decrease has mainly taken place in suits for money or movable property. Among the reasons for the decrease were stated to be the general economic depression coupled with the costliness of litigation, the Punjab Regulation of Accounts Act, 1930, the Punjab Relief of Indebtedness Act, 1934, the Punjab Debtors Protection Act, 1936, and the setting up of Conciliation Boards. If we take the number of civil cases decided in the Courts of the province, the position is the same. There has been a considerable fall. This fall has been most marked in the number of original regular cases. While the number of original miscellaneous and appellate cases decided has shown little change in the past 6 years, the number of original regular cases decided has fallen from 248,661 in 1932 to 158,881 in 1937—a drop of 36 per cent—the same percentage as for institutions. We were supplied by the High Court with a statement showing the average annual outturn of contested cases by a Subordinate Judge (excluding small cause figures) during the three years 1935, 1936 and 1937. This shows the average outturn to have been 240 in 1935 but it had fallen to 201 in 1937. It is thus clear that, apart from the aggregate smaller number of institutions, the average amount of work turned out by Subordinate Judges has materially decreased. The number of Subordinate Judges in 1937-38 was 155, the same as it was in 1931-32, while the number of Judges of Small Cause Courts had increased from three to five. There has been no appreciable increase in the total cost of Sub-Judges in recent years. There has, however, been a very serious fall in the revenue from sales of Judicial stamps. In 1931-32 the amount realized from this source was Rs. 73½ lakhs, but for 1938-39 a sum of only Rs. 68 lakhs is expected. From this figure must also be deducted the sum of Rs. 12,62,000 which represents the receipts from motor taxation and copying agencies to be realized in court-fee stamps, so that a sum of only Rs. 55,35,000 is expected from sales of judicial stamps connected with civil litigation. The fall in revenue is over 24 per cent. This is put down on every side to a decline in civil litigation and the figures as published in the annual reports of the Honourable Judges on the administration of civil justice, to which we have already referred, also bear this out. Despite the position as outlined above, we are surprised to learn that no less than 9 additional

appointments of Subordinate Judges had been made by Government during the past winter. We feel that this matter of the present excess number of Subordinate Judges in the province is one which merits the immediate and earnest attention of the Government. We strongly recommend that the position be carefully examined at an early date with a view to a substantial reduction being carried out in the existing cadre of Subordinate Judges. We personally feel that a reduction of at least 15 per cent in the number of Subordinate Judges is indicated on the figures we have quoted above.

83. *Administrative Judges.*—It is observed that there are now 6 posts of Administrative Judges and that it is contemplated to add to this number. We are of opinion that in the present circumstances the appointment of these Administrative Judges could hardly add to the efficiency of the work of service of processes. Its efficiency is at present undermined by corruption which, in our opinion, the Administrative Judges could do little to check. We think that what is needed is that the presiding officers should be made to take more interest in the proper service of processes. A little more attention on the part of the presiding officers would improve the efficiency of the service of processes, because they would know the circumstances of each case. They have to dispose of each case and naturally they would be more anxious for proper service of processes than the Administrative Judges. Keeping in view the above facts, we consider that the posts of Administrative Judges are quite unnecessary and recommend their early abolition.

84. *Diet and road money paid to witnesses.*—While we notice that considerable reduction has been made in the rates of diet and road money payable to witnesses and the total expenditure on this account has in consequence shown a tendency to fall, we observe that a large number of defence witnesses are often summoned without any real cause, particularly in Sessions cases. We recommend that in the interest of economy Government should pay only for those defence witnesses who are actually examined and not for those who are thought unnecessary and left out by the Court.

85. *Post of Registrar, High Court.*—We feel doubtful whether a senior officer of the standing of a District and

Sessions Judge of the first grade is really required for appointment as Registrar of the High Court. Previously the Registrar used to be only a senior Assistant Commissioner. \*We are of opinion that the post of Registrar should normally be filled by some junior I.C.S. officer.

86. *Special Official Receiver.*—We have considered the case of the Special Official Receiver. We are emphatically of the opinion that the Receiver should be a whole-time paid Government servant whose emoluments should be fixed on an appropriate scale, and all the commission received should be credited to Government.

87. *Public Prosecutors.*—In his evidence before us the Legal Remembrancer mentioned that possibly the time had come for another review of the scales of pay of Public Prosecutors with a view to further reduction. We have carefully considered this matter. The normal period for which a Public Prosecutor is appointed is four years, though the term is usually renewed on evidence of satisfactory work. During his appointment as Public Prosecutor he loses touch with his ordinary work, and it is often very difficult for a Public Prosecutor to resume his practice as a lawyer after he ceases to act as a Public Prosecutor. He has undoubtedly a certainty of fixed income during his term of appointment, but he loses all prospects of advancement in his profession. He has usually to work in districts away from home. Bearing these facts in mind we have decided not to make any recommendation in the direction of reducing the present scale of remuneration of Public Prosecutors in this Province.

#### JAIL DEPARTMENT.

88. *Growth of expenditure on Jails.*—The expenditure on the administration of jails in the province has varied greatly. It was just under Rs. 36 lakhs in 1921-22, rose to Rs. 38½ lakhs in the following year, then dropped to Rs. 29½ lakhs in 1923-24. Thereafter expenditure rose steadily until, in the four years 1927-28 to 1930-31 it averaged over Rs. 40½ lakhs. These are the years during which the peccole system, since abolished, was in force. There was also an increase in the Jail population and 2 more jails were established in 1928. After 1930-31 there was quite an appreciable decline in expenditure and in the last three years it has been Rs. 30 or 31 lakhs. In 1921-22 the expenditure incurred on jails

\*B. B. Binda Saran thinks that a senior P.C.S. officer could be appointed to the post of Registrar.

in the Punjab represented four per cent of the total expenditure of the province. In the next ten years this fell to 3 per cent, while it is now 2·8 per cent. In Madras and Bombay, however, the corresponding figure is 1·5 per cent only. It is considered that there is still room for some reduction of the total expenditure on jails in this Province.

89. *I. M. S. Officers in the Jail Department.*—We notice that whereas previously five posts in the Jail Department of the Punjab were reserved for I. M. S. Officers, under the later orders of the Secretary of State, no such posts are now so reserved, though the rights of existing I. M. S. Officers in the department have to be safeguarded. The permanent Inspector-General of Prisons (Colonel F. A. Barker) will be retiring shortly. We recommend that when this happens, steps be taken to secure the reduction of one I. M. S. post in the Jail Department cadre, that is, no recruitment from the I. M. S. should be made to the Punjab Jail Department to again bring the number of I. M. S. officers up to the strength of, five.

90. *Post of Deputy Inspector-General of Prisons.*—We considered the case of the temporary post of Deputy Inspector-General of Prisons. The previous Retrenchment Committee expressed doubts as to the necessity for this post, but the Government decided that it should be retained while the present incumbent was there to fill it. In his evidence before us the Inspector-General of Prisons explained that the post of Deputy Inspector-General of Prisons was necessary in the interest of efficiency of work. He said that the expenditure was absolutely justified because of the close supervision over, and consequent savings effected in, the total expenditure. Colonel Barker said that the Deputy Inspector-General had certain definite useful functions to perform. We were supplied with a list of the duties of the Deputy Inspector-General. We were referred to the recommendations of the Punjab Jails Enquiry Committee of 1925 (paragraph 21) on the basis of which the post of Deputy Inspector-General had been created. The Inspector-General thought that the reasons stated therein still existed. On comparing the staff of the Jail Department of the Punjab with other provinces we find that no other province has an appointment of status corresponding to that of the Deputy Inspector-General in the Punjab. We have examined the

statement supplied to us showing the duties of this post and consider that all of the duties enumerated therein can suitably be performed by the Inspector-General himself, without adding materially to his work. Furthermore, as there is now a fairly large staff of highly paid and experienced Superintendents of Central and District Jails, there should be less need for supervision than formerly existed. In short, we are of opinion that this temporary post of Deputy Inspector-General of Prisons is now unnecessary and \* recommend that it should be abolished. We understand that the present holder of this post will shortly be vacating it on promotion to the post of Inspector-General. The present is therefore a suitable opportunity for abolishing the post of Deputy Inspector-General. This would result in a saving of about Rs. 25,000 a year.

91. *Superintendents of Jails.*—A suggestion was made to us by the Inspector-General of Prisons (Colonel Barker) that demobilised I. M. S. Officers should be recruited for appointments as Superintendents as they could also act as Medical Officers of Jails. He said that it would mean both efficiency and economy. In this connection he referred us to his letter No. 98-S., dated the 26th July 1937, to the address of the Home Secretary to Government, Punjab. We would point out that the previous Retrenchment Committee considered that the system of appointing officers of the Provincial Civil Service as Superintendents of Jails was more expensive than the old system and, in the opinion of some members, it had proved a failure. That Committee had indeed recommended reversion to the old system, but this was not accepted by Government. We have also considered this question. We asked the Inspector-General of Prisons whether in his opinion the appointment of whole-time Superintendents in most district jails of the province had tended to improve the administration and working of jails as compared with what it was when these duties were performed by either Medical officers or officers of the P. C. S. as part-time jobs. In his reply the Inspector-General said that it had improved, but that if P. C. S. Officers are employed as Superintendents there is no justification for giving them a free house plus Rs. 100 extra pay in the case

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\*The Chairman expressed no opinion.

of the smaller district jails. He considered that the allowance of Rs. 100 can be done away with in the case of smaller district jails. In our opinion the system of appointing P. C. S. Officers as Jail Superintendents is unsatisfactory in principle, as it is both uneconomical and less efficient. We recommend that this system should be discontinued. Some of us thought that it might even be desirable to revert to their own line some of the P. C. S. Officers now serving as whole-time Superintendents of Jails. This recommendation does not, however, refer to part-time P. C. S. Officers who are working as Jail Superintendents on a small allowance. We further recommend that the system of recruiting Jail Superintendents from among the War Block Officers should be discouraged, both in the interest of economy and efficiency. It will be noticed that the Inspector-General of Prisons himself considers that the system of appointing Superintendents of Jails in the smaller district jails with an allowance of Rs. 100 a month is an unnecessarily expensive arrangement, both from the point of view of the importance of the charge and of the expense involved. We consider that the grant of an allowance over and above the concession of rent-free accommodation is not warranted by the nature of the duties of this post, and we would therefore discontinue the allowance for future appointments. This would save about Rs. 5,000 a year.

92. *Method of purchasing provisions for jails.*—The Retrenchment Committee of 1931 had mentioned in their report that they had been informed of instances where grain for district jails had been purchased at prices much above the market rates. During the course of our examination of the Inspector-General of Prisons it was brought to his notice that the Honourable the Chairman had recently found that the Ambala Jail was purchasing wheat at a much higher rate than the market rate. The Inspector-General of Prisons promised to make enquiries on the point. We notice that stores and provisions for use in jails are purchased at prices based on rates published in the Gazette. These are usually obsolete figures and have no real reference to the prevailing market rates. We recommend that all major jail requirements should be purchased through a system of open tenders at suitable intervals and this system should be so devised as to secure purchases at the lowest prices.

93. *Measures for decreasing the jail population.*—In paragraph 78 of their report the Retrenchment Committee of 1931 had observed that the only real way of decreasing expenditure on jails is to decrease the number of prisoners. In their opinion one method of keeping down the number of prisoners was to prevail on magistrates to inflict punishments of fine rather than imprisonment in cases where the imposition of a fine was considered a more suitable punishment. We quote from their report :—

“ We have grave doubts of the value of short sentences of imprisonment in petty cases and particularly for first offenders. We think that in such cases fine should be preferred to imprisonment and that the prosecuting agency should definitely ask for a sentence of fine to be imposed unless a sentence of imprisonment is considered necessary as a deterrent. Magistrates are too much inclined to have a stereotyped scale of fines which is very often quite out of proportion to anything that a prisoner can reasonably be expected to pay. Such a practice merely leads to the filling of jails. Where fine is the only sentence awarded, a reasonable time to pay should always be given before a man is finally committed to jail. Commitment to jail in default of production of security is another fruitful cause of expense to the State. We consider that the amount of bail demanded by magistrates is frequently arbitrary. If a man is entitled to bail at all, he is entitled to bail on such terms as he can reasonably be expected to comply with, and we think that this principle should be impressed upon magistrates. The Code of Criminal Procedure gives a certain discretion to magistrates to admit to bail even in technically non-bailable cases. We consider that regard should be had to the circumstances of the case rather than to the technical classification of it as bailable or non-bailable and that where there is no obvious objection to granting bail, technical considerations should never be sufficient for commitment to jail.”

Government considered this suggestion and issued a circular letter to all Deputy Commissioners drawing the attention of the prosecuting staff to the undesirable effect of short sentences and the advisability of replacing them by fines. We entirely endorse this recommendation and consider that Government should take some more definite steps for the issue of suitable instructions to magistrates. We also endorse the other recommendations contained in the passage quoted above.

94. *Expenditure on under-trial prisoners.*—In his evidence before us the Inspector-General of Prisons explained that a great deal of money was being spent on the maintenance of under-trial prisoners in jails. In 1931 45,883 under-trials were admitted in the Punjab jails. Of these, 27,543 or about 62 per cent were discharged unconvicted, as they were presumably innocent. The cost to the Department of maintaining in jails this large body of innocent men is very large. The average period of detention was 27 days and the cost per head of maintenance was 5 annas and 3 pies per diem. The extra expenditure to the State

on this account\* amounted to Rs. 2,44,013-12-3. The following figures are given for comparison :—

Year.	Number of under-trials admitted in jails.	DISCHARGED UNCONVICTED.	
		Number.	Percentage.
1934 .. ..	43,721	26,505	About 60
1935 .. ..	44,903	27,481	„ 61
1936 .. ..	45,659	28,503	„ 62
1937 .. ..	44,944	28,533	„ 63
1938 .. ..	51,260	31,478	„ 61

The extra expenditure to the State on their account amounted to :—

	Rs.
1934 .. ..	2,34,817
1935 .. ..	2,43,465
1936 .. ..	2,52,519
1937 .. ..	2,52,784
1938 .. ..	2,73,875

The Inspector-General suggested that any measures that could be taken to reduce the very large body of under-trial prisoners would be a direct saving to the State. We recommend that steps be taken to bring about a definite reduction in this large number of under-trials. It is considered that the expenditure on this account is susceptible of reduction by one lakh of rupees at least.

95. *Reducing expenditure on conveyance of prisoners.*—

In paragraph 79 of their report the Retrenchment Committee of 1931 pointed out that nearly Rs. 1½ lakhs a year is spent on the conveyance of prisoners to and from jails and lock-ups. They considered that until the expiry of the period allowed for appeal and, where an appeal has been filed, till its decision, prisoners should not usually be removed from the local jails to the jail to which they have been committed. They also thought that short term prisoners should, as far as possible, serve their full term of imprisonment in the



local jails. Government decided that no saving was possible in connection with the conveyance of prisoners. These recommendations are put forward solely with a view to reducing the expenditure on conveyance of prisoners. We cordially endorse these suggestions and recommend that everything possible be done to reduce these charges.

96. *Good Conduct Prisoners' Probational Release Act.*—We are of opinion that with a view to effecting economy in expenditure on jails a more liberal use should be made of the provisions of the Good Conduct Prisoners' Probational Release Act of 1926. It was felt that local authorities not unoften opposed releases under the Act on not very convincing grounds. These should not be allowed to outweigh the more important consideration of economy.

#### POLICE DEPARTMENT.

97. *Growth of expenditure on Police.*—In the first year (1921-22) of the last Reforms the total expenditure on Police in the Punjab was Rs. 111½ lakhs. The very next year it rose to Rs. 122½ lakhs, but again fell to Rs. 110 lakhs in the following year. The expenditure varied between Rs. 107 and Rs. 118 lakhs during the five years following. Then in 1929-30 it rose to Rs. 128½ lakhs, and to Rs. 190½ lakhs in the following year. Since then the expenditure has never fallen below Rs. 120 lakhs. In the last six or seven years the ordinary expenditure has been augmented to the extent of about Rs. 2 lakhs annually by the necessity for the employment of a large temporary additional staff described as the Provincial Additional Police. That necessity probably still exists though it is doubtful whether to the same extent as originally. The composition of this temporary force has undergone some reduction in the last two years and it is hoped that this process may be continued. This will result in some saving in the expenditure on Police, but probably not beyond Rs. one lakh. With effect from the introduction of provincial autonomy the province has been relieved of expenditure on Railway Police to the extent of Rs. 3½ lakhs. This relief of Rs. 3½ lakhs, however, has failed to show itself in the total provision for Police; the whole effect of the saving under Railway Police has been cancelled by increased provision under other heads. In the year 1921-22 the percentage of the expenditure on Police in this province to the total provincial expenditure was 12·6, a figure lower than that in four other large provinces in India; in Bengal it

stood as high as 18·4. In the next five years the Punjab figure had fallen to 9·4. Thereafter it began to rise again, and in 1931-32 was 11·9. It is now 11 per cent. This is still lower than that in most provinces, except in Madras where the figure stands now at 10·2. But it is significant that while all provinces have materially reduced their scale of expenditure on Police since 1931-32, the Punjab is the only province that has practically maintained the percentage of that year.

98. *Recommendations of previous Retrenchment Committee.*—The Retrenchment Committee that reported in 1931 after commenting on the general increase that had taken place both in the pay and the strength of the Police Force in this province, remarked that they were not in a position to make any recommendation for the reduction in the permanent sanctioned strength of the Police. They, however, were of the opinion that possibly a reduction of 15 per cent. in the Police budget, excluding special police, could be effected, and further entertained the hope that it might be possible for Government to dispense with the Lahore additional police at a very early date.\* Government was not able to accept this opinion though, as has been noted above, some reductions have been made in the expenditure on Provincial Additional Police.

We have given very anxious thought to the head Police. In making our recommendations we have borne in view the broad fact impressed on our attention by the Inspector-General of Police that the area under towns, where the intensity of population is great, has increased in recent years and this has resulted in a larger demand for police functions. We agree that the facts stated by the Inspector-General of Police have considerable force.

99. *Scale of pay for Indian Police Service.*—As regards the scale of pay for the Indian Police Service, we may at once draw attention to our remarks in paragraph 74. In our opinion a scale of pay for the Indian Police Service commencing at Rs. 300 for Indians and Rs. 450 for non-Indians and terminating at Rs. 1,000 for Indians and Rs. 1,400 for non-Indians would be sufficient to attract suitable candidates of the right stamp.

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\*Note.—Vide paragraph 32 of their Report in which they refer to a number of directions in which economy should be possible.

100. *Staff of Criminal Investigation Department.*—The statement below compares the total cost and the strength of the superior C. I. D. staff in five of the larger provinces of India :—

	Total cost.	Deputy Inspector-General of Police.	Assistant to Deputy Inspector-General of Police.	Superintendents of Police.	Deputy Superintendents of Police.	Total.
	Rs.					
Madras ..	3,09,000	1	..	1	2	4
Bombay ..	2,74,000	1	2	..	2	5
Bengal ..	17,84,000	1	1	5	11*	13
United Provinces	3,49,000	1	3	..	6	10
Punjab ..	4,50,000	1	1	3	5	10

The provision in Bengal is extraordinarily high due no doubt to exceptional circumstances, partly historical, prevailing there. But comparing the Punjab with other provinces it will be seen that the United Provinces with a corresponding staff are spending nearly a lakh less, and Madras and Bombay have but a total of 4 and 5 officers, respectively, in their Criminal Investigation Departments, compared with the 10 in the Punjab. Their budget provision too is much less than that of the Punjab. It cannot be said that the terrorist and other subversive movements have been more in evidence in the Punjab than in other provinces in India. It must also be remembered in this connection that the population of the United Provinces and Madras is more than twice that of this province. It is difficult, therefore, to justify the very big superior staff in this province. As to the subordinate staff of the Criminal Investigation Department, the present strength as compared with the year 1931-32 is indicated below :—

	Present.	1931-32.	—
Constables .. ..	53	53	..
Head Constables ..	31	36	—5
Assistant Sub-Inspectors ..	12	..	+12
Sub-Inspectors .. ..	43	42	..
Inspectors .. ..	12	10	+2

\*Attached to the Intelligence Branch.

There has been practically no increase in the subordinate staff since 1931-32. About 25 of the constables out of the total number of 58 are attached to various officers as orderlies under the Police Rules. They are not in any strict sense a part of the Criminal Investigation Department staff. Practically the whole of the Criminal Investigation Department staff is stationed at Lahore, except one Deputy Superintendent of Police at Amritsar and one Deputy Superintendent of Police, one Inspector, 22 Sub-Inspectors, 9 Head Constables and 2 Foot Constables employed in the Finger Print Bureau at Phillaur. The staff is detailed on duty outside Lahore as occasion arises, and the assistance of the local police is sought in case of need. The Criminal Investigation Department consists of two branches :—(1) the Crime Branch and (2) the Special Branch. Two of the Superintendents belong to the Crime Branch and the other two work in the Special Branch. Only a small part of the Criminal Investigation Department staff is required to do the crime work, preponderance being on the special or political side. The recruitment to the Criminal Investigation Department is generally made out of the best and most suitable persons in the ordinary police and the selection is most carefully made.

The Deputy Inspector-General of Police explained that all the officials of the Criminal Investigation Department get a special pay over and above their ordinary pay. He stated that unless some special pay was given to policemen nobody would be prepared to go to the Criminal Investigation Department. The staff had more responsibilities and had to run greater risks than the ordinary police. Also they had to live more expensively.

When questioned about possible retrenchment in the Criminal Investigation Department, the Deputy Inspector-General stated that in fact he required more staff and no reduction was possible. He pointed out that the work of the Criminal Investigation Department was very carefully examined only four years ago and the Government was entirely satisfied then that the whole staff was necessary. We notice that there are at present four Superintendents of Police and five Deputy Superintendents of Police employed in the Criminal Investigation Department. It should be observed that there were two Superintendents of Police employed in the Criminal Investigation Department some time ago, and we are of opinion that two are quite sufficient to cope with

the work. If it is found that the work had recently increased, the retention of three posts of Superintendents might be justified, but in no case is there justification for the appointment of a fourth Superintendent of Police. We therefore recommend that one post of Superintendent of Police in the Criminal Investigation Department should be abolished. We are of the same opinion as regards the Deputy Superintendents in the Criminal Investigation Department and recommend that one post of Deputy Superintendent should also be abolished, thus fixing the number at four.

101. *Inspectors of Police.*—We considered whether it was not possible by some amalgamation of the duties of Inspectors and Deputy Superintendents of Police, to do away entirely with the Inspectors. We notice that the previous Retrenchment Committee of 1931 had expressed doubts about the value of the rank of Inspector, at any rate as far as the district police force was concerned. It is realised at the same time that the abolition of the rank would probably involve a corresponding increase in the number of Deputy Superintendents of Police. While admitting that this would be no economy that Committee were inclined to consider it desirable. In his evidence before us the Inspector-General of Police stated that Police Inspectors had invariably three or four thanas in their charge. He explained that it was not possible to transfer these thanas from the Inspector's charge to that of Deputy Superintendents of Police as the latter were already overworked. He did not think that the Inspector was an unnecessary link in the presence of a gazetted officer in the investigation of important cases.

We discussed with the Inspector-General all the duties of an Inspector as given in reply to one of the questions on retrenchment under head "Police". It was pointed out that the duty of supervising the work of the Police in particular areas in connection with forms of crime specially prevalent there could be performed by the Sub-Inspector-in-charge of the *thana*. The inspections of police stations were carried out by the Deputy Superintendents of Police twice a year and they checked the entries made in the history sheets of bad characters, and the material for proceeding against bad characters was collected by the Station House Officer. There was special police staff in every district to watch and report on the activities of gangs and mobile criminals, and work relating to the activities of the gangs in a particular police station could be done by the Sub-Inspector-

in-charge. It might therefore be fairly presumed that the Inspector was a superfluous officer and could be dispensed with. The Inspector-General pointed out that the Inspector of Police was in general charge of the special police investigating agency. On being asked whether the duty of collecting material for the location of additional police posts could be performed by the Sub-Inspector in consultation with the gazetted officer-in-charge of the *ilaga*, the Inspector-General agreed that there would be no need for the Inspector if the gazetted staff had time to deal with these cases. As regards the list of proclaimed offenders, it was really checked only by the gazetted officer himself who decided whether the number on this list could be reduced or not. The Inspector, therefore, performed no real function in connection with these proclaimed offenders. It was suggested that the departmental enquiries should be conducted by a gazetted officer rather than the Inspector, but the Inspector-General pointed out that the Inspectors were competent to conduct such enquiries and this work was entrusted to them by the Superintendents of Police. It would result in a great waste of time if this duty was entrusted to the Deputy Superintendents of Police. The Inspector-General was also further of opinion that if any reductions were made in the number of Inspectors of Police, the number of Deputy Superintendents would have to be increased. He remarked that apart from their ordinary supervising duties, District Inspectors were available to take up important investigations and enquiries covering areas involving more than one Police Station jurisdiction and that experience showed that supervision in districts required to be increased and not reduced. Apart from the expense of replacing Inspectors by Deputy Superintendents of Police, the rank of Inspector provided the only field from which promotion to Deputy Superintendent of Police could be made. On the fullest consideration of the whole subject we are left with a strong impression that all the duties performed by Inspectors of Police, except those connected with the investigation of important cases are identical either with the functions of Deputy Superintendents of Police or of Sub-Inspectors. So far as the work of investigation of important cases is concerned, we notice that there are a number of Sub-Inspectors in reserve in each district and this duty could easily be entrusted to any one of them, if so required, by the Superintendent of Police. In this view of the position we are of opinion that the post of Inspector of Police is unnecessary and we recommend its abolition.

102. *European Sergeants of Police.*—We considered the case of European Sergeants. A certain number of these officials are employed in the district police in cantonments, on traffic duties and in the Railway Police as platform sergeants. The previous Retrenchment Committee had considered that a certain number of such officers would always be necessary as long as the Police have to deal with British troops. They also felt that it was desirable for obvious reasons in large towns to have European Sergeants on the traffic staff. The Inspector-General of Police had furnished us with a statement of the duties of these officials and he was asked whether it was not possible to replace them by the ordinary Sub-Inspectors. The Inspector-General was of opinion that the Indian Sub-Inspectors could not effectively perform the duties at present performed by European Police Sergeants. He thought that the European Sergeants alone were suitable for the kind of work performed by them. The Inspector-General pointed out that the Indian Sub-Inspectors did not like to be posted on these duties as long as they could get Police Stations. He was of opinion that in cantonments, at any rate, the European Sergeant would do better. He was not prepared to say that it was necessary to have a European Sergeant merely to perform the function of serving processes on Europeans. The Inspector-General said that Indian Sub-Inspectors could be trained to perform efficiently the duty of inspecting motor vehicles and testing applicants for driving licences, but they would be dissatisfied if kept on this duty, while Sergeants were perfectly satisfied. In practice the work would certainly suffer if Sergeants were replaced by Sub-Inspectors. The Inspector-General, however, thought it advisable to have European Sergeants to take charge of escorts over European prisoners. As regards the duty of European Sergeants to maintain order and control passenger traffic at important railway stations, the Inspector-General agreed that it was likely that the Head Constables did that duty in the absence of the Sergeant. We find that the scale of pay of European Sergeants in the Punjab is Rs. 150—200 whereas that of Sub-Inspectors is Rs. 80—130. Moreover, for all practical purposes, the duties of European Sergeants are much less arduous than those of Sub-Inspectors. We regret that we are unable to agree with the Inspector-General that the duties of European Sergeants could not be carried out effectively by any other type of police officer, or that the Indian Sub-Inspectors could not do the work of

European Police Sergeants as effectively. We would make no distinction between Indians and Europeans. But we strongly recommend that the cadre of European Sergeants as such should be abolished. All recruitment, consisting both of Indians and Europeans, should be made in future in the cadre of ordinary Sub-Inspectors and then these police officers should be posted to duties according to their suitability.

108. *Prosecuting Deputy Superintendents.*—It is sometimes urged that on the completion of the organisation of the police prosecuting agency it should be possible for that agency to take over the duties of Public Prosecutors. In his evidence before us the Inspector-General of Police admitted that Prosecuting Deputy Superintendents of Police could not be a complete substitute for Public Prosecutors. We observe that the system of appointing Prosecuting Deputy Superintendents of Police has been introduced only recently. Before their appointment Court Inspectors were in charge of the work of prosecution. We understand that nowadays a large number of Law graduates are forthcoming to fill up the posts of Court Inspectors and Court Sub-Inspectors, and that in fact recruitment to these posts is already made from among Law graduates. In these circumstances we are strongly of opinion that the duties of Prosecuting Deputy Superintendents of Police could easily continue to be performed by the Court Inspectors; the prosecution in the case of important cases is even now being done by the Public Prosecutors. We therefore recommend that the posts of Prosecuting Deputy Superintendents of Police should be abolished altogether.

104. *Expenditure on police rewards and on improvement of police lands.*—The Inspector-General of Police explained that the total provision for Police rewards amounted to Rs. 1,25,000. This sum was distributed as rewards for any assistance rendered in the investigation of cases or information about, or arrest of, proclaimed offenders. We observe that the total grant for rewards to Government servants amounted to Rs. 45,730 and that the Inspector-General was prepared to reduce this grant to Rs. 43,730. The principle of granting rewards to Government servants is open to obvious objections, as they are often placed in a position of improper advantage in securing these rewards. In our opinion the granting of these rewards should be discouraged and we recommend the reduction of the present grant to one-half and this to be utilised in very exceptional circumstances. For rewards to private persons, we observe that the Inspector-General



of Police had offered to reduce his grant by Rs. 5,000. This is a welcome surrender so far as it goes, but we are of opinion that this grant is capable of further reduction. The Inspector-General of Police has also offered to reduce his grant for improvement of police lands by Rs. 1,400.

105. *Cost of Railway Police.*—It is observed that since the introduction of provincial autonomy the Railway Board were contributing a sum of about Rs. 3½ lakhs annually towards the cost of the Punjab Railway Police. The total expenditure incurred by the Punjab Government under this head is about Rs. 9 lakhs. It is understood that the share of the Railway Board has been calculated on the principle that the Provincial Government is liable for the cost of 'crime' police and the railway are responsible only for the cost of 'order' police. We cannot understand why such a large proportion of the strength of the Railway Police should be held to fall into the category of crime police. We recommend that the Punjab Government should again examine the position with the object of reducing the Provincial Government's share of the cost of police employed on the North-Western Railway.

106. *Assistant Inspector-General of Police (Traffic).*—It was noticed that the Government had created a post\* of Assistant Inspector-General of Police, Traffic, whose duty it was to control the mobile patrol staffs working in the three Ranges and to advise the Government on problems arising in connection with the working of the Indian Motor Vehicles Act and with motor taxation. We are of opinion that in view of there being three Deputy Inspectors-General of Police in charge of Ranges who should be able to control the mobile patrol staffs working in their respective Ranges, the need for this special post is doubtful. As regards the question of uniformity of policy, this could be effected by the Home Secretary to Government who was doing this work before the creation of this appointment. We see no reason why this should not be possible, particularly when the Home Secretary is now assisted in his work by a Deputy Secretary. The Home Secretary could also do this work so far as the Indian States are concerned.

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\*It is learnt that Government is considering a comprehensive scheme for the regulation of motor traffic arising out of the recent Indian Motor Vehicles Act, which might involve the province in heavy annual expenditure.

## EDUCATION DEPARTMENT.

107. *European and Anglo-Indian education.*—The provincial expenditure on education is spread over the two heads—European and Anglo-Indian education and education excluding European and Anglo-Indian. So far as European and Anglo-Indian education is concerned, the statutory provision existing in section 83 of the Government of India Act, 1935, requires Provincial Governments in India to make grants for such education not less in amount than the average of the grants made for this purpose in the ten financial years ending on the 31st March 1933. We found that this condition had in fact been fulfilled, so that no detailed examination of the budget provision for European education was necessary. We discovered, however, that in the case of the Government secondary school at Ghora Gali the receipts from fees were less than the expenditure incurred on food and clothing. We consider that it is no part of the duty of a Government when it provides a school with staff and the like at the cost of the State, also to have to defray a portion of the living expenses of the pupils attending the school. We therefore recommend that steps be taken to secure that in this school the receipts from fees equal at least what the Government has to spend on food and clothing.

108. *Growth of expenditure on education other than European and Anglo-Indian.*—Turning to the second head of education other than European and Anglo-Indian education, we find that though, as a result of the drastic economies effected in 1931, the total expenditure under this head has not so far reached the peak level of 1930-31 when it was Rs. 165½ lakhs, it is steadily rising to that figure. For 1938-39 the provision was Rs. 156½ lakhs and for the current year (1939-40) it is Rs. 159 lakhs. Comparing the Punjab with other provinces in the matter of its expenditure on Education, it will be found that in the year 1921-22, the opening year of the period of the Montagu-Chelmsford reforms, the Punjab spent on Education 10 per cent of its total expenditure. In the same year the corresponding figure for Madras, Bombay and Bengal was 11 per cent. In the year 1937-38, the last year for which final accounts are available, the Punjab's percentage had risen to 14, which was, with Madras, the second highest in India. These figures have been quoted in order to show that the Punjab is devoting a very large proportion of its total expenditure to Education.

109. *Recommendations of previous Retrenchment Committee.*—The Retrenchment Committee of 1931 in dealing with the head Education recommended a large number of percentage cuts in the budget provision for the various sub-heads, but they also commented generally on what they considered was a faulty system of education. Their recommendations were based on the following two conclusions, *firstly*, that the existing facilities for collegiate and secondary education were excessive—their view being that college and higher secondary education should be the privilege of those who are fitted to benefit by it, or are in a position to pay for its cost—and, *secondly*, that there was much waste of money, as well as misdirection of energy, in the present system of primary education. In paragraph 95 of that Committee's report the following significant passage occurs: "It is a striking commentary on our educational policy that while the State only spends 88 lakhs on primary education, the concern of millions, it spends as much as 60 lakhs on secondary and collegiate education from which only a fraction of those millions is capable of benefiting."

110. *Government Intermediate Colleges.*—In the annual departmental reports of the last few years on the progress of education in the Punjab attention has been drawn to the tendency towards a decline in the number of scholars seeking collegiate education. This has been apparent both in Government colleges and in private aided and unaided colleges. The Department has been drawing attention to the fact that little or no increase is now to be expected in the demand for collegiate education on the men's side and that there is in fact a slow but gradual decline in the numbers seeking admission to the University type of education. The report for 1935-36 in commenting on this decline states that it bears out the general conclusion that the increasing unemployment of University graduates is slowly reacting on the numbers being enrolled in colleges, and parents are beginning to realize that little or nothing is to be gained by spending money on the higher education of their sons. We have examined the case of collegiate education, particularly that imparted at Intermediate Colleges in the province. In his evidence before us the Director of Public Instruction gave it as his opinion that the number of colleges had increased so much in the Punjab that the need for Government Intermediate Colleges, even if it were real at any time, had largely disappeared. He was personally of opinion that the Inter-

mediate College was a useless type of institution. We consider that these Intermediate Colleges have never represented a proper type of educational institution, and at any rate there is no need for these Government-run colleges now because there are plenty of private colleges functioning in the province. We, therefore, recommend that all Intermediate Colleges, except those situated at Rohtak and Campbellpur, should be abolished. We also examined the case of the Degree College at Shahpur and are definitely of opinion that this institution is not serving a real need in the locality in which it has been established and that it too should be closed down. The net saving to Government would be about Rs. 1½ lakhs.

111. *Government High Schools.*—We have also considered the case of secondary education and the Government High Schools. The Hartog Committee found that the number of high and middle English Schools in the Punjab is excessive in comparison with that in most other provinces. There are Government High Schools situated at places where there exist a fair number of competent private schools. The normal cost of a Government High School is, we are informed, between Rs. 12,000 and Rs. 15,000 per annum. There are no less than 92 High Schools for boys now existing in the province. As already remarked, at most of the places at which these Government Schools exist there are 3 or 4 other schools which are often State aided. We are not convinced of the need for retaining Government High Schools at places where there already exist a number of denominational schools, such as those at Gujranwala and Ferozepore, nor are we in favour of retaining schools which attract a small number of students, such as the one at Rupar. We recommend that at least 15 Government High Schools be now closed down. In selecting the schools for closure the Education Department should pay regard, among other things, to the following facts, *firstly*, whether other good private schools are already functioning in the same locality, and *secondly*, whether there is a sufficiently large number of pupils on the rolls of the school to warrant the retention of the school by Government. If the number of pupils is below 200 the Committee think there is a *prima facie* case for closure. This would result in a saving of at least Rs. 1,80,000.

112. *Grants-in-aid for Primary education.*—We do not favour any reduction in the present expenditure on grants-in-

aid for primary education but we think that the system of making such grants should be examined with a view to producing better results.

113. *Assistant District Inspectors of Schools.*—In his evidence the Director of Public Instruction stated that it was not possible to reduce the number of Assistant District Inspectors of Schools, rather he would prefer to have a larger number. In his opinion an Assistant District Inspector should inspect a school three times in a year, but on account of the small number of Assistant District Inspectors of Schools that could not be done at present. We, however, feel that the present number of Assistant District Inspectors of Schools is unduly large and should be reduced so as roughly to approximate to the number of tahsils in the province—the idea being to allow one Assistant District Inspector per tahsil.

114. *Assistant District Inspectors for Physical Training.*—We consider the case of the Assistant District Inspectors for Physical Training. The Director of Public Instruction did not think that these posts could be abolished as it would be a retrograde step in education. These Assistant District Inspectors also gave an incentive to the rural population, as regards physical training generally. While fully conscious of the desirability of securing physical fitness among the young, we are not convinced of the utility of the system of imparting physical training through the Assistant District Inspectors of Schools for Physical Training. As this comparatively new system is yet at an experimental stage, the majority of us are not convinced of its utility and are in favour of the total abolition of these posts at once. Some of us are of opinion that there ought to be a large reduction in the cadre of these Assistant District Inspectors of Schools for Physical Training.

115. *District Inspectresses of Schools.*—We found that there was a total absence of any contact or co-operation between District Inspectors of Schools on the men's side and the District Inspectresses. We recommend that steps be taken to bring the District Inspectresses into closer touch with the machinery of District Board education.

116. *Deputy Inspectors of Schools.*—We also examined the case of Deputy Inspectors of Schools. In the opinion of the Director of Public Instruction the posts of two Deputy Inspectors in each division were absolutely justified, as they had to cope with the increased work. He explained that

under the present system detailed inspections had to be carried out. If, therefore, detailed inspections had to be carried out, the present machinery must be maintained. The Director of Public Instruction pointed out that the question whether annual inspections were necessary was under discussion. He thought that if this system were changed two Deputy Inspectors would still be necessary. He, however, pointed out that the detailed inspection was sometimes useful, and it was an advantage for the inspecting staff to discuss matters with the local gentry. But the question of the scope of annual inspection was under consideration. We consider that there is an excess of Deputy Inspectors of Schools and that it should suffice to have one per division, the second post being brought under reduction.

117. *Inspector of Training Institutions.*—In his evidence before us the Director of Public Instruction thought that the post of Inspector, Vernacular Education, was necessary for the purpose of co-ordinating vernacular education in the province. The Inspector also acted as adviser to the Director of Public Instruction. The Director did not think that this post could be suitably filled by an officer of the subordinate service or that the posts of Inspector of Training Institutions and Inspector, Vernacular Education, could be combined. We have examined a list supplied by the Director of Public Instruction, showing the duties which are being performed by the Inspector of Training Institutions and by the Inspector, Vernacular Education. We are not convinced of the need for the post of Inspector of Training Institutions and strongly recommend that it be abolished.

118. *Deputy Inspectors of Schools for Rural Science.*—It was found that there were in existence two posts of Deputy Inspectors of Schools for Rural Science—one for the Western part of the Province and the other for the Eastern part. In his evidence the Director of Public Instruction said that there was enough justification for these posts, their duties being to inspect all those schools to which farms were attached where rural science was taught. There were between 200 and 300 such schools. He did not think that Agricultural Assistants could carry out these duties. We fail to see the necessity for these posts and accordingly recommend their abolition. We suggest that such help as these Deputy Inspectors render to the schools could easily, and withal more usefully, be given by Agricultural Assistants.

119. *Government College, Lahore.*—We considered the case of the Government College at Lahore and were generally of the opinion that this College has a strikingly large and numerous staff of Professors and Lecturers who are at the moment very highly paid. We are informed that at this College the average number of 45-minute periods (teaching, tutorial work and other intra-mural activities) per week for each member of the teaching staff is 22. It is realised that in course of time the pays of the staff will be reduced as the old hands fall out and new recruitment takes place on the revised scales of pay. But we also feel that on the whole by increasing the number of working hours for Professors and Lecturers, it should be possible to bring about a reduction in the staff attached to this College.

#### MEDICAL DEPARTMENT.

120. *Growth of expenditure on medical relief.*—In 1921-22—the opening year of the Montagu-Chelmsford reforms—the Punjab Government spent a sum of just under Rs. 32 lakhs on medical relief, which represented 3·6 per cent of their total provincial expenditure. By 1939-40 the total provision for medical relief had risen to just under Rs. 55 lakhs and represented 4·6 per cent of the total provincial expenditure, a proportion which was the second highest in India. This is clear evidence that the Punjab Government is fully alive to the need for making adequate provision for medical relief. When examined by us the Inspector-General of Civil Hospitals stated that the Punjab took the lead among major provinces in India in medical relief. This province has on an average a hospital or dispensary for every 24,000 or 25,000 of the population and there is no other major province which has reached this figure. We have examined the expenditure of this Department under its various sub-heads and for the different institutions that are existing in the province.

121. *Amalgamation of Medical and Public Health Departments.*—The first and most important question that came up for our consideration was that of amalgamation of the two departments of Medical and Public Health. The Retrenchment Committee of 1931 had recommended this amalgamation for the reason that it appeared to them to be a step dictated by commonsense and also as a measure of economy. Their recommendation was that at the head of the two departments there should be one officer to be designated Chief Medical Officer of Government, and that he should have under him on the Medical side an officer corresponding to the

Assistant Inspector-General of Civil Hospitals and on the Public Health side an officer corresponding to an Assistant Director of Public Health. This amalgamation was to result in the retrenchment of one of the two posts of Inspector-General of Civil Hospitals and Director of Public Health, of four posts of Assistant Directors of Public Health and a corresponding reduction in clerical establishment and general charges. In their orders on that Committee's report Government stated that it had not been found practicable to give effect to this proposal. In his evidence before us the Inspector-General of Civil Hospitals gave it as his opinion that now that the Public Health Department had expanded and found its feet, the time would soon come when the Medical and Public Health Departments should be amalgamated in the interest of efficiency of work and better control. He doubted if the province was ready for it yet but favoured closer co-operation. To start with he favoured amalgamation at the top with a Chief Medical Officer having a deputy on the preventive and curative sides. The Inspector-General thought that the posts of Assistant Directors of Public Health could be centralised. He did not think that Civil Surgeons could take up the supervision of the Public Health staff in the districts for various reasons. We have carefully considered the matter and recommend that the superintendence of the Medical and Public Health Departments should be amalgamated in the following manner. There should be one Chief Medical Officer for the whole province with two deputies—one of whom would be in direct charge of the Medical side with Civil Surgeons under his control, and the other would be in charge of the Public Health side with District Medical Officers of Health under him. The existing Assistant Directors of Public Health for Circles would not then be necessary.

122. *Cost of Superintendence.*—Under the head Superintendence which represents the office of the Inspector-General of Civil Hospitals, it was found that the Punjab spends slightly over Rs. 1½ lakhs a year. Madras is the only province which spends more than this amount and has a larger office. We feel that there is need here for a close scrutiny of the expenditure in order to see whether there is any possibility of reducing it.

123. *District Medical Officers.*—Under the sub-head District Medical Officers which includes the staff of Civil Surgeons, Assistant Surgeons and Sub-Assistant Surgeons, the Punjab spends nearly Rs. 9½ lakhs, a figure which is only



exceeded by the United Provinces. Considering its population and the number of districts in the province, the strength of the Government paid district medical staff in the Punjab appears to be easily the highest in India. Even allowing for the fact that this province is ahead of other provinces in the extent of its arrangements for medical relief, the conclusion is unavoidable that other Governments in India have devised means of keeping down their expenditure in this direction, while at the same time providing adequately for the medical needs of the people.

124. *Control of rural dispensaries.*—Civil Surgeons are normally required under the existing orders to carry out inspections of rural dispensaries. But as their other duties require them to stay at head-quarters, the work of inspection of rural dispensaries suffers. We learn that, as an experimental measure, not only the inspection but the entire control of rural dispensaries in five districts of the province was placed in the hands of District Medical Officers of the Public Health Department, who were made responsible for seeing that the doctors in charge of these dispensaries toured within 5 miles of their dispensaries and carried out such preventive and curative duties as they could among the population. The main argument advanced in favour of this scheme was that Civil Surgeons were tied down to their head-quarters, whereas District Medical Officers were touring officers and could perform this work as part of their routine duties. We understand that the experiment has proved a success and it has been decided to extend its scope to other districts, as funds become available wherewith to pay the travelling expenses of the dispensary doctors. We strongly recommend that not only the work of inspection but the entire control of all rural dispensaries should be transferred from Civil Surgeons of the Medical Department to District Medical Officers of Health in the Public Health Department in the interest, firstly, of efficiency of work, and, secondly, from the point of view of giving some relief to the Civil Surgeons to perform their more important functions at district head-quarters. We were informed that in view of their multifarious duties the Civil Surgeons are unable to attend to *post-mortem* cases themselves. We recommend that it would be better if the Civil Surgeons themselves handled all this important type of work.

125. *Reduction in the number of I.M.S. officers.*—On the subject of the recruitment to superior posts in the Medical

Department which are no longer reserved for the I.M.S., the Inspector-General of Civil Hospitals in his evidence before us agreed in general that the Government should lay down a definite policy to choose the best men available from whatever source, for all such non-reserved superior posts, whether they had hitherto been held by the I.M.S. or P.C.M.S. We recommend that, as vacancies occur in the list of posts at present held by I.M.S. officers in the Punjab Medical Department which are not borne on the cadre of that service nor reserved for members of that service in this province, these should be so filled as to reduce their number to zero, i.e., no I.M.S. officers should be appointed to the posts not reserved for them, when these fall vacant by the retirement, transfer or death of the present incumbents. It was further noticed from a resolution of the Government of India, Defence Department, No. 205, dated the 25th March, 1937, that the Secretary of State and the Government of India had definitely agreed that the number of I.M.S. officers in civil employ in the Punjab should be 17 and no more. We observe that at present the number of I.M.S. officers in the province is 36, i.e., far beyond what was contemplated (21 posts) even under the regulations framed by the Secretary of State under Devolution Rule 12 as published in Government of India, Departments of Education, Health and Lands, notification No. F-9-3/32, dated the 12th October 1932. We are strongly of opinion that immediate steps should be taken to secure as rapidly as possible the reduction of the number of I.M.S. officers in civil employ in the Punjab to 17.\*

126. *Reduction of cadre of Assistant Surgeons.*—The Inspector-General of Civil Hospitals agreed that now that men with the M.B., B.S. qualification were available for the posts of Sub-Assistant Surgeons, it should be possible to reduce the cadre of Assistant Surgeons. We agree with the Inspector-General's opinion and recommend that as vacancies occur in the cadre of Assistant Surgeons, and provided suitable applicants with M.B., B.S. qualifications willing to be appointed on the scale of pay of Sub-Assistant Surgeons are forthcoming, such appointments should be filled up by those applicants, who should be appointed on the scale of pay prescribed for Sub-Assistant Surgeons. This would result in the gradual reduction of the existing cadre of Assistant Surgeons.

127. *Honorary Physicians and Surgeons.*—We notice that the Retrenchment Committee of 1931—see paragraph 116

\*Rai Bahadur binda Saran considers that in the case of all services the actual number of posts should not exceed the sanctioned cadres of those services.

of their report—recommended the adoption of the system of employing honorary physicians and surgeons in the Government hospitals and medical schools both as making for economy and as encouraging the growth of a class of medical practitioners outside the State medical services. The Inspector-General of Civil Hospitals pointed out that one factor which contributed towards the increased cost of the Medical Department in the Punjab and the greater number of district medical officers was that in this province medical relief was afforded to the public by means of whole-time Government-paid doctors, while in some other provinces the Government-paid staff was augmented by private medical practitioners. The Inspector-General was of opinion that this system should be developed in the Punjab, and recommended the grant of stipends or subsidies to private medical practitioners so that they could be induced to come in. He thought that at least Rs. 50 per mensem should be given as a subsidy. In his opinion if these subsidized practitioners were given an adequate subsidy, satisfactory results could be achieved, but if they were not given adequate remuneration, the whole scheme might fail. He was contemplating asking for a lump sum grant to try this experiment. If this experiment succeeded in the rural areas, the Inspector-General of Civil Hospitals thought that a certain number of rural dispensaries might be transformed into subsidized dispensaries. He did not think that many more rural dispensaries were needed, but there was great need for subsidized medical practitioners. We support the proposal of the Inspector-General of Civil Hospitals and strongly recommend that arrangements be made to give it a trial in this province.

128. *Indian Nursing Sisters.*—It was noted that the scale of pay of Indian Nursing Sisters in the Punjab hospitals is lower than that for European Nursing Sisters. We accordingly recommend that both in order to encourage Indian women to take up the nursing profession, and also in the interest of economy, steps be taken when vacancies occur to recruit some Indian Nursing Sisters to the Government hospitals in this province. We would go further and suggest that instead of the existing system of recruiting all Nursing Sisters in England, some of the Staff Nurses employed in Punjab hospitals might be sent to England for proper training and recruitment thereafter as Nursing Sisters. We contemplate that in this way the present number of Nursing Sisters recruited from England might be reduced to about half.

129. *Leper Asylums.*—In the course of his evidence before us the Inspector-General of Civil Hospitals remarked that the greater proportion of the patients in leper asylums in the Punjab were residents of other provinces or Indian States, and he suggested that those provinces and Indian States should be asked to contribute the cost of their maintenance. A large sum of money was involved. We agree with this opinion and recommend that other provinces or States should be asked to contribute towards the cost of maintenance of their lepers in the Punjab. Indeed this is now the accepted principle in the matter of claims between provinces in India for services rendered by the one to the other.

130. *Police Hospitals.*—The Inspector-General of Civil Hospitals brought to our notice that one of the recommendations of the Conference of Civil Surgeons which met in Lahore in March, 1938, related to Police hospitals. The Conference considered that the system of maintaining a separate Police hospital is inefficient and wasteful, both from the point of view of buildings and of staff. The recommendation was that instead of separate Police hospitals, special accommodation should be provided for the Police at district head-quarter hospitals as is now done in a few cases, but that the morning sick parade should continue to be held at the Police lines. The Inspector-General of Civil Hospitals supported this recommendation of the Civil Surgeons' Conference. We agree with this opinion and recommend that the separate Police hospitals should be closed and special accommodation be provided or set aside for the Police at district head-quarter hospitals.

131. *King Edward Medical College at Lahore.*—Turning to specific Medical institutions, we find that on the King Edward Medical College at Lahore the Punjab Government spends about Rs. 4½ lakhs a year. This is much more than what the Governments of Bombay and Bengal spend on their State medical colleges. In his evidence the Inspector-General of Civil Hospitals stated that, though he had not yet had time to make a detailed comparison with other provinces, his impression at the moment was that the King Edward Medical College was a fairly expensive institution. Furthermore, the provinces of Bengal and Bombay realise as fees from the students attending their institutions sums representing more than 70 per cent of the total expenditure on the colleges. In the Punjab the fees so realized are less than 20 per cent of

the expenditure incurred on the Medical College. We would make two recommendations here. Firstly, that the strength of the staff and scale of expenditure of the King Edward Medical College be carefully examined by Government and steps taken to reduce it where possible: Secondly, that the question of enhancing the fees be seriously considered. On this point the Inspector-General of Civil Hospitals thought that the tuition fees in the medical institutions in the province might be capable of being raised to some extent, but he was not yet in a position to give a definite opinion on the point.

192. *Medical School at Amritsar.*—It was represented to us that a large number of men were passing out from the King Edward Medical College at Lahore with the M.B., B.S. qualification who were not able to secure Government appointments as Assistant Surgeons. Most of these men were available for the posts of Sub-Assistant Surgeons. One result of this surplus of qualified doctors is that there is no longer any need to perpetuate the Sub-Assistant Surgeon grade for men, seeing that men with the M.B., B.S. qualification are forthcoming. The question arises—what need is there then to continue the Medical School at Amritsar, whose main purpose is the production of Sub-Assistant Surgeons? We agree with the view of the Inspector-General of Civil Hospitals and recommend the closing down of the Amritsar Medical School. In this connection we would refer to the views of the previous Retrenchment Committee of 1931 on this subject, which are quoted below:—

"We are informed that at present the supply of Sub-Assistant Surgeons exceeds the demand. From our own experience we know that the Assistant Surgeons are prepared to take posts on pay designed to attract Sub-Assistant Surgeons. We can see no object in spending money in producing a product for which there is no demand outside Government service, when the supply already exceeds what the requirements of Government service can absorb, and a product which, though only half-trained, competes with the properly-qualified product of the Medical College. We recommend therefore that no fresh admissions be made to the school and that it be closed down when the present classes finish. If there is a demand for it on the part of students, we recommend that the Medical College should increase the number of admissions to its degree classes. We believe that this can be done without increasing the existing staff of the College."

Apart from the question of economy we would point out that it would be a wiser and more prudent policy for Government to have better trained medical practitioners.

193. *Punjab Medical School for Women at Ludhiana.*—Our attention was drawn to a very large annual recurring grant of Rs. 94,500 which is made by the Punjab Government to the Punjab Medical School for Women at Ludhiana. We were informed by the Inspector-General of Civil Hospitals

that the authorities at Ludhiana maintained both a school and a teaching hospital. He proposed that in future the Government grants should be given on a *per capita* basis for the Punjabi students in the School and on a per bed basis to the Hospital. The proper amount of the grant should be worked out roughly on the basis of cost per head and per bed obtaining at the Medical School and teaching hospital at Amritsar. It is understood that the subject of this grant is being considered by Government and some reduction in expenditure is contemplated.

134. *Grant of Punjab Government towards Ranchi Mental Hospital.*—We notice that the Punjab Government pay annually to the Government of Bihar a contribution amounting to about Rs. 40,000 towards the expenses of the Ranchi European Mental Hospital. This represents the amount payable on account of the cost of maintenance of patients from the Punjab admitted to the Ranchi Hospital. We were informed that this arrangement had been in existence for some years, and that the contributions of the various Provincial Governments were calculated on the number of European patients sent by them to Ranchi. The Punjab has its own fully equipped Mental Hospital at Lahore, but we understand that suitable accommodation does not exist there for European patients. Moreover, the Punjab Government appears to have given an assurance to the Government of India about 20 years ago that it would contribute towards the cost of the Ranchi Hospital. We suggest that Government should examine the question whether it is possible to make some reduction in its expenditure under this head. There is, however, the consideration that if a Mental Hospital for Europeans were to be established within the province, the cost may be more than the present contribution. We would recommend that this question be carefully considered with a view mainly to a more economical arrangement being devised.

135. *Cost of diet in hospitals.*—While examining the expenditure of the Medical Department some opinions were expressed that a great deal of expenditure was being incurred on the cost of diet in Government hospitals. The Inspector-General of Civil Hospitals was addressed on the subject and asked whether it would be possible to effect any reduction in the existing expenditure on this account in view of the fall in prices. That officer states that this matter has been

fully considered by Civil Surgeons and Medical Superintendents of the important hospitals. The allotments for diet have always been very meagre and have been further reduced recently. The consensus of opinion is that no further reduction is possible. We were informed that in the case of Government hospitals in Lahore articles of food-stuffs are obtained by the tender system, and the rates quoted must vary according to the current market rates. In the circumstances nothing further is possible in the direction of reducing the expenditure under this head.

136. *Purchase of medicines for hospitals.*—The several hospitals in the Punjab incur substantial expenditure annually on the purchase of medicines. There are two sources of supply, firstly through the Military Department from the Medical Store Depôt at Lahore Cantonments, and secondly English medicines purchased locally. The expenditure so incurred exceeds Rs. 2 lakhs a year, of which about Rs. 1½ lakhs is for medicines obtained from the Medical Store Depôt under the control of the Military Department. These purchases are made under standing orders issued by the Punjab Government. It is often represented that the same kinds of medicines, and of equal quality, can be purchased much cheaper in the local market. If this be the case, the question naturally arises—why not withdraw the existing restrictions on purchase in the local market and so save the Government a certain amount of the expenditure it now incurs on purchases made from the Military Department? The Inspector-General of Civil Hospitals gave it as his opinion that the present system of purchasing medicines through the Medical Store Depôt was the only reliable one. The medicines purchased through the Medical Store Depôt were subject to very careful examination and test and were therefore guaranteed to be of the purest quality. He did not think it practicable to purchase these medicines in the open market unless an elaborate system of test and check was set up, which would involve a good deal of expenditure. We consider that at the moment no change is called for in the existing arrangements.

#### PUBLIC HEALTH DEPARTMENT.

137. *Growth of expenditure on Public Health.*—The expenditure on Public Health in the first year of the last Reforms, namely, 1921-22, was Rs. 10,73,000. It rose to Rs. 14,87,000 in 1924-25, to Rs. 16,31,000 in 1925-26 and to Rs. 22,57,000 in 1926-27. For some years after this provision for the

Rural Sanitary Board came to be included under this head and resulted in an addition to the annual expenditure of anything from Rs. 3 to Rs. 7 lakhs. That provision finally disappeared from this head in 1933-34. Provision was also made for the first time in 1929-30 for 34 District Medical Officers, 15 more Sanitary Inspectors, increased Travelling Allowance and Contingencies amounting in all to Rs. 3½ lakhs. A considerable portion of the expenditure under this head is subject to sudden variations. If there arises an epidemic of plague or a sudden outbreak of malaria or smallpox occurs, the expenditure immediately goes up. On the other hand, if epidemics are absent and healthy years supervene the expenditure goes down. The annual expenditure of this Department is now about Rs. 21½ lakhs, not including the provision for the special development programme recently started. That is to say, it has doubled in 19 years. In 1921-22 the Punjab was spending on public health measures 1·2 per cent of its total expenditure. The larger provinces were spending from 1·9 to 2·5 per cent. The Punjab is now devoting 1·4 per cent of its total budget provision to this head. Other provinces have increased their expenditure in the same proportion.

138. *Status of the Personal Assistant to the Director of Public Health.*—In his evidence before us the acting Director of Public Health stated that the post of Assistant Director of Public Health in charge of (Technical) Vaccination had been abolished, but that there were now four Assistant Directors—three being in charge of circles and the fourth holding the combined charge of Personal Assistant to the Director of Public Health and the Epidemiological Bureau, with the designation of Assistant Director of Public Health—Epidemiology. Dr. Butt explained that the posts of Epidemiologist which was in the cadre of District Medical Officers of Health and of Personal Assistant to the Director of Public Health had been combined. What had actually happened, therefore, was that the former Assistant Director of Public Health (Technical) Vaccination, had become Assistant Director of Public Health, Epidemiology, and was also working as Personal Assistant to the Director. There had, therefore, been no real reduction in the number of Assistant Directors' posts. In this connection we would draw attention to the views of Mr. Bradford, the former Secretary in the Medical and Local Government Departments, who thought that a District Medical Officer of Health should be employed at head-quarters as Personal Assistant to the Director of Public



Health, instead of the Assistant Director of Public Health. The Department had, however, held in abeyance the separate post of Epidemiologist which was on the cadre of District Medical Officers of Health and combined its duties with the post of Personal Assistant to the Director. In effect a post of Assistant Director of Public Health had been retained at head-quarters and not that of District Medical Officer of Health. We consider that it will be sufficient to have at head-quarters as Personal Assistant to the Director an officer of the status of District Medical Officer of Health, instead of an Assistant Director of Public Health and we recommend that steps be taken to this end.

139. *Amalgamation of Public Health and Medical Departments.*—The most important matter affecting this Department is that of its amalgamation with the Medical Department, in so far as the direction and superintendence is concerned. We have dealt with that point in our recommendations concerning the Medical Department. Here it will suffice to say that under our proposals the direct control of the Public Health Department will vest in an officer of the rank of a Deputy Director who will have under him the present staff of District Medical Officers of Health. But the present Assistant Directors of Public Health would disappear.

140. *Public Health Chemist.*—We were informed by the Director of Public Health that there were now two Public Health Chemists. The scale of pay of the Public Health Chemist was Rs. 225—15—450 and that of the Assistant Public Health Chemist Rs. 120—10—160. The Assistant was appointed only recently as the work of analysis of food-stuffs, etc., had increased very much and the Public Health Chemist could not cope with it single-handed. The Public Health Chemist was working as Public Analyst for various local bodies who had appointed him as such by formal resolutions which had been later confirmed by Government. All such local bodies sent him samples of food-stuffs for examination purposes. The fees charged from local bodies were divided between the Public Health Chemist and the Government in the proportion of 60 : 40, respectively. The opinion has been expressed that the entire fees may be appropriated by Government, but such a view did not command general acceptance for obvious reasons, and we do not feel that sufficient justification exists at present for so drastic a change.

## AGRICULTURE DEPARTMENT.

141. *Growth of expenditure on Agriculture.*—The total expenditure of the Department of Agriculture in 1921-22 at the commencement of the last Reforms was Rs. 17,12,000. This came down slightly in the next three years. But the year 1925-26 saw the advent of the Punjab Government's programme of development and expansion of this Department. Whereas the budget allotment for 1924-25 had been Rs. 16,93,000 only, the budget for 1925-26 made provision for an expenditure of Rs. 22,11,000. Of this, however, only a little over Rs. 19½ lakhs was actually spent. The next year, 1926-27, saw a further increase in the budget provision, with the result that the actual expenditure of that year was Rs. 24,53,000. In the following year, 1927-28, the Punjab Government continued their policy of expansion and development and provided for an expenditure of Rs. 28½ lakhs of which Rs. 26,81,000 were spent. This practice continued during the next three years 1928-29, 1929-30 and 1930-31 when the expenditure averaged Rs. 30½ lakhs. In the year 1931 came the slump in prices, and the Punjab Government were forced to adopt a policy of contraction of expansion and indeed of severe retrenchment. This is clearly evident from the expenditure figures of the years 1931-32 and onwards. In the last two years there has been some slight improvement in the position, but it must be remembered that the main and practically speaking, the only reason for any increase of the figures of total expenditure under this head since 1935-36 is that specially high provision is being made for provision of improved seeds, from which indeed a corresponding return is expected. In 1935-36 a sum of Rs. 5 lakhs was so provided, against Rs. 3½ lakhs in 1934-35, while in 1936-37 this sum was increased to Rs. 7½ lakhs. For the current year the provision has been increased to Rs. 10 lakhs.

142. *Recommendations of previous Retrenchment Committee.*—The Retrenchment Committee of 1931 when dealing with this head drew attention to the large increase in expenditure that there had been in recent years in this Department. They pointed out that in 1921-22 the total expenditure had been Rs. 14½\* lakhs and that in 1931-32 it had risen to Rs. 25½ lakhs. That Committee arranged in the following order of relative importance the main activities of the Department.

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\*It was actually Rs. 17,12,000.

The cost of each as appearing in the budget of 1931-32 is compared with the amount provided in the current year's (1939-40) budget :—

	<i>Cost in 1931-32.</i>	<i>Provision in 1939-40.</i>
	Rs.	Rs.
(1) Research .. .. .	8,60,000	6,76,000
(2) Agricultural Stations ..	2,84,000	1,98,000
(3) District work (including seed farms).	12,58,000	20,06,000
(4) Direction .. .. .	1,21,000	1,19,000
(5) Agricultural Education ..	1,90,000	2,41,000
(6) Agricultural Engineering ..	1,07,000	81,000

The Committee of 1931 laid great stress upon the particular directions in which a department of agriculture should function. To quote their words "The principal needs of the zamindar are good seed, good implements and advice about the methods of dealing with crop diseases and insect pests. An agricultural department must, therefore, be equipped for the conduct of research in the laboratory and in the field and have the use of (but not necessarily the control of) an agency for acquainting the zamindar with the results of research. It may also, at any rate in the early stages, undertake the supply and distribution of new varieties of seeds in bulk." The Committee considered that the provision made for research in seeds, implements and disease under items 1, 2, and 6 was adequate, but they felt that the arrangements in regard to propaganda and the production and distribution of seed—item 3—were unnecessarily expensive and of doubtful efficiency. In short, they considered that an expenditure of about Rs. 12½ lakhs on item 3 was excessive.

A study of the figures given above will show that the provision for Research (item 1) has increased by over Rs. 3 lakhs and that for District Work (item 3) has gone up by Rs. 7½ lakhs. Under Research there have been large additions to the superior staff for research work. This increase has been, in a way, quite in accord with the views of the Retrenchment Committee of 1931 as expressed in paragraph 122 of their Report. That Committee considered that the Research staff required strengthening by the addition of specialists of established reputation. They realised that this would

be expensive but thought that in view of the large economies which the acceptance of their other proposals would bring about, it was expense which the province can and should afford. They were prepared to see the provision for the Research Institute increased to Rs. 5 lakhs. It has actually increased to Rs. 6½ lakhs. The cost of the superior Research staff has nearly doubled since 1933-34. The new posts created are an Assistant Physiologist, an Agriculturist, a Soil Physicist, a Marketing Officer and 3 Assistant Marketing Officers, 2 Extra Assistant Directors of Agriculture for Fruits, an Assistant Horticulturist, a Plant Physiologist, a Sugarcane Specialist and 2 Entomological Officers. There have been large additions to the subordinate establishment also the provision for which has increased by Rs. 30,000. Consequent increases also occur in the allotments for Travelling Allowance and Contingencies to the extent of about a lakh of rupees.

Under District Work the main reason for the increase is the large provision of Rs. 10 lakhs (against Rs. 3 lakhs made in 1931-32) made for providing improved seeds. This does not really represent additional expenditure, for Government generally realises as much on the receipt side of the Agricultural Department's budget from the sale of such improved seeds. The Committee of 1931 were clearly not in favour of the existing organisation of this Department in the matter of district work. They commented on the very large increase there had been in the number of Extra Assistant Directors of Agriculture, Agricultural Assistants, Mukaddams employed on district work, in other words, large provision for purposes of propaganda and of production and distribution of seed. In their opinion the province was not getting value for money from this expenditure. That Committee recommended the utilisation of the civil authorities of the district as far as propaganda work is concerned and continuing the agricultural staff for purely agricultural work. This recommendation of the Retrenchment Committee of 1931 involved the disappearance of 13 district farms. The Committee agreed to the retention of research stations and seed farms for the production of seed. The Punjab Government in its report on the Committee's recommendations stated that a large number of posts had been retrenched, and the number and staff of farms reduced. In 1931-32 there were 15 Extra Assistant Directors of Agriculture, 152 Agricultural Assistants and 246 Mukaddams. It seems that since 1933-34

when the cost of this head was Rs. 8,99,000 there has been a certain amount of increase, for the special provision for seed operations accounts for only Rs. 7 lakhs out of the increase of Rs. 11½ lakhs. The remaining Rs. 2¼ lakhs require to be explained.

143. *District Work.*—On District Work the Punjab Government spends easily the highest amount in India. The Punjab appears still to have the largest staff of Extra Assistant Directors of Agriculture, Agricultural Assistants and Mukaddams. We doubt whether all these additional officers and the consequent increased expenditure on research are justified. The Director of Agriculture in his evidence before us laid particular stress on the great usefulness of his Department to the agriculturist, particularly of the Research section. His view was that the Punjab was far ahead of other provinces so far as the Department of Agriculture was concerned, and he said that he would Depreciate any action at cutting down the present scale of expenditure. He said he could not suggest any economy in his Department's expenditure without definitely doing harm to their activities; rather there was likely to be a very large increase in his next budget. The Director explained that the net expenditure of the Department of Agriculture in 1936-37 worked out to be 5·9 pies per acre, and he did not feel that for a department which was connected with the major industry of the province like agriculture, this expenditure was on an excessive scale. It was stated by the Director of Agriculture that very heavy retrenchments were effected in 1931 in his Department, so that every possible economy had been made. Experience had shown that some of the economies effected had definitely retarded their activities. They had, however, regained their position after considerable effort.

The Director explained that the functions of his Department could be described under three heads, namely, teaching, research and district demonstration and propaganda and, as already observed, he could not point out any avenues of saving under any head. As regards the District Work, the Director explained that the province was divided into seven circles each of which was in charge of a Deputy Director of Agriculture. Recruitment to the posts of Deputy Directors of Agriculture was originally made by the Secretary of State. Each Deputy Director of Agriculture had under him an average of two Extra Assistant Directors of Agriculture, the total number of posts being 14, one of which was added

during the current year. The Extra Assistant Directors of Agriculture were qualified graduates from an Agricultural College and several of them had obtained further degrees from Universities in Great Britain and had done post-graduate courses at the Imperial Agricultural Research Institute in India. Then there were 316 posts of Agricultural Assistants (207 permanent posts and 109 temporary), and 376 posts of Mukaddams (237 permanent and 139 temporary) in the Department for all purposes. The duties of the Mukaddams were to give demonstrations to farmers on their own cultivated lands and to show and explain to them how to carry on improvements. These Mukaddams were all trained at Lyallpur, and after that training they were posted to one of the Department's farms where they got practical experience. Afterwards they were sent into the districts to demonstrate what the departments did and recommended. They were, therefore, well in touch with all the improvements to be recommended to the ordinary cultivators.

The Director further explained that there were three kinds of farms maintained by the Department, namely :—

- (1) Large farms at the head-quarters of Deputy Directors of Agriculture, usually consisting of about 500 acres of land, which were purely experimental (Rawalpindi and Gurdaspur farms are only about 250 acres each, whilst Jullundur is only about 160 acres). On them research was carried out to discover improved varieties of seeds, methods of cultivation, etc. Such farms were situated at Lyallpur, Rawalpindi, Gurdaspur, Jullundur, Montgomery and Hansi.
- (2) Seed farms which were run on commercial lines; the improved seeds evolved at the experimental farms are multiplied on these farms. These farms not only provide the cultivators with good seed but also are a source of income to Government.
- (3) Small district farms.—These farms were established with the twofold object of providing facilities for the research staff to carry out experiments to test the local applicability of the results obtained at the central experimental farms and of providing facilities for tenants to cultivate land under the directions of the Department

according to the improved methods. The functions of these farms were regarded as subsidiary to the large experimental farms.

The Director finally stated that he was convinced that the whole of the staff employed in his department was fully occupied and was pulling its full weight, and he felt that there was no room for any economy which would matter financially.

In 1921-22 the Punjab was spending on its Department of Agriculture 3·6 per cent of its total expenditure. The Central Provinces and Berar came next with 2·9 per cent. By 1933-39 the Punjab had increased its figure to 5·8 per cent. The United Provinces came next with 3·7 per cent only. These figures give some idea of the very high standard of the Punjab Government's expenditure on their Agriculture Department. We are conscious of the high efficiency at which this Department is aiming, with increasing record of success, but even so we are also of the opinion that the expenditure on agricultural farms can be easily cut down without any detriment to the real activities of the Department, and a reduction of at least 15 per cent in the present expenditure on these farms can be secured. In this connection we would also draw the attention of Government to the recommendations of the last Retrenchment Committee contained in paragraph 121 of their Report which we reproduce below:—

"This recommendation involves the disappearance of the thirteen district farms. They will, we believe, die unlamented by the samindar who has never taken any advantage of them. We propose that the Agricultural Department should retain its research stations and seed farms. These will provide facilities for the trying out of the suitability of new kinds of seeds to local conditions, while as a means of introducing to the samindars new varieties, the value of which has been established, we consider that the agency of the Deputy Commissioner is the best available. We recommend that the existing seed farms with the addition of five of the present research stations should be retained for the production of seed. But we should add a rider that these farms should be self-supporting as a whole. There seems no reason why they should not be. The question, however, whether as good results would not be attained by leasing these farms to private individuals as by leaving them under the department, deserves serious consideration. It is desirable in our opinion to keep down the number of institutions under departmental control to the minimum. The lease conditions would of course provide for the requirements of the department in the way of the production of the desired varieties of seeds being met. We think that the needs of the research side of the department will be sufficiently met by the retention as research stations of the farms at Lyallpur, Gurdaspur, Rawalpindi, Kala Shah Kaku (for rice) and an additional farm for the peculiar conditions of the south-east Punjab. We gather that neither Hansi nor Sirsa is ideal for this purpose."

144. *Direction*.—The Retrenchment Committee of 1931—see paragraph 125 of their Report—were definitely

against the appointment of a specialist to the charge of this department and considered that a scale of pay of Rs. 1,750—2,000 would be sufficient for the post of Director of Agriculture. They contemplated that expenses under Direction should not exceed Rs. 50,000 as against the Rs. 1,21,000 that it then was. A comparison with other provinces of the strength and cost of the Direction staff shows that the Punjab is the second highest in India. When questioned by us whether it was not possible for the Director to have as his Assistant an officer of the Provincial Service, instead of the I. A. S., the Director stated that he did not think it possible to appoint a Class II officer instead of a Class I officer as Assistant Director of Agriculture. The Director was of opinion that the Punjab was much in advance of other provinces in India in the matter of agricultural improvements and, therefore, it was not reasonable to compare the establishment employed in the Agricultural Department in the Punjab with that in other provinces. In any case, we were informed by the Director that on the departure on leave preparatory to retirement of the permanent incumbent of the post of Assistant Director, it had been arranged not to fill this post and the Marketing Officer is now functioning as Assistant Director as well. The result has been a saving of about Rs. 12,000 a year in the headquarters expenditure by combining the post of Assistant Director of Agriculture and the Marketing Officer.

145. *Deputy Directors of Agriculture.*—We have examined the case of the present number of Deputy Directors of Agriculture in the Punjab. In his evidence before us the Director of Agriculture did not favour any reduction in the number of Deputy Directors of Agriculture: rather he wished he could double the number because they wanted the greatest number of cultivators to benefit from the results of their discoveries and this could not be done satisfactorily unless the necessary senior supervising staff was employed. The Director was of opinion that at least the present number of the superior staff to supervise the work was essential in the interest of efficiency. He stated that each Deputy Director of Agriculture had to supervise the work of his staff which included an average of two Extra Assistant Directors of Agriculture, and a large number of subordinate Agricultural Assistants, Muqaddams, and Beldars. It was not possible to increase his area as he had many other duties to perform. These involved a lot of subsidiary functions, such as attending



conferences and organizing and running agricultural shows at rural *melas*. The Director was quite satisfied that the Deputy Directors of Agriculture were fully occupied.

In view of this opinion of the Director of Agriculture we examined the question with particular care and feel that the number of Deputy Directors of Agriculture is in excess of actual requirements. A glance at the composition of these circles, as given below, would show that the distribution is very uneven. The seven Deputy Directors of Agriculture are in charge of the following circles :—

(1) Jullundur .. .	..	Hoshiarpur. Jullundur. Ferozepore. Ludhiana. Kangra. Simla.
(2) Gurdaspur ...	..	Gurdaspur. Amritsar. Gujranwala. Sialkot.
(3) Hansi ..	..	Hissar. Rohtak. Ambala. Karnal. Gurgaon. Delhi Province.
(4) Lyallpur ..	..	Lyallpur. Sheikhupura. Jhang.
(5) Montgomery ..	..	Montgomery. Lahore.
(6) Multan ..	..	Multan. Muzaffargarh. Dera Ghazi Khan.
(7) Rawalpindi ..	..	Rawalpindi. Attock. Jhalum. Shahpur. Gujrat. Mianwali.

It will be noticed that the Multan Circle has only three districts, and the Montgomery Circle consists of two districts, while the Hansi Circle extends over almost the whole of the Ambala Division *plus* the Delhi Province. In our opinion the number of circles can easily be reduced from seven to five without in any way affecting efficiency of control, and we strongly recommend that this be done as soon as possible.

146. *Agricultural College at Lyallpur.*—The Retrenchment Committee of 1931 accepted the need for an Agricultural College and approved of what the Lyallpur College was doing, but thought that there was scope for economy. On the College the Punjab spends Rs. 2,41,000 compared with Rs. 1,49,000 in Madras and Rs. 1,47,000 in Bombay. Bengal has no Agricultural College. The cost of the Agricultural College in the United Provinces is shown as Rs. 3,35,000, but this appears to be due to the fact that the United Provinces put all their Research staff under the head "Agricultural College." While giving a brief description of the activities of the Agricultural College at Lyallpur the Director of Agriculture stated that there were four heads of sections in charge of Botany, Chemistry, Entomology and Agriculture. These heads of sections were Imperial or Class I Provincial Service officers. They were responsible for all the teaching going on in the College. They did a certain amount of teaching themselves in addition to research work. They had under them a big research staff, *e.g.*, in the Entomological Section there was an enormous amount of research going on, and there were for this purpose about 24 Agricultural Assistants who were all studying the life histories of the various insect pests of crops and endeavouring to discover ways and means of controlling them. Then, besides these heads of sections, there were assistant professors who were purely teaching officers; they were not required to do any research work as they had no time for it. The Director finally explained that the research work was very important and they had already done a great deal of useful work and achieved good results. He stated that after very careful scrutiny of the expenditure at the College he could say that there was no scope for economy. On the contrary he pointed out that so far as the teaching activities were concerned, the position was such that they would have to ask for additional funds, rather than give up any, as the number of students had considerably increased. We understand that it is difficult to apportion the exact expenditure on the College because

certain members of the staff are not only teaching officers but are also engaged on research, and various facilities provided are common both to teaching and research. For example, the full pay of the Professor of Botany and the Professor of Agriculture is debited to the College, but the Professor of Botany is also the Department's Research Officer on plant physiology, mycology, etc., while the Professor of Agriculture is, in addition, Deputy Director of a Circle. On the other hand, there are the Agricultural Chemist and the Entomologist whose salaries are charged to Research while both officers are also heads of their teaching sections in the College and both do actual teaching. We have taken into careful consideration all that the Director has stated in favour of maintaining the present scale of expenditure on the College at Lyallpur but we feel that it is unduly high in comparison with what is being spent by other provinces. We would, therefore, urge that the expenditure be carefully reviewed and, if possible, cut down to a maximum of Rs. 1,75,000. The reduction in expenditure proposed on the College would not, we feel sure, hamper the College in its efficient functioning, because it is to be remembered that in addition to expenditure on the College from provincial finances, considerable grants aggregating to Rs. 2,84,000\* are obtained from the Government of India. These grants while they relate entirely to research must to a great extent help the teaching work at the College.

147. *Agricultural Engineering*.—When the Retrenchment Committee of 1931 reported there were two Agricultural Engineers. One of them was also Principal of the Agricultural College. The work of this branch was mainly devoted to investigations into tube-wells and agricultural machinery and implements. The Committee were not altogether convinced of the necessity of this side of the Department's activities in its then existing form. Research on tube-wells was going on both in the Irrigation and Buildings and Roads Branches of the Public Works Department, and the Committee suspected that there was overlapping. They thought that the necessity of retaining this branch of work in the form in which they found it required careful examination. They recommended an immediate reduction of 25 per cent in the cost of the Agricultural Engineering section. As a result the Rock Drilling section was abolished and

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\*These are the figures for the year 1932-33.

a reduction of Rs. 15,000 made in the expenditure on workshop and agricultural design section. The cost was Rs. 65,000 in 1937-38, that is, a reduction of over Rs. 40,000 had been carried out as a result of the recommendations of the Retrenchment Committee of 1931. The post of 1st Agricultural Engineer was abolished. The second Agricultural Engineer, who is now the only Agricultural Engineer in the Department, is attached to the section dealing with boring operations. The provision for this section in the budget for 1939-40 has now gone up to Rs. 81,000. We advise that the cost be kept down to the figure accepted in 1931.

148. *Poultry Farm at Gurdaspur.*—The previous Retrenchment Committee of 1931 had recommended the closing down of the Poultry Farm at Gurdaspur, but the Government had not accepted this recommendation and had approved of its retention subject to certain limits of expenditure. In his evidence before us the Director of Agriculture gave it as his opinion that the Poultry Farm was serving a useful purpose. It was run on a fixed expenditure laid down by Government. We have considered the case of this Poultry Farm with great care. It is costing Rs. 12,000 annually without bringing any return to Government. We are strongly of opinion that the Poultry Farm at Gurdaspur should be closed down at the earliest possible date, as it is not serving any useful purpose. The Poultry Farm was established in order to encourage poultry keeping generally, but, the possibilities of improvement as a result of this Farm are not very clear.

149. *Botanical and other public gardens.*—The Retrenchment Committee of 1931, while admitting that the upkeep of these gardens is in a sense a luxury, did not suggest that Government should abandon responsibility for the upkeep of the Lawrence Gardens and the Shahdara and the Shalimar gardens. They thought, however, that economies were possible and recommended a cut of 25 per cent under this head. The total cost was reduced by Rs. 11,000 in the budget of 1933-34, and that scale of expenditure has not increased since. In fact, one post of Superintendent, Archæological Gardens, has been abolished and the duties merged in those of the Superintendent, Lawrence Gardens. We have no particular suggestion to make as regards these gardens.

## VETERINARY DEPARTMENT.

150. *Constitution of the Veterinary Department and growth of expenditure.*—In an agricultural province like the Punjab the importance of livestock both as to quality and adequacy in number can hardly be exaggerated. The Veterinary and the Animal Husbandry Department has, therefore, an important function to perform. In this province the control of this Department rests with the Director, Veterinary Services, whose office is equipped with the necessary staff. For the direct supervision of the activities of the Department there are five Superintendents, each in charge of a Circle or Division, and under them are Deputy Superintendents, officers under training and the subordinate veterinary staff of Veterinary Inspectors, Veterinary Assistants and Veterinary Assistant Surgeons. There is also a fully equipped Veterinary College at Lahore where teaching and research work are carried on. The College has a Provincial Veterinary Hospital attached to it. Apart from this there are the Mufassil Veterinary hospitals and dispensaries. For the development of breeding operations and the conduct of experimental and research work, there is the large Government Cattle Farm at Hissar. There is also a certain amount of expenditure on the treatment and control of *surra* disease in the province.

A brief review of the expenditure incurred annually on this Department since the inception of the Montagu-Chelmsford reforms would not be out of place here. The total expenditure of the Veterinary Department in 1921-22 was about Rs. 10½ lakhs. During the next three years it fell to between Rs. 8½ and Rs. 9½ lakhs. But in 1925-26 it rose to just over Rs. 12 lakhs. This marks the date from which the Punjab Government introduced their programme of expansion and development of the nation-building departments. In the next year, 1926-27, the expenditure was Rs. 13 lakhs and the year after just under Rs. 14 lakhs. For the next two years, 1928-29 and 1929-30, the expenditure averaged Rs. 14,89,000. It was in 1929-30 that a separate Director of Veterinary Services was appointed, costing roughly half a lakh of rupees a year. Then came the slump in prices with retrenchment of all Government expenditure, and the result was that in the Veterinary Department the expenditure of 1930-31 fell to Rs. 13½ lakhs and a year later to Rs. 13 lakhs. In the three following years the expenditure averaged Rs. 12½ lakhs. In the next two years the expenditure had again risen to a little over 13 lakhs, while in 1937-38 it was just under

Rs. 15 lakhs. For the year 1938-39 the original provision was over Rs. 17½ lakhs which included half a lakh for the special development programme, but owing to the famine conditions prevailing in Hissar this provision was expected to go up to Rs. 17,87,000. For the current year—1939-40—the budget provision is Rs. 19½ lakhs of which Rs. 1,15,000 is for the special development programme.

151. *Deputy Superintendents and Inspectors.*—The Retrenchment Committee of 1931 commented on the increase in the number of Deputy Superintendents and of the subordinate Veterinary staff that had taken place since 1921 and though they had no criticism to make on the way in which this department deals with its district work, they were doubtful of the justification for such a large superintending and subordinate staff. That Committee were unable to see the necessity for the two grades of Deputy Superintendents and Veterinary Inspectors who come between the ordinary subordinate staff and the Superintendents of Circles. When the Committee of 1931 reported there were 3 Superintendents in charge of Circles comprising the Province, 1 Assistant Superintendent and 11 Deputy Superintendents for district work. Now there are 5 Superintendents, one each in charge of Circles comprising the Ambala, Rawalpindi, and Multan Divisions and two in charge of the Jullundur and Lahore Divisions combined, with headquarters at Ferozepore. Also there are 16 Deputy Superintendents. The Punjab spends nearly Rs. 2½ lakhs on its superintending and direction staff. No other province in India spends anything like this amount. Madras which spends the next highest amount on its direction and superintendence staff, namely, Rs. 1½ lakhs, has one Director and 12 District Veterinary Officers who correspond to the Deputy Superintendents in the Punjab. In that province there are no Superintendents of Circles. Furthermore, it has an area of 142,000 square miles compared with 99,000 square miles in the Punjab. Madras also has double the population of the Punjab. It seems fairly clear that there is no necessity to have both Superintendents of Circles and Deputy Superintendents for carrying on the work of supervision. In his evidence before us the Director of Veterinary Services explained that the present policy was to substitute Deputy Superintendents for the existing Inspectors as they retired. He did not consider it was possible to replace Deputy Superintendents by Inspectors as the former had many functions to perform. It was pointed out.

that a Deputy Superintendent was in general charge of the district and a person of adequate status was needed to carry on all the various activities of the department. In the opinion of the Director a Veterinary Inspector could not pull sufficient weight to do all the work of a Deputy Superintendent, as the Inspector did not possess the same standard of educational and other qualifications as the Deputy Superintendent. The Deputy Superintendents were gazetted officers in the scale of Rs. 200—750 while the Inspectors' scale of pay was Rs. 120—170. The Director explained that both the Deputy Superintendents and the Veterinary Inspectors carried out the policy of the department under the instructions of Circle Superintendents who in their turn obtained directions from the Director. Both these classes of officers did the inspecting work. It was explained to us that there was a great difference in the basic qualifications of the Deputy Superintendents and the Veterinary Inspectors. Before a person could be promoted to the rank of Deputy Superintendent it was necessary (a) that he should be an L. V. P. with a four years' English course, or (b) where he had passed a three years' Vernacular course examination at the Punjab Veterinary College, that he should have attended and qualified at the Post Refresher Course of that College, which includes all the subjects of the final Professional Examination. The Veterinary Inspectors, however, underwent only a 3 years' course in Vernacular. In the normal course the L. V. Ps. had to put in about 10 years' service before they could be promoted as Deputy Superintendents. It was pointed out that the Vernacular Course had since been abolished and that Veterinary Inspectors would gradually disappear.

We doubt the necessity of the posts of Deputy Superintendents in the Veterinary Department. We notice that the posts of Superintendents in the Veterinary Department have recently been increased from 3 to 5, so that there is now one Superintendent for each division in the province. Considering the number of veterinary hospitals in the province we are definitely of opinion that the Superintendents should be able to cope with the work of supervision. In the circumstances we recommend that the posts of Deputy Superintendents in the Veterinary Department should be abolished. In case it is found necessary to have such an officer in any district, Inspectors with suitable qualifications who are now easily available, should be appointed, as

they would be much cheaper than the Deputy Superintendents. The grade of pay of such Inspectors could be fixed at, say, Rs. 150—400.

152. *Punjab Veterinary College at Lahore.*—We also considered the case of the Punjab Veterinary College at Lahore. Of the five major provinces in India all have their own Veterinary College, except the United Provinces which pay other provinces for the training of their men. Here again the Punjab spends the highest amount in India, namely, Rs. 1½ lakhs annually on its College. It has also the largest staff of Professors and Lecturers. Furthermore, the scales of pay of its Professors and Lecturers are comparatively very high. Whereas the maximum pay in Madras and Bengal is Rs. 750, in the Punjab it is Rs. 1,250. We can see no reason why the Punjab should have to pay so much more than other provinces for veterinary education and we recommend that the position be examined and some attempt made to reduce the scales in force in the province, so that the cost of maintaining the Punjab Veterinary College may be suitably reduced.

153. *Subordinate Veterinary Establishment.*—The total cost of the Subordinate Veterinary Establishment in this province, excluding the provision made for serum, is about Rs. 5 lakhs annually. This is more than double that spent in Bombay, Bengal and the United Provinces, and but a little less than what the Madras Government spend on their establishment of Veterinary Assistants. For an area about half as large again as the Punjab the Madras Government employ under 800 Veterinary Assistants. But this province has a staff of 507 Veterinary Assistants, 93 Veterinary Assistant Surgeons and 10 Field Veterinary Assistants—making a total of over 400 qualified Veterinary officials. Gratifying as the situation in the province undoubtedly is, we cannot help uttering a note of warning. We consider that any further proposals of expansion in this direction would require the closest scrutiny and need the fullest justification.

154. *Government Cattle Farm, Hissar.*—In their Report the Retrenchment Committee of 1931, when dealing with the Hissar Cattle Farm, remarked that they were not convinced that the Farm was being run as economically as possible. On their recommendation Government appointed a committee to examine whether the loss on the Farm, which was nearly Rs. 1½ lakhs in 1931-32, could not be reduced. That Committee in its report dealt, among other things, with the following



three matters, namely, (1) the adequacy of the superior staff of the Farm and the possibility of its reduction, (2) the comparative advantages to Government of direct cultivation or cultivation through tenants on *batai* system, and (3) the advisability of continuing the minor activities of the Farm. In regard to the superior staff of the Farm, the view of that Committee was that an adequate organization would be a Superintendent of the status of the new Class I Provincial Service and two deputies, one on the Fodder and one on the Live-stock side, of the rank of the Class II Provincial Service. Government, however, were unable to accept this recommendation as they were satisfied that no reduction should be made in the superior staff. On the question of the comparative advantages to Government of direct cultivation or of cultivation through tenants, the Government were unable to give a decision since some members of the Committee favoured one method and some the other. In regard to the minor activities of the Farm, such as donkey breeding, sheep breeding and goat breeding, that Committee had recommended the stopping of donkey breeding and goat breeding. But Government did not accept these recommendations. We realised that Government had not so far seen fit to accept the recommendations of the special committee appointed by itself. We, therefore, appointed a small sub-committee to visit the Farm and see what prospects there are of effecting some economy in its management. After considering what this sub-committee had to say, we are convinced that the Farm can be run efficiently, as it is actually being run at present, by a superior staff of only 3 officials, instead of the five that functioned up to April 1938. In that month the former Assistant Superintendent (Fodder) was appointed as Superintendent, and the post of Assistant Superintendent (Fodder) has since been in abeyance. In February 1939 the Superintendent went on special duty with the Government of India, and the Assistant Superintendent (Stock) has since officiated for him, the post of Assistant Superintendent (Stock) remaining unfilled. The duties of Assistant Superintendents, Stock and Fodder, have been performed, respectively, by the Superintendent and the Deputy Superintendent (Fodder) for an allowance of Rs. 100 and Rs. 50. We strongly recommend that the post of Assistant Superintendent (Fodder), which is at present in abeyance, should be abolished forthwith. We consider that for the future the Hissar Farm can be efficiently run under the management of a Superintendent, one

Assistant Superintendent and one Deputy Superintendent. The duties of these officials will be lightened if our recommendation for the reduction of one of the minor activities of the Farm is accepted. If the Superintendent happens to be an expert on fodder, then the Assistant Superintendent should have special experience of stock breeding, while the Deputy Superintendent should be an official with experience of fodder. The post of Deputy Superintendent (Stock) should accordingly be abolished. No allowances would, of course, be drawn for the posts which may be abolished. We consider that if these recommendations are given effect to there would be a saving of at least Rs. 12,000 to Rs. 15,000.

We notice that the cost of producing donkey stallions amounts to Rs. 1,000 per head. In view of the fact that very little use is being made by District Boards and other local bodies of these donkey stallions, we recommend the giving up of this activity at the Farm. The average gross expenditure of the last 3 years under this head has been Rs. 14,600, while the cash sales have averaged Rs. 7,200. There would, therefore, be a clear saving of over Rs. 7,000 by the stoppage of this activity.

We understand that at present there are eight Veterinary Assistants, excluding one paid for by the Government of India, employed at the Government Cattle Farm, Hissar. This includes two Veterinary Assistants imported from Ambala in connection with the famine. We are of opinion that eight Veterinary Assistants are far beyond the permanent requirements of the Farm. We hope that when famine conditions are over the two Ambala Veterinary Assistants will be reverted to their permanent posts. If later the need is felt for further Veterinary Assistants, we think that it would be better to employ Mukaddams instead of Veterinary Assistants as the work at the Farm is largely connected with pure agriculture, and a fewer number of persons with actual veterinary qualifications could look after the stock side.

#### CO-OPERATIVE DEPARTMENT.

155. *Growth of expenditure on Co-operative Department.*— In 1921-22, the opening year of the period covered by the Montagu-Chelmsford reforms, the Punjab spent a little over Rs. 4½ lakhs on the department dealing with co-operative credit societies. Bombay and Bengal in that year spent about the same amount, but Madras spent over Rs. 6½ lakhs.

Five years later the Punjab Government's expenditure had more than doubled, being over Rs. 7½ lakhs. This was the highest in India, Madras the next highest being about Rs. 7¼ lakhs. After another five years the Punjab Government's total annual expenditure exceeded Rs. 11½ lakhs, which was again the highest in India. In 1936-37, fifteen years after the commencement of these Reforms, the Punjab Government's total was just over Rs. 12 lakhs, and a year later, it had risen to Rs. 14 lakhs—a figure equalled by Madras only. It is significant that the rate of expenditure on this Department has continued to increase steadily despite the fact that in other departments in certain years economies were enforced as circumstances rendered this necessary, for instance, in 1931-32.

156. *Banking Expert or Financial Adviser.*—On its Direction staff the Punjab spends about Rs. 1½ lakhs a year—a figure almost as high as Madras, and certainly higher than any other province in India. The main reason for this excessive cost is the fact that the Punjab has been employing a Banking Expert on a very high scale of pay. No other province has such an Expert, and now that the holder of this post has retired, there would appear to be no necessity for its retention. We were informed that the Banking Expert or Financial Adviser as he is officially designated, is in charge of the audit work of the Unions and Central Banks. There are several auditors in the Co-operative Department, besides several professional auditors and the Financial Adviser exercises supervision over the work of them all. The audit notes are received by him and it is his duty to review them. The Financial Adviser also advises the Central Banks as regards the purchase and sale of Government securities, etc. He also examines the budgets of Central Banks and exercises control over the declaration of dividends. It was explained that before the appointment of the whole-time Financial Adviser the purchase and sale of Government securities was done on the advice of the Imperial Bank of India and once or twice the services of the Imperial Bank's Inspectors were obtained to examine the financial aspect of the movement. Another function of the Financial Adviser is to advise Central Banks in the matter of selection of staff, and when necessary arrange for their training. In our opinion it is not at all necessary to have in the Punjab such an expensive post as that of the Banking Expert. We notice that

the Bombay Government have four Auditors on a scale of Rs. 170—750 who probably do the major portion of the work required of the Banking Expert in this province. We recommend that Government should consider the desirability of changing the nature of the post or at any rate taking this opportunity of securing a saving in the cost of this post. The possibility of appointing an officer of the Co-operative Department with adequate emoluments and status may also be considered. We are conscious, however, of the need of having for this purpose an officer of proved ability and experience, as co-operative banking in the province requires careful watching.

157. *Deputy Registrars of Co-operative Societies.*—We also considered the staff of Deputy Registrars, Assistant Registrars and Inspectors employed in this province and compared it with other provinces. The present total cost of this staff in the Punjab exceeds Rs. 10½ lakhs. This figure is only exceeded by Madras which has an extraordinarily large number of Inspectors—though their scale of pay is much lower than that in the Punjab. With a large staff of responsible Assistant Registrars who draw a rate of pay equivalent to that drawn by members of other provincial services in the province, we fail to see the necessity for having any Deputy Registrars at all. In his evidence before us the representative of the Department stated that the posts of Deputy Registrars and Assistant Registrars were necessary, but it was not explained in what particular respect both classes of officers were considered to be necessary. We consider that in the presence of the highly paid staff of Assistant Registrars there is no necessity for having as well the posts of Deputy Registrars. We strongly recommend that the posts of Deputy Registrars should be abolished.

158. *Recovery from the North-West Frontier Province and Delhi of share of cost of post of Registrar.*—We notice that the Registrar of Co-operative Societies for the Punjab also functions as Registrar for the North-West Frontier Province and for the Delhi Province. We recommend that in the circumstances the Punjab Government should claim from those Provinces a proportionate share of the cost of the appointment.

#### INDUSTRIES DEPARTMENT.

159. *Growth of expenditure on Industries.*—The total recorded expenditure on industries in 1921-22 was Rs. 6½ lakhs. In the next two years there was an increase of over

Rs. 2½ lakhs—the total expenditure having reached a figure of about Rs. 8½ lakhs. This was due to the establishment of a Central Weavery at Lahore (now the Government Central Weaving Institute at Amritsar), and to increased expenditure on the Model Dyeing School and Factory at Shahdara. This head also then included provision for the MacLagan Engineering College to the extent of about Rs. 2 lakhs annually. With effect from 1926-27 the budget of that institution was transferred to the Public Works head. The expenditure of 1926-27 was Rs. 6,62,000 only. Thereafter there was a steady rise in the expenditure of the Industries Department until 1929-30 when a figure of Rs. 14,44,000 was reached. But Rs. 4 lakhs of that figure was exceptional as this consisted of a debit under Losses on Government Commercial Undertakings, representing the loss on the Punjab Government Tannery at Shahdara. In the next year, 1930-31, the expenditure fell by about Rs. 3 lakhs to a figure of Rs. 11½ lakhs: there was no corresponding debit entry in that year. In 1931 the general retrenchment orders arising out of the slump in prices were applied to the Industries Department as well, with the result that the expenditure dropped to Rs. 10½ lakhs in 1931-32 and to Rs. 9,63,000 the year after. In 1934-35 there was an increase of Rs. one lakh, mainly under Industrial Education, that is, Industrial Schools and the Weaving Factory at Shahdara. The provision in the current year's budget is just under Rs. 21½ lakhs. Of this about Rs. 66,000 is for Fisheries which subject is accounted for under head Industries and Rs. 91,000 for the share of the Industries Department in the special development programme. The expenditure on the Industries Department of this province has, therefore, increased from Rs. 6½ to Rs. 20½ lakhs in 19 years, that is, by 210 per cent. It is clear the Government is fully alive to the importance of furthering the expansion and development of the industries of the province. If the position is viewed in the light of the percentage of the total provincial expenditure devoted to industries, it will be found that in 1921-22 only two provinces—Madras and Bengal—were spending more than one per cent of their total expenditure on Industries. The Punjab was then spending .7 per cent. In 1937-38, whereas Madras and Bengal had scarcely altered their scale of expenditure, the Punjab figure had risen to 1.7 per cent, the highest in India.

160. *Recommendations of previous Retrenchment Committee.*—The Retrenchment Committee of 1931 made certain

drastic recommendations in respect of this Department. They suggested the abolition of the heads Direction and Superintendence, that is to say, the appointments of Director of Industries and his two Assistants and all the posts of Industrial Surveyors. That Committee also suggested the transfer of Industrial Education to the department of Education and the abolition of the department of Fisheries. None of these proposals were accepted by the Government but it was decided that the annual expenditure on the Fisheries department was not to exceed Rs. 50,000.

161. *Government Industrial Schools.*—In his evidence before us the Director of Industries explained that the increase of over Rs. 6½ lakhs in the budget of the Industries Department between the years 1933-34 and 1937-38 was due primarily to the additional cost involved in the change of system of industrial education, increase in the allotment for loans, etc., exhibitions and increased activities. Under the original scheme of education in Industrial Schools the aim was to educate working class boys as regards literacy without separating them from their hereditary occupations, and the main crafts taught were elementary carpentry and smithy and weaving. This was not considered adequate and accordingly in 1932 it was decided that the Industrial Schools should not continue as in the past. From that time to date attempts have been made with a view to specialising in some particular trade or industry, the training ending with a course of production on a semi-commercialised scale of articles which were at the time being imported from elsewhere. The new system provides generally for a four-year course. Additional money has been expended on furnishing extra equipment that was necessary at the reorganised schools. The Director explained that the effect of the present industrial education was not noticeable as yet, as it was too early to get results. The reorganised schools had generally started working effectively only two years ago and even the first batch of students had not yet come out. Under the reorganised schemes the department had concentrated its attention on imparting instruction in industries best suited to the places concerned, with subsidiary classes in carpentry and smithy where there was a demand for them. For example, the school at Hissar was specialising in wool-spinning and wool-weaving and carpet weaving, in Ambala and Sialkot there were metal works institutes, in the Ambala city the students were taught how to repair motor-cars and to prepare various machines and

machine parts ; at Ludhiana there was a Hosiery Institute and a school where the manufacture and repair of parts of hosiery machines was taught ; at Jullundur there was a Wood Working Institute and a Tanning Institute ; at Ferozepore the students were taught, among other things, how to manufacture sewing machines and spare parts of bicycles ; at Amritsar there were a Weaving Institute and Tailoring school ; at Lyallpur the manufacture of agricultural implements, etc., was taught ; at Gujranwala the manufacture of machine tools was taught ; Gujrat and Hoshiarpur had Weaving schools ; at Jhang lock-making was taught.

When asked whether in his opinion the inefficient schools should not be closed down, the Director explained that there might be some schools which were not doing quite well. The schools at Montgomery, Sargodha and Dera Ghazi Khan were still working under the old system of education, and there is no doubt that there is still scope for improvement in them. It was added that five or six years ago the Punjab Government decided, on the advice of the Standing Committee on Industries, that there must be one Industrial School in every district. The Director pointed out that the public was steadily becoming industrial-minded and the demand for opening more industrial schools was increasing. He was personally of opinion that none of the existing institutions should be closed down. The Director explained that from the point of view of relieving unemployment there was a greater need to improve the existing institutions and to make them better suited to the requirements of the localities concerned rather than to close any of them. It was stated that these schools were useful in providing skilled workers and that it would be unfortunate if any of them were closed when the Department was just beginning to put life into them. The Department aimed ultimately at converting these schools into small workshops or factories which would yield some income besides giving training. More than half the industries budget was spent on industrial education. The Director of Industries furnished us with a statement showing the strength and cost of the staff of each Government Industrial School in the province, the expenditure incurred on, and the number of students attending, each school in the year 1937-38. The number of students varies considerably. Some schools have but 12 or 13 students on the rolls. The average annual cost per student is thus very high in some cases. We are of opinion that the expenditure per head of student in certain Industrial

Schools is abnormally high and we recommend that some steps should be taken to reduce the scale of expenditure. We also recommend that the need for continuing those schools where the number of students on the rolls is below, say, 30, or where the average annual cost per student is above Rs. 500, should be seriously examined with a view to the closing down of such schools as are found to be definitely uneconomical. It is noticed that the Industrial Schools at Montgomery, Sargodha and Dera Ghazi Khan are still conducted on the lines of the old system. We consider that it is a waste of money to continue the old system in these schools and we recommend that it should be replaced by the new system as soon as possible, provided the Department is able to find some industry suitable for the purpose in these places. If not, the schools should be closed down entirely.

162. *Joint Development Board*.—We examined the Director of Industries in regard to the functions of the Joint Development Board and the Board of Industries. It was reported that the Joint Development Board was doing very useful work with the lowest amount of expenditure. It consisted of about 20 to 25 sub-committees most of the members of which were non-officials. These sub-committees considered various matters concerning industries. The Government had to incur expenditure only on the travelling expenses of the members. The total cost of the Board did not exceed Rs. 6,500. We are satisfied that the Board is serving a useful purpose and that the expenditure is not excessive.

163. *Fisheries Department*.—As regards the Fisheries Department, we note that whereas the Government had in its orders on the previous Retrenchment Committee's report, directed that the annual expenditure should not exceed Rs. 50,000, the provision in the current year's budget is Rs. 66,000. We consider that every endeavour should be made to keep the expenditure on the Fisheries Department within the limit laid down by the Government in 1931. This department is now under the control of the Director of Agriculture. The Fisheries Research Officer is at present functioning as Game Warden in addition to his own duties. In the opinion of the Director of Agriculture the new arrangement of combining these two posts was not satisfactory, as the work of the Fisheries Research Officer consisted of a good deal of scientific research while the job of Game Warden involved a lot of touring, particularly in the winter. The Director of Agriculture explained that the work of Fisheries



consisted of (1) purely research in the way of improving the quality and quantity of fish, and (2) a sort of police work, *i.e.*, patrolling the rivers, issuing licenses and so on. The Director admitted that so far no useful and economical results had been obtained as a result of the research undertaken in this direction. He understood that the reason of this was that Mr. Donald, who was Warden of Fisheries in the beginning, did not have the necessary facilities for research work. On the transfer of the fisheries work to the department of Agriculture they had one of their officers trained in England in research connected with fisheries. They had now prepared a three years' scheme at the end of which it would be possible to judge the utility of this work. The Director of Agriculture was prepared to recommend the abolition of this branch of work if, at the end of three years, it was found that no useful results had been obtained.

#### MISCELLANEOUS DEPARTMENTS.

164. *General*.—The nature of the expenditure recorded under this head in the different provinces varies so greatly that it would serve no purpose to institute any general comparisons. But where certain establishments are common to all provinces a comparison has been attempted.

165. *Inspector of Factories*.—The total cost of this establishment in the Punjab is roughly Rs. 27,000 a year. It was Rs. 30,700 in 1921-22. There is one Chief Inspector of Factories, and though a second Inspector was sanctioned and provision regularly made in the budget for some years, the post has never been filled. Comparison with the provinces of Madras, Bombay and Bengal is not possible as these are all highly developed industrial centres abounding in factories and, therefore, requiring a large inspection staff. The United Provinces have 2 Inspectors. Apparently there is no immediate need for a second Inspector in this province. We would, therefore, advise that the sanction for this appointment be withdrawn.

166. *Inspector of Steam Boilers*.—For the inspection of steam boilers the Punjab has a staff of one Chief Inspector and three Inspectors. The cost is just under Rs. 40,000 a year. It was Rs. 22,400 in 1921-22. The four larger provinces have naturally a much bigger staff. We do not consider the expenditure of the Punjab to be excessive nor the staff too highly paid.

167. *Charges on account of Wild Birds and Wild Animals Protection Act.*—The Punjab appears to be the only province that has framed legislation on the subject. The provision made for the working of this Act when it first started was Rs. 42,000. In the current year's budget the provision has been raised to Rs. 75,000. The increase is due to enhanced provision made for contributions to Fauna Committees. It should be observed, however, that while the total expenditure under this head is now Rs. 75,000 the revenue from the working of the Act is estimated to amount to Rs. 1 lakh. In 1937-38 a sum of Rs. 1,06,672 was realized. There seemed to be an impression that Government gave an undertaking that the income realised from licences under the Wild Birds and Wild Animals Protection Act must be devoted in its entirety to implementing the provisions of that Act, and that the revenue from this source could not, therefore, be credited to the general revenues. Whatever the undertaking, we cannot justify any waste or uneconomical use of public funds, whatever their source might be.

168. *Game Inspectors.*—We have considered the case of Game Inspectors and whether it is necessary to have more of these posts in the province. In his evidence before us the Game Warden, while explaining the progressive increase in expenditure, stated that with the lapse of time after the coming into force of the Act, it was necessary to have some staff to see that the provisions of the Act were carried out. For this purpose they had employed three Game Inspectors, one Game Sub-Inspector in Dera Ghazi Khan, which is a special appointment for the tribal area, and 66 Game Watchers. They had also formed District Fauna Committees in each district which were working under the Deputy Commissioners and consisted chiefly of non-officials. The travelling allowance of the members of these Committees was also in some cases met by Government. Grants were made to these Committees from the revenue received under the Act. The Game Warden explained that the Game Watchers were paid from Rs. 15 to Rs. 20 and they were a kind of chaukidars. He explained that the posts of Game Inspectors were necessary in order to supervise the work of Game Watchers. Their pay was fixed by Government in the scale of Rs. 50—2—70—3—85. The Game Warden did not think that the District Fauna Committees could perform these duties as efficiently as the Game Inspectors, as the former could not devote much time and attention. One of the duties of the Game Inspectors was to

see that nobody went out hunting or shooting without a licence, and to prosecute defaulters. We have carefully examined the matter. We are not quite clear about the duties of these officials. We cannot see how one Game Inspector would be able to patrol and detect crime in big districts like Multan, Mianwali, Attock, Sargodha and Karnal. When they move about in the districts these Game Inspectors would be really subject to no control or supervision. When they come across hawking parties in out of the way places, they would be in a position to settle any terms they like with them. They are Inspectors only in name and are not likely to perform any useful function. They could undoubtedly annoy people, and we are of opinion that the appointment of these Game Inspectors would amount to opening another door for corruption. In the absence of any effective check on them they might easily deteriorate into a mere agency for the supply of game to higher officials with whom they have to deal. They could be of no great use in stopping netting and snaring because these activities are carried on at night and secretly. We recommend that Government should strengthen the District Fauna Committees and the members of these Committees should be encouraged to help in the detection of crime. In this work the zaildars, lambardars and Honorary Magistrates could also help and for this help they could be given sanads on the recommendation of Deputy Commissioners. We also think that it should be possible for officers of other departments to help in the checking of crime under this Act. For instance, it would be of genuine advantage if Deputy Commissioners could ask gazetted officers, particularly the Revenue Officers, Tahsildars, Magistrates, Forest Officers and members of the Fauna Committees to help in the administration of this Act. The Revenue Officers and Magistrates, particularly when they are on tour, could exercise a good deal of check. Hunting, shooting and hawking are generally done openly and these officers could therefore help when they are out in camp. There would, therefore, be no difficulty in checking them. Netting and snaring on the other hand is done either at night or so quietly that it would be impossible to stop it without the complete co-operation of the local people. We think that it is really the co-operation of various people and departments that is wanted and not the creation of new appointments. In the circumstances we are of the firm opinion that there is no need to appoint further Game Inspectors.

169. *Pay of Game Watchers.*—We are of opinion that proper attention does not appear to have been paid to the administration of the Wild Birds and Wild Animals Protection Act. The rates of pay in the case of Game Watchers vary considerably in different districts. For instance, in Kangra they are paid from Rs. 12 to Rs. 15 per mensem, in Ambala their pay varies from Rs. 10 to Rs. 25 per mensem, while in Gurgaon it is only Rs. 5 per mensem. In Attock it is Rs. 25 per mensem in addition to travelling allowance of Rs. 20 per mensem. Relevant conditions in this regard throughout the province being not very dissimilar, we see no reason why there should be so much difference in the salaries of these officials for the same post involving the same duties. The Game Warden's explanation did not appear to us to explain this difference satisfactorily. In his demi-official letter No. 143-G.-Sten., dated the 15th March 1939, he says 'when fixing the emoluments for Game Watchers, I was only concerned with the maximum and I fixed this exclusive of travelling allowance which would normally be paid in a district with poor communications, at Rs. 20 per mensem. If the Deputy Commissioners who actually selected and appointed these men, succeeded in getting them on a lower wage, it was all to the good.' We are of opinion that the functions of the Game Watchers are like those of Chaukidars and their pay should in no case exceed Rs. 20 per mensem. We suggest that ordinarily Rs. 15 per mensem should be sufficient, but the matter should be left to the discretion of the Deputy Commissioners within these limits.

170. *Game Warden.*—It was noticed that there was a very highly paid officer belonging to the Indian Forest Service who was working as Game Warden. We recognise that one of the reasons of his appointment was that there was a surplus of all-India Service officers in the Forest Department. In our opinion the duties of this post could be quite as efficiently performed by an officer of the status of the Provincial Service and we recommend that arrangements be made for this being done when the present Game Warden reverts to the Forest Department. Since recording our views on this matter we learnt that the permanent Game Warden had proceeded on leave and was not returning to this post. The Fisheries Research Officer had been given charge of the duties of Game Warden in addition to his own. We examined the Director of Agriculture on the question of the suitability of this arrangement and have already in paragraph 163 *supra* quoted his

opinion that the arrangement of combining these two posts is not satisfactory mainly because the work of the Fisheries Officer consists of a good deal of scientific research and is thus a whole-time job, whereas the job of Game Warden involves a lot of touring, particularly in the winter. We also examined the Deputy Secretary to Government, Punjab, Development Department, on this point. In his opinion the posts could be combined, provided an officer with experience of game and equipped with the necessary administrative capacity, was available. After considering the views of these two officers we felt that, considering the position of Mr. Donald when he performed both these duties, the posts of the Fisheries Research Officer and the Game Warden could probably be combined. This would mean the grant of an additional allowance to the Fisheries Research Officer. If this arrangement could not be agreed to for any administrative reasons, then a junior officer in the Provincial Forest Service should be appointed to the post of Game Warden, as already suggested above. We contemplate that this would result in a saving of over Rs. 16,000 annually.

171. *Administration of Indian Partnership Act.*—For the administration of the Indian Partnership Act the Director of Industries functions as Registrar and receives an allowance of Rs. 50 a month. He has two clerks to assist him. The total provision for this purpose is Rs. 2,000 only, and compares favourably with other provinces. No change appears to be necessary.

#### BUILDINGS AND ROADS BRANCH, PUBLIC WORKS DEPARTMENT.

172. *Constitution of the Buildings and Roads Branch.*—The main duty of the Buildings and Roads Branch of the Public Works Department is the construction and repair of Government buildings and roads, except those which are under the control of local bodies. Attached to the Department are (i) a Public Health Circle under a Superintending Engineer of its own, with 3 Executive Engineers, some Sub-Divisional Officers and a Provincial Town Planner, whose duty is the construction and supervision of drainage and water-supply schemes for local bodies and the installation of sanitary works in Government buildings, and (ii) an Electrical Engineer, with a staff, whose duty it is to install and maintain electrical installations on behalf of Government in all Government buildings in Lahore and to see to the

lighting of such buildings. The Buildings and Roads Branch is also responsible for the administration of the two engineering institutions in the province, namely, the Maclagan Engineering College at Mughalpurā and the Government School of Engineering at Rasul. This department also administers and, through the Communications Board, supervises the expenditure of grants to local bodies for Class II roads.

173. *Reductions effected in the Buildings and Roads Branch in 1931.*—For its main activities—the construction and repair of buildings and roads—the department had in 1931 a permanent technical staff of a Chief Engineer, a Superintending Architect, four Superintending Engineers sixteen Executive Engineers, two Assistant Executive Engineers, twenty-two Assistant Engineers, nine Sub-Engineers and a considerable subordinate and clerical staff. It was noted that in this Branch retrenchment had begun in 1930-31 and six Divisions, nine Sub-Divisions, two posts of Deputy Chief Engineer and of Secretary, Communications Board, had already been abolished and all temporary staff discharged. Further, it is to be remembered that, on the retirement a year ago of the Superintending Architect, the Government have appointed a successor on a much lower scale of pay. The provision for the Consulting Architect and his staff has now fallen from Rs. 85,000 to Rs. 48,500.

174. *Nature of expenditure in the Buildings and Roads Branch.*—A substantial proportion of the expenditure under this head is non-recurring and consists of the provision made for original works—either buildings or communications. This varies according to the needs of the Government and could, if the necessity arose, be stopped altogether. In that sense it is avoidable expenditure. But by far the largest proportion of the expenditure chargeable to this head is recurring and consists of the amount expended on repairs to buildings and roads. Next in order of importance comes the recurring expenditure on establishment.

175. *Cost of repairs.*—It is incumbent on the Government, and indeed a policy dictated by commonsense, to maintain in a fit state of repair the buildings and roads throughout the province. The provision for repairs in the current year is substantially less than what it was 7 or 8 years ago. As buildings come to be constructed in the province, whether for use as residences or for official purposes, it is obvious that there must be every year a substantial

addition to the total book value of buildings in charge of the Public Works Department. It follows then that the repair bill of the province must also increase. In 1921-22 the total expenditure on repairs was just under Rs. 34½ lakhs and for the year just closed the total is expected to be Rs. 57½ lakhs. The increase in 17 years has been nearly 65 per cent. We were unable for various reasons to make a satisfactory comparison with other provinces in India of the provision made by this Government for repairs. In certain provinces, like Madras, the policy is to hand over roads to local bodies for maintenance and to make grants to those bodies for the purpose. In other provinces the repairs to buildings are carried out by the departments concerned and not by the Public Works Department. But even so it would appear that the expenditure under this head in the Punjab stands at a figure that requires examination. It may be urged by the Department that the buildings here and particularly the roads are the best maintained in India, but it is difficult on that account only to justify the heavy expenditure.

176. *Cost of establishment.*—In 1931-32, the year in which the previous Retrenchment Committee reported, the total expenditure on works and repairs, was about Rs. 72½ lakhs and on establishment nearly Rs. 16½ lakhs. The percentage of establishment to works was 23 per cent. In the year 1933-34, by which time it may be said that effect had been given to the recommendations of that Committee, the corresponding figures were Works and Repairs Rs. 70½ lakhs, Establishment Rs. 14½ lakhs—percentage of establishment to works being 21 per cent. On the provision made in the budget for 1939-40 the corresponding figures are—Works and Repairs Rs. 90 lakhs, Establishment Rs. 15½ lakhs ; percentage of establishment to works 17 per cent. We still feel that in this department the cost of the establishment bears an unduly large proportion to the amount spent on original works and repairs. We attempted a comparison with other provinces of the expenditure incurred in the Punjab on its establishment for Civil Works. The Punjab now provides a little less than Rs. 15½ lakhs\* a year for this purpose. In Madras and Bombay the provision for such establishment is slightly more than in the Punjab. In both these Presidencies there is a joint establishment for Irrigation and Buildings and Roads and a share is charged

\*NOTE.—This represents the provision for the engineering establishment only, and does not include that for the Rasul School, MacLagan College, Electrical Engineer, Land Acquisition Officer and for the Punjabi students at the Bockli College. The total provision under the Civil Works head is Rs. 19½ lakhs.

to the head "Civil Works". In the United Provinces the total expenditure is about Rs. 1 lakh less than that in the Punjab, but in Bengal it is just Rs. 1 lakh more. We have compared the actual establishment of the three larger provinces which have a separate staff for buildings and roads. We find that Bengal has a Chief Engineer, 4 Superintending Engineers and 10 Executive Engineers, the United Provinces a Chief Engineer, 2 Superintending Engineers, and 14 Executive Engineers, and the Punjab has a Chief Engineer, 4 Superintending Engineers (including one as Secretary, Communications Board) and 13 Executive Engineers. From these figures the conclusion appears unavoidable that the establishment in the Punjab is still capable of further reduction and we would suggest that at least 1 Superintending Engineer and 2 Executive Engineers may be reduced. This observation is, however, subject to Government not being able to accept the larger and more comprehensive scheme which is put forward later on.

177. *Agency for repairs to buildings.*—In certain cases the work of carrying out annual repairs to buildings has been handed over to the departments occupying the buildings. This is the position in the Police and Jail Departments and also in the department of Criminal Tribes. The last Retrenchment Committee recommended that the responsibility for annual repairs should everywhere be handed over to the heads of departments concerned, who should be left to make their own arrangements. The Chief Engineer in his evidence before us agreed that purely annual repairs to Government buildings might well be carried out by the departments concerned through their local officers, but those departments could not carry out any alterations or additions without the assistance of the Buildings and Roads Branch officers. We agree with the view of the Chief Engineer and recommend that annual repairs to Government buildings of all departments should be carried out by the departments concerned, as is already being done by the Police and Jail Departments. In our opinion the total cost of repairs would be less under this arrangement than when the repairs are carried out by the Public Works Department.

178. *Consulting Architect's department.*—As regards the department of the Consulting Architect, we note that the previous Retrenchment Committee of 1931 recorded the opinion that the post of Superintending Architect seemed to them to be superfluous and they recommended the



abolition of the post and of the establishment entertained for him. The Government were unable to accept this proposal. Since then, as already observed, the permanent incumbent of the post has retired from service and Government have taken the opportunity to review the position. Another architect on a much lower scale of pay has been employed, and the cost of the department has been substantially reduced. The Chief Engineer in his evidence stated that this department was not expensive now, the total cost of the Architectural Department amounting to Rs. 48,500. He did not think that it would be cheaper to replace the present Government Architect by a private one. He explained that the Government Architect was not only going to prepare designs for the buildings in Lahore, but he would do so for the whole of the province. Therefore he thought it well worthwhile to have an Architect under the Government itself. We\* have considered this matter carefully and recommend that the designing and construction of Government buildings should be carried out through the agency of private architects. We are of opinion that this would greatly reduce the cost of construction. With this reduction of work in the present Buildings and Roads Branch it would render our scheme of amalgamation of the Irrigation and Buildings and Roads Branches, referred to later, more practicable. We consider that Government should retain only such staff as would be necessary to supervise the work of the private architect so as to see that the work was being done according to the required standard and specifications and to the satisfaction of Government.

179. *Expenditure on students sent to Roorkee College.*—

The Retrenchment Committee of 1931 drew attention to the recurring payment of about Rs. 1½ lakhs a year that this province was making to the United Provinces Government on account of Punjabi students who were undergoing instruction at the Engineering College at Roorkee. They recommended that some means should be adopted of reducing this expenditure. In their orders on the Committee's report the Government noted that the expenditure had been reduced to about Rs. 52,500. Last year the Principal of the MacLagan Engineering College put forward a suggestion that instead of sending Punjabi students to Roorkee, the Punjab Government should open classes in civil engineering in the MacLagan College. We were glad to find that Government readily took up

\* The Chairman expressed no opinion.

this suggestion and that it has been decided to open the necessary classes in the Maclagan College. We are informed that the resultant saving will be fairly substantial.

180. *Rasul School of Engineering.*—There is at present a School of Engineering at Rasul which exists as a separate institution for turning out qualified Overseers and Draftsmen. The total annual cost of this School is over Rs. 80,000. We understand that a further proposal is now before the Punjab Government to open classes for Overseers and Draftsmen in the Maclagan College and to close down the separate School at Rasul. If this is carried out there will be a substantial saving to Government. This proposal has our strong support.

181. *Joint Establishment for Irrigation and Buildings and Roads Branches.*—We have referred in a previous paragraph to the existence in two of the major provinces of India of a joint establishment for Irrigation Works and Buildings and Roads. We have considered this matter in reference to the Punjab and have come to the conclusion that the amalgamation of these two departments in this province is probably not an impracticable proposition. The Irrigation system in the Punjab is very widespread and it will become more so in the near future with the execution of the Haveli and Thal projects. In these circumstances it is clear that in practically every portion of the province, except in parts of the Rawalpindi Division and the hill areas round Simla and Kangra, there are officials of the Buildings and Roads and Irrigation Branches working side by side. We consider that in these areas it should not be a difficult matter for the Irrigation Branch officials to function on behalf of, or rather in place of, the Buildings and Roads Branch engineers and subordinates. The Chief Engineer of the Buildings and Roads Branch, as was to be expected, was opposed to any such amalgamation. He did not think that the amalgamation of the Irrigation and Buildings and Roads Branches of the Public Works Department in this province would lead to efficient working. He felt that if deterioration in efficiency was to be avoided a separate organisation was absolutely necessary to deal with the roads and buildings. He was also strongly of opinion that if the Buildings and Roads Branch was transferred to the Irrigation Branch it would be simply a 'side show' with them. He apprehended that the roads would suffer as, among other things, it would involve their division into a number of small parcels for the

purpose of control by the different Executive Engineers, and consequently it would be difficult to maintain uniformity. He suggested that only specialised engineers could do this work and for this purpose it was necessary to maintain a separate department. He was of opinion that the problems of the Irrigation Branch and Buildings and Roads Branch were entirely different. We also examined two retired Superintending Engineers of the Buildings and Roads Branch on this question. They too were against the scheme of amalgamation and thought that it would be impossible to amalgamate without serious loss of efficiency in both branches of work. We have carefully considered these objections. As already explained by us, the Buildings and Roads Branch of the Public Works Department exists mainly for the purpose of constructing and repairing Government buildings and roads. So far as buildings are concerned, while it may be true that in the past, in the absence of any widespread knowledge of engineering in the province, it was necessary for the Government to have its own staff of skilled engineers to control and direct its building operations, this is not the case now. With the rapid development of the engineering profession that has taken place in recent years there has grown up a body of private architects who are quite capable of performing the functions that Government expects its own Engineers to perform. Indeed, it is this very factor that has prompted us to make the recommendation in paragraph 178 above that the construction of Government buildings should be carried out through private architects. But apart from this the engineers of the Irrigation Branch should be quite capable of designing and superintending the execution of Government buildings of all descriptions. There remains the problem of roads. While we agree with the view of the Chief Engineer of the Buildings and Roads Branch that his department has in recent years concentrated more on road construction and maintenance than on buildings, we think that the time has now come when the policy in this matter of road construction may be said to have become fairly stabilised. In the future the function of the Engineers will be largely to carry on and develop a clearly settled practice. It would be then for the Engineers at present working in the Department in the main to proceed on the basis of existing experience. It would be immaterial whether they are controlled by a Superintending Engineer of the Irrigation Branch or a Superintending Engineer of their own.

Branch. The subordinate staff of Overseers, Sub-overseers and Road Inspectors would remain in charge of the functions they are now performing. To sum up, we\* by a majority recommend the amalgamation of the Buildings and Roads Branch with the Irrigation Branch. The details of the scheme remain to be worked out but, so far as we can see, it will be necessary to retain the existing Buildings and Roads staff in the following areas where there is at present no establishment belonging to the Irrigation Branch :—

- (1) Rawalpindi Division† (Jhelum Sub-Division excluded).
- (2) Kangra Division with 2 Sub-Divisions—Kulu, Kangra.
- (3) The Pathankot-Dalhousie Road—in Amritsar Sub-Division of II Lahore Division.
- (4) Part of Jullundur Division (concerning Jullundur-Hoshiarpur Road).
- (5) Simla Division.
- (6) Part of Ambala Division.
- (7) Part of Gurgaon Division (*i.e.*, Gurgaon Sub-Division).

It seems that the Rawalpindi Division must remain intact—the Mianwali district to come under its charge—with four Sub-Divisions.

The Kangra Division has only a couple of roads to see to and may well be reduced to the status of an independent Sub-Division.

The two roads included at items (3) and (4) could easily form one Sub-Division.

(5) The Simla Division has only the Hindustan-Tibet Road and the Kalka-Simla Road in its charge. This too could become an independent Sub-Division.

\*The Chairman expressed no opinion, and some of the members also did not favour amalgamation, mainly on the ground that it would lead to loss in efficiency which will not be adequately counterbalanced by any economy. They were also not clear whether any part of the staff engaged in the Buildings and Roads Branch had not such a full day's occupation that any reduction in strength, apart from any general reduction on the ground of economy, would be feasible. Nor did they feel that the Irrigation staff has spare time available to devote to the extra task that amalgamation would cast on them.

†Has 4 Sub-Divisions :—  
Rawalpindi.  
Murree.  
Campbellpur.  
Jhelum.

(6) and (7) could form one Sub-Division.

It would thus be necessary to have 1 Division (Rawalpindi) and 4 independent Sub-Divisions. There would be no need to have a Superintending Engineer's circle mainly for roads.

The Communications Board could continue to function, with a Superintending Engineer as Secretary who would be in nominal charge of the Division and the four independent Sub-Divisions and prepare the annual budget for communications of the province after obtaining material from the Irrigation Branch officers concerned.

182. *Future arrangements for the Public Health Circle, the Electrical Engineer, the Rasul School and the Maclagan Engineering College.*—It may be asked what is to become of the Public Health Circle, the Electrical Engineer and the two engineering institutions at Rasul and Mughalpura which are attached to, or under the charge of, the Buildings and Roads Branch of the Public Works Department, if our proposal for amalgamation with the Irrigation Branch is adopted.

As to the Public Health Circle, we were informed by the Chief Engineer that this is a self-contained department and that it is only loosely attached to the Buildings and Roads Branch. It can therefore as easily function alone.

In regard to the Electrical Engineer and his staff, it would be well in the first place to describe how the present appointment came into existence. Previously in this province the Electrical Engineer was also Electric Inspector, and the establishment for inspection and construction was a combined one. From the year 1932 the inspection and construction branches were separated. An Electric Inspector with 2 Assistant Inspectors was put in charge of the inspection work, and an Electrical Engineer, with an Assistant Engineer, was placed in charge of the construction side. We examined both the Electric Inspector and the Electrical Engineer on the question whether amalgamation of these two branches of work was again possible. Their considered view was that any such amalgamation was not practicable. Evidence that we have taken elsewhere confirms the view that the inspection branch should have a free hand to criticise the construction branch. Therefore it is essential that inspection should be entirely separate from construction. This is the general practice throughout India. In our opinion the present system of having two

separate branches should be maintained. In his evidence before us the Chief Engineer, Hydro-Electric Branch, stated that it would be possible for his department to take over the duties of the staff of the Electrical Engineer at places where there were members of the Hydro-Electric Branch available to carry them out. This could be done without any additional expenditure in places where the Hydro-Electric Branch had their own staff. The Electrical Engineer is in charge of all the electric installations and their maintenance in the Government buildings at Lahore. The work of electric installations outside Lahore is being performed by Electrical Overseers working under the direction of Executive Engineers and Sub-Divisional Officers of the Public Works Department, Buildings and Roads Branch. The Electrical Engineer inspects these electrical works outside Lahore and renders advice and help to the Executive Engineers and Sub-Divisional Officers in the matter of electrical installations. He makes these inspections once a year on the average. On the other hand, we note that there are three Executive Engineers of the Hydro-Electric Branch who are stationed at Lahore, and the Chief Engineer, Hydro-Electric Branch, had agreed in his evidence before the Committee that it was possible for him to take over the work of the Electrical Engineer without any additional expenditure in places where they had their own staff. As already stated above, the Electrical Engineer was mainly concerned with the electrical installations at Lahore and not outside Lahore, excepting the inspection work, and the Chief Engineer, Hydro-Electric Branch, had a competent staff of his department stationed at Lahore. In these circumstances the opinion of the Chief Engineer, Hydro-Electric Branch, can be accepted; the duties of Electrical Engineer may be transferred to the Chief Engineer, Hydro-Electric Branch, thus resulting in the total abolition of the separate Electrical Engineer and his staff. The work at outstations could continue to be done as at present by the Electrical Overseers working under the direction of Executive Engineers of the Public Works Department. With the transfer of the Electrical Engineer's work to the Hydro-Electric Branch the supervision work would also pass on to that department. If it was found that the superior and subordinate staff in the Electrical Engineer's office was engaged on a permanent basis this staff could be absorbed in the Hydro-Electric Branch in the fresh vacancies that keep on occurring owing to the expansion of that Scheme.

As to the two engineering institutions, at Rasul and Mughalpurā, the Chief Engineer in his evidence before us gave it as his opinion that the Maclagan Engineering College, Mughalpurā, could be transferred to the charge of the Education Department as it was an institution with such qualified staff that they were allowed to think a great deal for themselves and no particular criticism was needed. He said that it was a matter of indifference whether the Maclagan Engineering College was attached to the Education Department or the Buildings and Roads Branch, but that the Rasul School of Engineering was more a part of the Buildings and Roads Branch and it needed their guidance to a considerable extent. For the Rasul School we have recommended elsewhere that it be closed down as a separate institution and that classes for overseers and draftsmen be opened in the Maclagan Engineering College at Mughalpurā. The way is thus clear for the acceptance of our main recommendation in respect of this Department.

188. *Possible future constitution of the Buildings and Roads Branch.*—It is possible that Government may find itself unable, for reasons of which we are unaware, to accept the scheme for complete amalgamation of the Buildings and Roads Branch with the Irrigation Branch of the Public Works Department that has been put forward in paragraph 181 *supra*. In that event we have examined an alternative arrangement for the future constitution of the Buildings and Roads Branch. The alternative arrangement, while providing for a substantial measure of economy compared with the present cost of the Department, would enable the Department to continue functioning, more or less, as it functions at present. When the Buildings and Roads Branch was originally constituted its main function was the construction and maintenance of public buildings. As time went on, the number of public buildings constructed for the requirements of the Government continued to increase. It may be said that the time has now come when practically no more new public buildings are needed. A stray hospital here or a new police station there present no difficulties in the way of construction. What has developed, however, is the other side of this department's activities, namely, roads. The department has gradually switched off from buildings to roads. With the great increase in motor traffic a demand for good roads has arisen and developed. The

present position may, therefore, be said to be that the Buildings and Roads Branch of the Public Works Department exists almost entirely for the construction, development and maintenance of roads. So far as buildings are concerned, the department is in charge, apart from the original construction work, of the repairs, both special and ordinary, of the public buildings of most departments. But the Police and Jail Departments see to their own repairs. If other departments can similarly be given charge of their own repairs, it will leave the Buildings and Roads Branch with the repairs of its own departmental buildings only and of residential buildings. This by itself would not constitute a very important function.

For carrying out its main present day functions connected with road construction and maintenance, we fail to see why it is necessary for this department to have a Chief Engineer and three Superintending Engineers, apart from a fourth Superintending Engineer who functions as Superintending Engineer, Roads, and Secretary of the Communications Board. We are of opinion that it should suffice for the efficient management and control of roads in the Punjab to divide the province into two Superintending Engineers' Circles—East and West—with headquarters at Ambala and Lyallpur, and divide up the existing divisions between these two Circles. Lyallpur would be preferable to Rawalpindi which is too far north in the province. The need for the existing Executive Engineers' divisions would have to be further examined from the point of view of their importance in the matter of roads. For instance, Simla and Kangra—two existing Divisions—have scarcely any roads for which a wholetime Executive Engineer would be required. They might become sub-divisions of other existing divisions, or even independent sub-divisions. For the control of the department as thus constituted it would suffice to have the existing Communications Board of which the two Superintending Engineers would be members. A branch of the Secretariat could see to the disposal of any references requiring the orders of Government, and would also be responsible for the preparation of the budget of revenue and expenditure of the department. If this arrangement could be adopted there would be a large saving resulting from the abolition of the post of Chief Engineer, two posts of Superintending Engineers and possibly one or two Executive Engineers.



## HYDRO-ELECTRIC BRANCH, PUBLIC WORKS DEPARTMENT.

184. *Financial position of the Hydro-Electric Department.*—This is a revenue producing department and so long as the revenue produced bears a reasonable proportion to the very large expenditure already incurred on this scheme, there is nothing to object to in the working of the department. Retrenchment may easily trench on revenue and this must be avoided at all costs. During his evidence before us the Chief Engineer, Hydro-Electric Branch, explained that the financial position of the Hydro-Electric Branch was improving every year. He stated that the revenue in 1933-34 was Rs. 5 lakhs and the expenditure on maintenance was about Rs. 3 lakhs. Next year the revenue jumped to Rs. 9 lakhs, and last year it was Rs. 25 lakhs. Roughly speaking the revenue was increasing by Rs. 5 lakhs every year. The expenses were more or less constant at nearly Rs. 8 lakhs and there was very little increase in them from year to year. The Chief Engineer stated that by the year 1939-40 they would probably be able to meet the whole of their interest as well, and by 1940-41 the department would most likely cease to be a drag on provincial revenues and would rather be able to add to the revenues of the province.

The number of towns at present connected with electricity from the Hydro-Electric scheme was 24, and a further increase in the number depended on the rate at which Government sanctioned proposals. He pointed out that after the period of the licences granted to other electric companies expired, the department hoped to take up the distribution in their areas.

We are glad to note that the financial position of the Hydro-Electric Branch is improving every year. When asked what the unit figure of the cost per mile of extensions was, the Chief Engineer stated that it was very difficult to give this figure. It varied from Rs. 1,850 to Rs. 4,000 or Rs. 5,000. Roughly speaking the labour formed 25 per cent of the expenditure on extensions. The work of extensions was not performed on contract system but the construction was undertaken by the department itself. By adopting this system the department was able to reduce the cost by nearly 30 per cent over the contract price.

We have recommended elsewhere that the Hydro-Electric Branch should take over the duties of the Electrical Engineer to Government who is at present under the control of the Chief Engineer, Buildings and Roads Branch.

## STATIONERY AND PRINTING DEPARTMENT.

185. *Cost of the department of Stationery and Printing.*—When the previous Retrenchment Committee reported in 1931 the total provision that the Punjab Government was making for stationery and printing was a little under Rs. 12½ lakhs, of which about Rs. 1½ lakhs were chargeable to the Irrigation Department as a commercial concern. Of the total amount, Rs. 5½ lakhs was on account of the maintenance of the three Government presses, namely, the main Secretariat Press, the Central Jail Press and the small press attached to the Borstal Institution at Lahore. Of the remainder Rs. 5½ lakhs were expended on the purchase of stationery obtained from the Central Stationery Stores of the Government of India at Calcutta. The total provision now being made for this purpose is under Rs. 11½ lakhs, of which Rs. 1½ lakhs are charged to the Irrigation Department, so that a substantial economy has already been effected in the cost of the department. The cost of stationery supplied by the Government of India Stores is at present a little over Rs. 5 lakhs, while on its Government presses the province is spending Rs. 5½ lakhs annually.

186. *Provincial Stationery Stores for the Punjab.*—In the course of his evidence before us the Superintendent, Government Printing, stated that the only suggestion for economy he could put forward was that the Punjab Government should have its own provincial stationery stores. According to the present arrangements all offices in the province subordinate to the Punjab Government receive their requirements of stationery, and the Punjab Government presses their supplies of paper for printing, direct through the Controller of Stationery at Calcutta. This Government pays annually to the Government of India for the services rendered by their Central Stationery Stores a sum calculated at 5 per cent on the total value of the supplies made each year. This amounts to about Rs. 25,000 a year. Apart from this there are the heavy freight charges from Calcutta on the stationery and paper supplied to offices in the Punjab. These are estimated at Rs. 55,000 a year. If the Punjab Government decided to establish their own stationery office, there would be a considerable saving on account of the difference in the freight charges between Calcutta and stations in the Punjab and between Lahore and those same stations. Further, the sum at present paid annually to the Government of India for the services of their

Central Stationery Stores would be saved. According to an estimate furnished by the Superintendent, Government Printing, the recurring cost of the Punjab Government's maintaining its own stationery office would be about Rs. 18,000 a year. After considering the initial expenditure involved in setting up a separate stationery office, we were left with the impression that there would be no economy in this venture. As regards the purchase of printing paper, we consider that we can safely recommend that all the printing paper required by the Government presses should be purchased directly by the Superintendent, Government Printing, and not through the Controller of Stationery. On the question of the Punjab Government's having its own stationery stores, however, we feel that there is a certain amount of doubt as to the actual extent of the savings that would result from the Punjab Government's maintaining its own stores, more particularly in the direction of the recurring cost of the staff for the provincial stores. We therefore strongly recommend that Government should examine this matter and calculate carefully what the cost, both initial and recurring, of setting up a provincial stationery stores would amount to. We realize that apart from the fact that a substantial economy would very probably result from this measure, it would also give an opportunity to firms within the province to tender for the stationery requirements of the Government, and indirectly provide employment within the province. If it is found that a substantial saving would result, we recommend that immediate steps be taken by Government to have their own provincial stationery office.\*

We were informed that about two-thirds of the work in the Secretariat press was done on piece-work system and not on fixed monthly salaries. The Government was therefore economising as much as it could in the cost of establishment employed in the Press.

187. *Central Jail Press at Lahore.*—In the Central Jail Press at Lahore which does all the lithographic printing work of the province, the necessary labour is provided by convicts supplied from the Central Jail. A small charge is made by the Jail to the Printing Department for these convicts. The main policy of the Government is to provide work for these convicts. We were informed that within the last few years a great deal of expensive labour saving machinery

\*The Punjab Government have actually approved the scheme for a Provincial Stationery Stores which will be inaugurated from April 1940.

had been set up in the Central Jail Press, with the result that the average number of convicts employed in the Press had fallen appreciably. It is considered that in the circumstances the expenditure incurred on the purchase of these very expensive machines was unwarranted and should not be repeated. We recommend that the policy of employing jail labour be followed in future.

189. *Methods of economy in press work.*—We here venture to repeat the recommendations made by the previous Retrenchment Committee of 1931 in paragraph 163 of their report in regard to the rules to be observed by departments in dealing with the press. These are :—

(1) Work should never be marked 'Urgent' and 'Immediate' unless there is real necessity for doing so.

(2) Type matter should not be kept standing for longer than is absolutely necessary. If kept standing longer than a month the department concerned should be called upon to pay the standing charges from its contingent grant.

(3) The use of 'economy slips' should be increasingly made.

(4) New forms are frequently ordered before the stock of the old forms is exhausted. We recommend that new forms should not be introduced until the stock of old forms has been finished.

(5) Monthly gradation lists of all departments should be compiled quarterly. The copies for the Honourable Ministers and Heads of Departments could be kept up to date by their Personal Assistants and Stenographers.

#### MISCELLANEOUS.

189. *Publicity Board.*—During his evidence before us the Chief Secretary to Government was asked whether with the appointment of an expert journalist as Director of the Information Bureau, it was not possible to do away with the post of Assistant Director of the Publicity Board. The Chief Secretary stated that the matter required examination. The difficulty lay mainly in shifting the present Assistant Director to some other post where he would be useful. We note that it is intended to examine the question of the retention of this post, having in view the qualifications and the status of the present incumbent. We are of opinion that it should

be possible to absorb the present incumbent in some other suitable post. If any assistance is thought necessary for the Director of the Information Bureau it would no doubt be available at a much lower rate of pay. The present scale of pay (Rs. 600—50—1,000) of the post of Director of the Information Bureau struck us as unduly high. We recommend that a scale of Rs. 400—40—600 would be more appropriate in all the circumstances of the office.

190. *Staff of the Commissioner, Rural Reconstruction.*—In reply to one of our questions Government had stated that the post of Commissioner, Rural Reconstruction, was not a permanent one and that it was to cease from the close of the financial year 1938-39, i.e., from the end of March 1939. We had already made up our mind that this special post was no longer required as Deputy Commissioners were now fully experienced in the work of rural reconstruction and they did not require a central guiding hand. We understood that the work of rural reconstruction would in future be carried on by Deputy Commissioners under the supervision of the Commissioners of their respective divisions. We heartily endorse this decision. We subsequently learnt that, despite this assurance of the Government, it had been decided to extend the appointment, with the connected staff, for another year. We are not aware of the reasons that have led Government to reconsider their previous decision. We strongly recommend that the appointment, with the special staff, be discontinued at the end of this further term, if indeed this cannot be arranged earlier.

**CHAPTER IV.**  
**RECOMMENDATIONS ON RESOURCES.**

**(A) PRINCIPAL HEADS OF REVENUE.**

**LEASES OF CROWN LANDS.**

191. We are informed that Government have been pursuing a policy of reducing the areas of Crown land leased for temporary cultivation to individual lessees. We approve of this practice and further recommend that as a matter of general policy State lands should not be leased in pieces exceeding 5 squares. We approve of the system of giving temporary cultivation leases of colony Crown lands as well as waste lands in non-colony areas for more or less long periods by tender to the highest tenderer.

**EXCISE.**

192. The general excise policy of the Punjab Government, which naturally delimits the scope of the Committee's recommendations, has been stated as follows :—

“ The Government have no desire to interfere with the habits of those who use alcohol in moderation, this is regarded by them as outside the duty of Government, and it is necessary in their opinion to make due provision (in their excise policy) for the needs of such persons. Their settled policy, however, is to minimise temptations to those who do not drink, and discourage excess among those who do, and to the furtherance of this policy all considerations of revenue must be absolutely subordinated.” (*Punjab Excise Manual, Volume III, Chapter I, page 2.*)

This policy of the Punjab Government in relation to liquors is that of the Government of India as enunciated in March 1914.

“ Moreover, though it has not been laid down by the Government of India in this connection, it is a principle of excise policy applicable to opium as well as to liquor, to obtain the greatest possible revenue from the least possible consumption.” (*Punjab Excise Manual, Volume III, Chapter 14, page 2.*)

The suggestions and recommendations made below in respect of different items of excise revenue take due account of the policy enunciated above. Appendix E. gives a comparative statement of the rates of duty on different excisable articles in all provinces.

*Country spirit.*—Below are given the figures of consumption, direct and indirect taxation, and receipts from country spirit for the last 11 years :—

Year.	Consumption in L. P. gallons. (000)	Rate of still-head duty per L.P. gallon.
		Rs.
1927-28	983	10
1928-29	962	10
1929-30	946	10
1930-31	293	10
1931-32	241	10
1932-33	262	7.5
1933-34	313	6.25
1934-35	376	6.25
1935-36	392	6.25
1936-37	416	6.25
1937-38	409	6.56
	<i>Incidence of taxation per L. P. gallon by vend fees.</i>	<i>Total revenue from country spirit.</i>
	Rs.	Rs. (000)
1927-28	3.92	60,56
1928-29	5.02	60,38
1929-30	5.27	58,65
1930-31	4.41	49,28
1931-32	4.71	42,58
1932-33	4.84	40,82
1933-34	5.45	40,18
1934-35	4.8	45,87
1935-36	4.8	45,54
1936-37	4.05	48,77
1937-38	4.34	51,39

The Sources of Revenue Committee, 1931, recommended by a majority the shifting of the incidence of taxation from still-head duty to vend fees such that without a change in the

maximum retail price of the liquor, one-half instead of two-thirds of taxation should be obtained from still-head duty. The proposed process of shifting was to operate through a reduction of direct duty. This, it was expected, would lead to an increase in the sales of licit spirit, and therefore in the bids for vend licenses at auctions. Such a shifting of incidence was in turn expected to enhance the interest of the licensee in the detection of illicit distillation, and thus, again, to lead to increased sales of licit spirit, and larger income from direct as well as indirect taxation. The still head duty was reduced from 1st April 1932, from Rs. 10 to Rs. 7-8-0, and further from 1st April 1933, to Rs. 6-4-0. It will be seen from the above figures, however, that the result intended by the Sources of Revenue Committee has by no means been secured; the proportion of total taxation represented by direct duty still remains near two-thirds; and the average incidence of vend fees has tended to decline instead of, as anticipated, to increase. The net effect of the reduction of direct duty has thus been very different from what was contemplated—a substantial reduction of the incidence of taxation as a whole rather than a mere change in the relative importance of direct and indirect taxation. In consequence, in 1934-35, with a consumption equal to that in 1927-28 and 1928-29, the revenue was lower by nearly 25 per cent.

The appreciable expansion in the consumption of licit liquor, which has occurred in recent years could not in our view be ascribed entirely to the reduction in duty. It would appear to have been due in some measure to the normal process of economic recovery expressed in rising agricultural prices, to the increase in population, to the policy of opening more shops in areas where illicit distillation was particularly rife, and generally to more effective measures for the control of illicit crime. In 1936-37 the approach of elections to the Provincial Assembly must also have increased consumption.

The justification for the considerable reduction in duty made in 1932, at a time of acute depression, consequently lost much of its strength.

*Spiced country spirit.*—Closer analysis, however, shows that the entire increase (of 72 per cent) in the consumption of country spirit from 241 thousand L. P. gallons in 1931-32 to 416 thousand L. P. gallons in 1936-37 was more than accounted for by the increase (of 122 per cent) in the consumption of spiced spirit from 152 to 338 thousand L. P. gallons. The growing popularity of spiced spirit is thus amply testified.



It received recognition by the Excise Department when in April 1937, the duty on spiced and special spiced spirit was raised to Rs. 6-14-0 per L. P. gallon while maintaining the duty on plain country spirit at Rs. 6-4-0. With effect from 1st April 1939 the duty on ordinary spiced spirit has been further raised to Rs. 7-8-0 and a distinction has, in addition, been introduced in respect of duty on spiced and special spiced spirit—the latter being now charged at Rs. 8-2-0 per L. P. gallon. The additional revenue expected from the changes made this year is a little over Rs. 2½ lakhs.

This meets our case for enhancement of the rates of direct duty for the present. We further understand that at the annual conference of distillers every year the effect of the previous year's alterations in the rates under each head of excise revenue is examined and the rates adjusted with a view to securing the maximum yield. Since the main function of the Excise Department is to look after the interests of State revenues consistently with the general excise policy of the Government, we do not naturally feel ourselves competent to suggest any far-reaching changes in the important rates of excise duties. On the question of a further increase in the income from country spirit, it is understood that the auction bids during the current year have gone down as a result of increase in duty. We do not think it is possible to increase the revenue from country spirit substantially without an appreciable reduction in the price charged by distilleries. This again does not appear feasible, given the existing financial position of the distilleries. If, however, some means could be found to reduce the cost of empty bottles which are at present imported, through local manufacture or otherwise, the distilleries might be expected to bring down their prices.

*Indian made foreign spirit.*—The consumption of Indian-made foreign spirits is small and non-progressive. It has indeed suffered a decline since 1933-34. In view of this an increase in the duty on this article is not recommended, as the additional receipts from the higher rate of tax are likely to be neutralised in great part or even completely by a contraction of consumption. Indeed, though there is a distinct popular preference for it, this kind of spirit is not essentially different from plain country spirit. It has therefore been even suggested that the rate of duty on it should be lowered with a view to reducing the difference between its price and that of spiced spirit, so as to encourage its sale

relatively to the latter and thus increase government revenue. In principle, we are inclined to agree with the idea. We do not, however, recommend any reduction in the existing rate, as we consider that the increase in the duty on country spirit already made should substantially meet this point of view. As it is, the duty on this article in the Punjab is the lowest of all provinces in India.

*Imported foreign liquor.*—There is a statutory bar in proviso (2) to section 31 of the Punjab Excise Act (I of 1914) against levy by the Provincial Government of excise duty on any article imported into British India, and liable on importation to customs duty by the Government of India. The Punjab Government only levies vend fees for the sale of foreign liquor, in consideration of the trouble and expense involved in the adequate supervision of licensed premises and does not impose any excise duty.

The majority of the Sources of Revenue Committee of 1931 recommended that the vend of foreign liquor should be put up to auction in the same way as the sale of country liquor. The recommendation involved a change in the policy underlying foreign liquor taxation and was not accepted.

Without proposing any change in the general form or method of levying vend fees on foreign liquor, we recommend an increase of 25 per cent in the existing rates of such fees in respect of spirits and wine, and of 50 per cent in the case of imported beer, cider and perry. Thus the assessment should be based on the following rates on sales per bulk gallon:—

Form of license.	Spirit.	Wine, Beer, Cider and Perry imported from overseas countries.	
	Rs. A. P.	Rs. A. P.	Rs. A. P.
For 'off' Consumption: L2, L9.	1 4 0	1 4 0	0 0 9
For 'on' Consumption: L3, L4, L5, L6, L7, L8, and L12-B.	5 10 0	1 14 0	0 9 0

It might be as well to remark that the new rates enforced in the North-West Frontier Province with effect from 2nd March 1938, are much higher than those recommended by us: for L2—for wines and spirits Rs. 2-4-0, and for beer one anna

per gallon ; for licenses for 'on' consumption,—for spirit Rs. 6-12-0, for wines Rs. 2-4-0, and for beer Re. 0-9-0.

No increase is recommended in the fixed fee of Rs. 50 provided for a license in form L1 for the vend of foreign liquor to the trade: the corresponding fee in the North-West Frontier Province stands at Rs. 100.

Foreign liquor can now be imported from overseas under a free pass and without limit of quantity by private individuals and other non-licensees. We recommend that the issue of a pass for the import of foreign liquor (imported or Indian made) in any quantity exceeding one quart bottle for use of private individuals and non-proprietary clubs, *i.e.*, associations of persons for social intercourse (including regimental messes and canteens run on a club basis) should be made subject to the payment of a pass fee at Re. 1 per gallon of spirit or wine.\* The corresponding rate in the North-West Frontier Province is Re. 1-4-0 per gallon, imposed from 2nd March, 1938, and in the United Provinces too is higher than the one recommended above though it is graduated according to the quantity imported. In Madras the equivalent duty on import of liquor by non-licensees has been levied at a rate of Re. 2-4-0 on spirit, champagnes and other sparkling wines and Rs. 1-2-0 on wines of all other kinds and liquors, since 1st April 1936. In the United Provinces and Madras, moreover, a heavy pass fee is levied for import by private individuals and clubs of beer as well. We do not recommend the levying of any fee on the import of beer.

Besides the distinction referred to above between spiced and special spiced spirit a few other measures have been adopted during the last year for increasing the revenue from this source. An export duty of 2 annas per L. P. gallon has been imposed on all country, rectified and Indian-made foreign spirits, other than denatured spirit, issued to any province except Delhi and North-West Frontier Provinces or Indian States, with effect from 28th November 1938. The duty is calculated to yield annually Rs. 66,250. Another measure has been to raise the duty on rectified spirit contained in

\*The replies to the questionnaire on Resources revealed a fairly large body of opinion against the exemption of clubs, etc., from the obligation to draw a license.

*Cf.* Mr. E. H. Lincoln: 'I have no objection to the removal of the exemption referred to'; Mr. A. A. Macdonald: 'I see no reason why *bona fide* clubs and messes should not pay a small fixed fee of Rs. 25 or Rs. 50 a year'; Mr. K. H. Henderson: 'I would remove the exemption. It will have little effect on consumption'. This view gives indirect support to the recommendation made by us above.

medicinal essences and toilet preparations and perfumery from the present rate of Rs. 5 per L. P. gallon to Rs. 17-8-0 per L. P. gallon with effect from 3rd June 1938. Similarly duty on medicinal preparations which might be used for other than medicinal purposes has been increased in equal degree, with effect from 6th September 1938. The assessed fee on denatured spirit (formerly known as permit fee) has been raised from annas 12 to Re. 1 per Imperial gallon from 1st April 1939, which is estimated to bring in an additional income of a little over Rs. 30,000. This brings the Punjab rates more into accordance with the rates prevailing in other provinces.

*Opium.*—The revenue from opium is derived from—(i) duty on excise opium ; (ii) acreage rate on cultivation ; and (iii) vend license fee.

The treasury issue price of opium per seer, including price (Rs. 19-4-0) and duty, is Rs. 85 in Madras, Rs. 75 in Bombay, Rs. 91 in Bengal, Rs. 110 in the United Provinces, Rs. 90 in Bihar, Orissa and Central Provinces, Rs. 95-5-0 in Assam, Rs. 59-4-0 (for desert area) to Rs. 79-4-0 in Sind, and Rs. 80 in the Punjab\* and North-West Frontier Province. It appears thus that the rate of duty on opium in almost all provinces is higher than in the Punjab. Since the present rate in the Punjab has been in operation only since January of this year, before which it stood at Rs. 70 per seer, we do not recommend any immediate enhancement. The advisability of an increase to Rs. 90 per seer should, however, be carefully considered after a year's experience of the effects on consumption and revenue of the recent increase in the rate to Rs. 80.

*Acreage duty on poppy.*—The cultivation of poppy for the production of poppy heads or *post* is permitted only in the Hoshiarpur tehsil and Jullundur District. From 1917 the acreage duty on poppy cultivation was levied at Rs. 4 per acre. In January 1922 the rate was increased to Rs. 8 per acre. There was no change in this duty until 1st September 1930, when it was raised to Rs. 12 per acre. This rate was doubled with effect from 1st October 1931, on the recommendation of the Sources of Revenue Committee, and stands now at Rs. 24 per acre.

\*An increase in the issue price from Rs. 70 to Rs. 80 was made with effect from April 1939. We had already considered an increase to this level as obviously feasible.

The annual matured acreage and the income from acreage duty on poppy cultivation has varied as follows :—

Quinquennium.	Average annual matured acreage.
1915—20 ..	829
1920—25 ..	590
1925—30 ..	809

Year.	Matured acre- age.	Income. Rs.
1928-29 ..	965	..
1929-30 ..	1,076	..
1930-31 ..	2,172	..
1931-32 ..	2,188	29,165
1932-33 ..	521	14,220
1933-34 ..	653	18,618
1934-35 ..	1,300	85,138
1935-36 ..	973	26,238
1936-37 ..	1,551	41,712
1937-38 ..	2,255	60,181

On the basis of facts about cultivated acreage and income during recent years, and in view of the enhancement made in the issue price of opium, we feel justified in proposing an increase in the acreage duty on poppy cultivation by 50 per cent to Rs. 36 per acre. The increase may lead to some initial decline in receipts as a result of some contraction of the cultivated area, but any such decline should soon be more than made up and followed by a relatively appreciable increase.

*Hemp Drugs: Charas.*—With effect from 1st April 1937 the duty on *charas* was increased from Rs. 20 to Rs. 40 per seer, and the retail price of *charas* was raised from Re. 0-12-0 to Re. 1-2-0 per tola. This decision was taken because it was understood that the Chinese authorities in Yarkand had prohibited the cultivation of *charas* there ; this was expected to put a stop to smuggling, and therefore to make

an increase of duty feasible. With effect from 1st April 1939 a transport pass fee of Rs. 20 over and above the duty of Rs. 40 per seer has been levied.

An additional revenue of Rs. 3,44,800 during 1937-38 was anticipated on the assumption that consumption would be largely maintained. Actually, the consumption of *charas*, fell from 17,251 seers in 1935-36 and 17,654 seers in 1936-37 to 10,694 seers in 1937-38—a decline serious enough in itself, but proportionately smaller than the increase in the rate of duty. The revenue derived from the duty on *charas* in the British Punjab went up accordingly from Rs. 3,46 thousands in 1936-37 to Rs. 4,28 thousands in 1937-38.

*Bhang*.—We recommend that the rate of transport duty on *bhang* should be increased from Rs. 2-8-0 per quarter maund at present to Rs. 3-8-0 per quarter maund.

On a general view it appears that the best means of increasing the receipts from excise is to keep down the illicit consumption of excisable articles—mainly liquor—to the minimum possible; and with that end, to increase the facilities for obtaining licit supplies where illicit distillation is rife and difficult to suppress. We consider that there is a strong case alike from the point of excise policy and excise revenue for a simultaneous stiffening of excise control and increase in the number of shops in the central districts of Lahore, Amritsar, Gurdaspur, Ferozepore, Ludhiana, etc. Any objection from the point of view of control of the drink evil to the increased provision of licit liquor can be removed by setting apart the additional excise revenue thus secured for the education and uplift of the areas from which it is derived. It is essential to remember that for the most part the increase in revenue will accrue from the substitution of licit for illicit consumption, and not through a net increase in consumption. We believe that when the opportunities for illicit indulgence are many it is not possible to exercise drink merely by negative inhibition, but by positive measures of social improvement, a broadening of life's perspective, education and the cultivation of healthful modes of recreation and diversion.

As one of the means of checking illicit sales and therefore distillation, it was suggested to the Committee that the soda water sellers, who were also providing drink by pegs, should be licensed.

## STAMPS.

193. Stamps are broadly classified into judicial and non-judicial (or general). The former are largely fees for services rendered ; in the latter the element of taxation preponderates.

Non-judicial stamps are at present regulated by the Indian Stamp Act, 1899, as subsequently amended in 1904, 1906, 1923 and 1925 by Indian Stamp (Amendment) Acts, and in 1927 by the Indian Finance Act of that year, together with the Indian Stamp (Punjab Amendment) Act, 1922. Under Schedule I, part 2, item No. 20 of the Devolution Rules under the Government of India Act, 1921, non-judicial stamps were a provincial subject, subject to legislation by the Indian legislature. Several provincial Governments applied for sanction to the introduction of legislation for the enhancement of stamp duties ; the Governor-General reserved certain items for Central legislation\* and allowed the local Governments to legislate as regards other instruments. Several provincial legislatures took advantage of this opportunity to increase substantially the duty on all or most of the instruments made over to their control. The Punjab Government too raised the duty on various items by 50 per cent in most cases with effect from 15th January 1923. This produced an extra income of approximately Rs. 24 lakhs.

The Punjab Stamp (Amendment) Act, I of 1924, which came into effect on March 1, 1925, doubled the rate of stamp duty chargeable on a conveyance of immovable property situated within a Municipality, Cantonment or Notified Area. This was estimated to increase the revenue from stamps by Rs. 5 lakhs. It was found, however, that the increased impost was being evaded and the Punjab Stamp (Amendment) Act, I of 1935, effective from June 27 of that year, reduced the rates to the level of 1922. But on the other hand, from 6th May 1935, sections 54, 107 and 123 of the Transfer of Property Act, 1882, were made applicable in the Punjab, requiring the compulsory registration of all instruments of conveyance, lease or gift of immovable property situated in a municipal or notified area. This was expected to produce an additional Rs. 3 lakhs.

\* Acknowledgment, bill of exchange, share certificate, cheque, delivery order in respect of goods, letter of allotment of shares, letter of credit, policy of insurance, promissory note, proxy, receipt, and shipping order.

Under the Government of India Act, 1935, 7th Schedule, item 51 of the Provincial Legislative List, the rates of stamp duty in respect of documents other than those specified in the Federal Legislative List,\* are to be determined by the provincial legislatures. The Sources of Revenue Committee, 1931, suggested an increase in the rates of stamp duty in the Punjab on several instruments; their recommendations have been referred to below. Recently several provincial Governments have revised their schedules of rates in the upward direction.†

We accordingly had an up-to-date comparative statement compiled showing the rates of stamp duties levied on various kind of instruments in the different provinces of India (Appendix F to the Report), and considered various suggestions received in reply to the Questionnaire on Resources for increasing the receipts from stamps. We kept specially in view the desirability of establishing more or less uniformity in the rates of stamp duties in different provinces. Our conclusions and proposals for adjustments in rates prescribed in the Schedule to the Stamp Act are given below :—

*Article 3.—Adoption deed.*—The duty on instruments under this article is Rs. 20. Wills are exempted. But a will is generally executed either to adopt or disown an heir, and its exemption, therefore, does not appear proper. The exemption should be removed, and wills made liable to duty equally with other instruments. Absence of stamp should not, however, invalidate a will. The will may become valid on payment of a penalty.

While adoption is in several cases a religious ceremony, deeds of adoption generally operate as documents of title to property. Now, the fixed duty of Rs. 20 acts as a deterrent to the execution of documents in the case of adoptions by owners of small properties, but allows a potential transfer of title to escape taxation in the case of large properties. Here it must be recognised that the adopted son comes by a wind-fall either actually or potentially. The transaction of potential transfer of title to property involved in adoption resembles

\*The same as were reserved for central legislation under the Devolution Rules since acknowledgment, share certificate, delivery, order in respect of goods and letter of allotment of shares, which now come within the provincial purview.

†Cf. The Assam Stamp (Amendment) Act, XV of 1935; the Bihar Stamp (Amendment) Act, VI of 1937; the United Provinces Stamp (Amendment) Act, III of 1936 and XVIII of 1938; the Central Provinces and Berar Indian Stamp (Amendment) Act, XVII of 1939; the Bombay Finance (Amendment) Acts, VII of 1938 and VI of 1939.



a conveyance and is a fit subject for taxation. We recommend that where the property is of a value not exceeding Rs. 2,000 the duty might be lowered to Rs. 10. And in cases in which title is created through an adoption to properties of Rs. 10,000 or more the duty should be proportional to the value of property involved, but at one-quarter the rate in the case of a conveyance.

If the above suggestion is adopted, it would become necessary to distinguish between deeds of adoption and deeds of authority to adopt, since an authority to adopt may never be followed by an actual adoption and could not fairly be taxed at the same rate. The duty on a deed of authority to adopt may then be reduced to Rs. 10.

*Article 4.—Affidavit.*—Exemption (b)—“for the immediate purpose of being filed or used in any court or before the officer of any court”—should be removed, and the duty on such affidavits should be charged at a reduced rate of Re. 1, other affidavits to be charged Rs. 2 as at present. It is understood that between 100 and 300—say, on the average, 200—affidavits are executed monthly in each district. The addition to revenue by the adoption of this recommendation is estimated at about Rs. 69,600 ( $200 \times 29 \times 12$ ) or Rs. 60,000 at a minimum.

*Article 10.—Articles of Association.*—The duty under this article in Bombay is Rs. 25, when the nominal share capital of the company does not exceed Rs. 2,500, Rs. 50, when it exceeds Rs. 2,500 but does not exceed Rs. 1,00,000, and Rs. 100 otherwise. It is Rs. 50 in Bengal, Madras, the United Provinces, Central Provinces and Bihar irrespective of the amount of share capital of a company. In the Punjab the duty is Rs. 25 where the authorised share capital is Rs. 1,00,000 or less, and Rs. 50 in any other case.

¶¶ The Sources of Revenue Committee, 1931, recommended the following scale of rates for this province :—

	Rs.
Where the company has no share capital or the nominal capital does not exceed Rs. 25,000 ..	25
Where the nominal share capital exceeds Rs. 25,000 but does not exceed Rs. 1,00,000 ..	50
Where the nominal share capital exceeds Rs. 1,00,000 .. ..	100

The recommendation was not accepted. We strongly recommend that the rates of duty in the Punjab should be raised to a level with those of Bombay. We recognise that this may result in hardship to companies with a very small share capital, but we are not perturbed by the prospect of some check to the unhealthy multiplication of unstable concerns. It may be as well to refer to the recommendation of the Indian Taxation Enquiry Committee, 1924-25, in this respect. In view of the benefit which accrues to a company with limited liability that Committee considered that the nominal share capital of such companies was an appropriate subject for the levy of an *ad valorem* duty. In the United Kingdom limited liability companies are taxed at the time of registration on their nominal share capital at the rate of one per cent. The Indian Taxation Enquiry Committee proposed 8 annas per Rs. 100 as a suitable rate in this country and in the event of that suggestion being adopted a reduction of the fixed duties on Articles of Association to Rs. 10.

*Article 15.—Bond.*—By the Indian Stamp (Punjab Amendment) Act of 1922, no increase was effected in the duty on bonds up to Rs. 200. An increase of 25 per cent was made on bonds of a value above Rs. 200 and not above Rs. 500. Over Rs. 500 the increase of duty effected was 50 per cent. The resulting disproportion in the rates in various grades leads to evasion of stamp duty by the expedient of executing several bonds of small value and subject to lower proportionate duty in place of a single bond of large value. We, therefore, recommend that rates prescribed for Bottomry Bond (No. 16) should also be made applicable to Bond (No. 15). The Sources of Revenue Committee, 1931, also supported this change.

*Article 22.—Composition deed.*—The duty under this article is Rs. 20 in Bombay and Assam, Rs. 15 in Madras and Bihar, Rs. 12-8-0 in the United Provinces and the Punjab and Rs. 10 elsewhere. The rate of duty in the Punjab should be raised to Rs. 15. The Sources of Revenue Committee in 1931 made a similar recommendation.

*Article 23.—Conveyance.*—Land situated within municipal limits and registered in revenue papers as 'agricultural' but actually used for other purposes should be assessed for stamp duty on conveyance on the amount or value of consideration for such conveyance as set forth therein.

*Article 25.—Counterpart or Duplicate.*—The duty should be raised from Re. 1-8-0 to Rs. 2, as in Assam and Bombay.

*Articles 32 and 40.—Instruments of Further Charge and Mortgage deed.*—In other provinces the duty on a 'Mortgage deed' and an instrument of 'Further Charge' corresponds to the *existing* rates of duty on a bond (No. 15) and a Conveyance (No. 23) according as the mortgage is without or with possession. In the Punjab the duty on these documents is chargeable at the *original* rates for a Bond (No. 15) and Conveyance (No. 23) under the Indian Stamp Act, 1899, and not as elsewhere at the present enhanced rates of duty for these articles. It is recommended that the duty on 'Mortgage deed' and an instrument of 'Further Charge' should be brought on a par with that leviable at present on a Bond (No. 15) in the case of a mortgage without possession and a Conveyance (No. 23) if the mortgage is with possession.

*Article 34.—Indemnity Bond.*—This document is subject to wide abuse, being often substituted for instruments liable to higher rates of duty and likely to bring more revenue. The duty under sub-clause (b) of this article should be increased from Rs. 7-8-0 to Rs. 10 as in Bombay.

*Article 35.—Lease.*—A lease of land for purposes of cultivation for a term not exceeding one year or when the average annual rent reserved does not exceed one hundred rupees, is at present free of duty. The exemption should continue in the case of a lessee paying an annual rental of Rs. 100 or less, but should be withdrawn in respect of single year leases, which in practice continue for an indefinite period, being renewed from year to year.

*Article 45.—Partition.*—Proviso (2) (b) to article 45 enacts that, in the case of deeds of partition where land is held on revenue settlement for a period not exceeding thirty years and paying the full assessment, the value for purpose of duty shall be calculated at not more than ten times the annual revenue. The idea of valuing lands at a multiple of the assessment is presumably borrowed from the similar practice in the case of suit valuation, but the two cases are different. In the case of partition, the properties are presumably divided with reference to their actual value and not according to a purely arbitrary measure like a multiple of the assessment. The proper course in assessing the stamp duty on documents relating to partition appears to be that adopted in the case of documents relating to conveyance or

sale, where lands are valued according to the consideration for the sale or the value of the property. We would, therefore, recommend that the proviso be repealed.

Partitions are at present chargeable with the same duty as a bond for the amount of the value of the separated share or shares of the property. It has been suggested\* that the appropriate duty on a partition should be that on an exchange or conveyance, since essentially similar transactions should pay similar rates of duty. We do not agree, a partition resembles a conveyance but does not constitute a full transfer of title like a conveyance.

*Article 46.—Partnership.*—The existing rate of duty where the capital of the partnership does not exceed Rs. 500 is Rs. 5 and in any other case is Rs. 20 in Bombay, Bengal, Madras, Bihar and Assam. The Punjab rates for similar categories which are at present Rs. 2-8-0 and Rs. 10 should be raised to Rs. 5 and Rs. 20, respectively. The Sources of Revenue Committee also suggested an enhancement in the Punjab rates, though on a different scale. The Indian Taxation Enquiry Committee recommended that if their suggestion for the levy of a duty on the nominal share capital of limited companies was adopted the present rates of duty in respect of an instrument of partnership might be abolished, and an *ad valorem* scale applied to the capital of the partnership; an appropriate rate might be 4 annas per Rs. 100. There is *prima facie* evidence of ability to pay in this case.

*Article 55.—Deed of Release.*—The duty on a Release is *ad valorem* as on a Bottomry Bond (No. 16) when the amount or value of the claim does not exceed Rs. 1,000, and Rs. 7-8-0 otherwise. Now a release may be a mere disclaimer, as where a *benamidar* executes a document disclaiming any interest in the properties nominally standing in his name. But, as was pointed out by the Indian Taxation Enquiry Committee, and has been represented in evidence before us, there are other cases in which documents falling within the definition of a release really operate to convey property by way of gift or sale. In such cases the duty at the bond rate subject to a maximum of Rs. 7-8-0 appears inadequate. It would be more appropriate to make them dutiable at the conveyance rate of one per cent of the value of the property conveyed.

\*The Indian Taxation Enquiry Committee, Volume II, Appendix X 'Note by the Legal Adviser to the Committee on the duties levied under the Indian Stamp Act,' page 135.

*Abuse of Receipt and Acknowledgment and Indemnity Bond.*—The duty in respect of a sale, lease or mortgage deed is often evaded by the expedient of having a simple receipt executed respectively by the seller, lessee or mortgagor for money received from the purchaser, lessee or mortgagee in payment of the transaction. The transaction is said to have been completed orally in the past, and is taken as *fait accompli* at the time of executing the receipt. Or, *e.g.*, in the "Reconveyance of Mortgaged Property," a receipt is given for the major part, and a reconveyance deed is executed for a small part. An acknowledgment may be abused in the same way. It has also been pointed out above that indemnity bond is another document which is liable to abuse in a similar manner.

A receipt is such a simple and common instrument, and resort to it is had to avoid higher duty under so many other instruments, that an increase in the duty on receipts was suggested to us in writing by many witnesses. We hardly consider this a desirable method of dealing with the abuse, apart from the fact that receipts are a subject for Federal (or Central) legislation. We note, however, that the Financial Commissioner in his letters No. 2508-S. R., dated the 16th July 1925 and No. 1816-E. & S., dated the 18th March 1931, has drawn the attention of all District Officers to the need for carefully scrutinising indemnity bonds or acknowledgments or receipts of payment of consideration for conveyance of immovable property presented for registration, etc., to ensure that the document is really only an indemnity bond or a receipt for consideration, even though it may refer to a previous sale and recite that "nothing remains due," and is not an instrument which transfers property from one person to another. In those letters District Officers are also instructed to exercise particular care that such documents do not include in addition any promise or agreement, and if they do, to see that they are stamped as such. In view of the fact that the practice of evading stamp duty by means of instruments referred to above is still widespread, we consider that it may be useful to issue fresh instructions to District Officers on this point with a view to more effective check being exercised on the abuse of such instruments.

The number of different documents executed under the various Articles considered above, and the receipts in stamp duty therefrom, are not known. It is not possible, therefore, to give any estimate of the likely addition to receipts from

the adoption of these recommendations. It is anticipated, however, that the increase in income would be substantial.

It may be mentioned at this stage that the absence of figures relating to revenue derived from different classes of transactions is a great drawback from the point of view of efficient care of the interests of State revenues. This makes it impossible to judge of the effects of any changes in duties made from time to time, or to analyse the causes of any large fluctuations in stamp revenue by detecting the categories in which the major part of any variation in receipts may have occurred. We would, therefore, recommend that the possibility of preparing and maintaining a classified record of the kinds of instruments from which stamp revenue is derived, somewhat on the lines of the returns adopted in England, may be carefully examined.\*

#### CIVIL PROCESS FEES.

194. The existing fees for service of processes in civil courts are :—

Kind of Process.	COURTS OF		
	1st Grade.†	2nd Grade.‡	3rd Grade.§
	Rs. A. P.	Rs. A. P.	Rs. A. P.
Summons .. .. .	2 0 0	1 0 0	0 8 0
Warrants of attachment .. .. .	4 0 0	2 0 0	1 0 0
Warrants of arrest .. .. .	4 0 0	2 0 0	2 0 0

The history of past changes of process fees is given in paragraph 17 of the Report of the Punjab Sources of Revenue Committee, 1931. It will be enough to mention here that prior to 1920 there were four grades of courts. In that year the proposal of the High Court to merge the fourth in the

\*This matter is referred to in Indian Taxation Enquiry Committee, 1924-25, Report, Volume I, paragraph 317 and Volume II, 'Note by the Legal Adviser to the Committee', pages 164-65.

† The High Court and Court of the Financial Commissioners.

‡ District Courts and Courts of Commissioners.

§ Courts subordinate to the District Court and Courts of Collectors and Assistant Collectors.

third grade was accepted. This had the effect of doubling the process fees for courts that had hitherto been fourth grade. A proposal of the Local Government in 1922 to enhance the process fees further was dropped, as the Honourable Judges were not agreeable to a second increase so soon after the first. The Sources of Revenue Committee, 1931, observed definite signs of a decline in litigation which they said, made the financial advantage of an increase in process fees doubtful. They, however, recommended by a majority of six to two that the third grade scale of process fees should be merged in the second grade scale. The Honourable Judges expressed themselves strongly against the proposal, *inter alia*, on the ground that while process fees were intended merely to meet the cost of issue and service of processes, Government were actually making out of them a profit which already, in 1930, amounted to about Rs. 7 lakhs net. The Honourable Judges are still opposed to any enhancement of process fees on the same ground, the 'savings' to Government connected with the service of processes according to their figures being for all courts Rs. 7½ lakhs, Rs. 5 lakhs and Rs. 4 lakhs, and for civil courts only Rs. 6½ lakhs, Rs. 4 lakhs and Rs. 3 lakhs respectively in 1934, 1935 and 1936.

In view of the above, and the fact that the rates of process fees are fixed by the High Court under section 20 of the Court Fees Act, 1970, we do not recommend any increase in the civil process fees on the existing basis. We, however, suggest an alteration in that basis, so as to bring it into conformity with the usual practice in other provinces in India, and possibly to increase receipts to some extent. The different scales of fees might be based on the value of suits instead of on the grade of courts. The following scale is suggested :—

	Summons.	Warrants of attachment.	Warrants of arrest.
	Rs. A. P.	Rs. A. P.	Rs. A. P.
For value of suits of Rs. 1,000 or less	0 12 0	1 8 0	2 0 0
For value of suits of more than Rs. 1,000 but less than Rs. 5,000.	1 8 0	3 0 0	3 0 0
For value of suits of Rs. 5,000 or more	2 0 0	4 0 0	4 0 0

## COURT FEES.

195. The receipts from judicial stamps and the number of original civil suits instituted in all courts have for some years been as follows :—

					<i>Receipts (Rs. lakhs).</i>
					Rs.
1928-29	..	..	..	..	79.2
1932-33	..	..	..	..	74.0
1933-34	..	..	..	..	70.7
1934-35	..	..	..	..	67.8
1935-36	..	..	..	..	58.7
1936-37	..	..	..	..	56.3
1937-38	..	..	..	..	55.9
1938-39 (Revised)	..	..	..	..	53.8
1939-40 (Budget)	..	..	..	..	54.7
					<i>Suits (number)</i>
1932	..	..	..	..	242,684
1933	..	..	..	..	227,688
1934	..	..	..	..	207,561
1935	..	..	..	..	172,764
1936	..	..	..	..	161,786
1937	..	..	..	..	153,525
1938	..	..	..	..	135,912

The steep decline in receipts as well as in the number of suits filed since 1933-34 is clear evidence of the sharp fall in the volume of civil litigation in recent years. In view of the above it appears doubtful whether on the whole any addition to the scale of court-fees would result in increased revenue. The better alternative would be to aim at greater economy in the Administration of Justice in view of the obvious decline of work in the courts. This question has been dealt with separately in connection with proposals for retrenchment.

Despite our general reluctance to suggest an increase in court-fees, we consider that some increase is manifestly practicable under the following heads, having regard both to the scale of fees leviable in other provinces and to conditions in this province (see Appendix G.)



## SCHEDULE I.

*Article 1.—Plaints.*—With a view to affording relief to petty litigants the Punjab Court-fees (Second Amendment) Act, VI of 1926, fixed the limit for concessional rate of reduced fees at Rs. 500. In most other provinces this concession of lower fees is limited to Rs. 100, or Rs. 150. We, therefore, reiterate the recommendation of the Punjab Sources of Revenue Committee, 1931, to lower the limit of concession to plaints of the value of Rs. 250.

*Article 6 (i) (a) and (b) and 6 (ii).*—*Copy of a judgment or order not being or having the force of a decree.*—The existing fee which is 4 annas, 8 annas and Re. 1, respectively, should be raised to 6 annas, 12 annas, and Rs. 1-8-0 as in Madras, Bengal, United Provinces, Bihar, Orissa and Central Provinces. The Sources of Revenue Committee, 1931, recommended no increase under 6 (i) (a), a fifty per cent. increase under 6 (i) (b), and a hundred per cent increase under 6 (ii).

*Article 11.—Probate of a will or letters of administration with or without will annexed.*—The Sources of Revenue Committee, 1931, recommended the following scale :—

- |   |     |
|---|-----|
| (a) When the amount or value of the property does not exceed Rs. 10,000 .. .. | 2%  |
| (b) When it exceed Rs. 10,000 but does not exceed Rs. 25,000 .. ..            | 2½% |
| (c) When it exceeds Rs. 25,000 but does not exceed Rs. 50,000 .. ..           | 3%  |
| (d) When it exceeds Rs. 50,000 .. ..  | 3½% |

The real difference which the adoption of this recommendation would have made in the existing scale of fees was an increase in duty on estates exceeding in value Rs. 25,000 but not exceeding Rs. 50,000 from 2½ per cent to 3 per cent and an increase in duty on estates of a value higher than Rs. 50,000 from 3 per cent. to 3½ per cent.

We recommend the following scale of rates :—

- |   |    |
|---|----|
| When such amount or value exceeds Rs. 1,000 but does not exceed Rs. 10,000 .. ..    | 2% |
| When such amount or value exceeds Rs. 10,000 but does not exceed Rs. 50,000 .. ..   | 3% |
| When such amount or value exceeds Rs. 50,000 but does not exceed Rs. 1,00,000 .. .. | 4% |
| When such amount or value exceeds Rs. 1,00,000 .. ..                                | 5% |

The change proposed would result in an enhancement over the existing rates in respect of the last three of the above categories by  $\frac{1}{2}$ , 1 and 2 per cent respectively. It will bring the Punjab rates on a par with those applicable in Bengal, Bihar and Orissa over the whole range of amount or value. But the proposed rates are lower than those prevailing in Bombay for estates over 2½ lakhs, and in the United Provinces for estates over 3 lakhs. Compared to Madras and the Central Provinces they are generally lower over relatively smaller amounts up to Rs. 10,000 or Rs. 15,000 and higher above Rs. 50,000.

#### SCHEDULE II.

*Article 1 (c) and (d).—Application or petition.*—The existing fee is Re. 1 in the Punjab, Rs. 1-8-0 in Madras, Bengal, the United Provinces, Bihar, Orissa and Central Provinces and Rs. 2 in Bombay. We would not increase the rate of fee in the Punjab as we do not wish to restrict a very common right much valued by the general public.

Under Article 1 (d) applications presented to the High Court of the Punjab are charged with a stamp fee of Rs. 2. In Bombay such applications have to pay Rs. 4 and in Bihar and Orissa Rs. 3. In Bengal and Madras court-fees are levied on the jurisdiction value of the case to which an application relates, subject to a maximum of Rs. 10 and a minimum of Rs. 2. We consider that the rate of fee in the Punjab might be raised to Rs. 3.

*Article 10.—Mukhtarnama or Wakalatnama.*—At present no court-fee is charged on memoranda of appearance which have now become prominent in proceedings of courts and are misused for *Mukhtarnama* and *Wakalatnama*. We recommend that such memoranda should be included in the text of this Article.

*Article 11 (a).—Memorandum of appeal when the appeal is not from a decree or an order having the force of a decree and is presented to any civil court other than a High Court or to any Revenue court other than the Chief Controlling Revenue authority.*—The court-fee charged on memorandum of appeal under this sub-clause is Re. 1 in this province. It is well known that the hearing of an appeal involving however trivial a matter takes up an appreciable time of the tribunals and the fees paid thereon are hardly commensurate with the services rendered in that respect. The fee might be raised to Rs. 2 as in the Central Provinces.

*Article 12.—Caveat.*—The present fee is Rs. 10 in Madras, Bengal, Bihar and Orissa. In Bombay and the United Provinces it is Rs. 5 when the amount or value of the property does not exceed, respectively, Rs. 2,000 and Rs. 5,000, and Rs. 10 in any other case. The Sources of Revenue Committee recommended that the present fee of Rs. 5 in the Punjab should be raised to Rs. 7-8-0. We recommend that, as in the United Provinces and Bombay the fee should be Rs. 5 when the amount or value of the property does not exceed Rs. 5,000 and Rs. 10 in any other case.

*Article 14.—Petition in a suit under the Native Converts' Marriage Dissolution Act, 1866.*—Petitions under this Article lie to the District Judge who has to try them as a civil suit. The fee prescribed under this Article is Rs. 5 in this province against Rs. 10 in Bombay, Bihar and Orissa and Rs. 7-8-0 in the United Provinces. We recommend that an increase should be made to Rs. 7-8-0 as in the United Provinces.

*Article 17.—Plaint or memorandum of appeal.*—The present fee under all sub-sections is Rs. 10 in the Punjab and Rs. 15 or higher in most other provinces. We recommend an enhancement of the Punjab rate under all sub-sections to Rs. 15. This recommendation applies with particular emphasis to declaratory suits—(17) (iv). A common method of evasion of court-fee is by giving ordinary suits the form of a declaratory suit, thus making them chargeable with a fee of Rs. 10 only. The facility provided by such a form of suit is widely abused in this way. Often frivolous and speculative suits are instituted simply to delay some other proceedings pending before court. We therefore consider that an increase in the court-fee to the level of most other provinces is obviously desirable and recommend accordingly. The Honourable Judges support an enhancement to the extent recommended by us. The Sub-Committee of the Sources of Revenue Committee, 1931, appointed to consider the question of stamps and court-fees also recommended by a majority the addition of the following words at the end of section 7 (iv) (c) :—

“ provided that the minimum court-fee payable shall not be less than Rs. 15.”

The Financial Commissioner, Revenue, has made the same proposal before the Committee.

Our attention has been drawn to the decision of the Government against such increase as incorporated in the Cabinet's decision in June, 1938.

*Section 19 (ix).*—Under this section of the Court-fees Act, appeals from the Settlement Officer's orders are exempt from the payment of court-fee if presented previous to the final confirmation of a settlement. Enquiry, however, revealed that in one Division recently out of a total number of 896 such appeals only 10 had been received unstamped, 886 having been affixed with a stamp of Re. 1 each. Presumably stamps are unnecessarily affixed in such cases through ignorance. We consider that this revenue which accrues voluntarily, being not recoverable under the law, should be legalised.

*Section 7 (v).*—Under the method of computing court-fee in suits for the possession of land, houses and gardens, suits relating to land situated in the neighbourhood of large towns having considerable market value are sometimes instituted on payment of a nominal court-fee. The Financial Commissioner agrees with the Punjab Sources of Revenue Committee that sub-clause (v) of section 7 should be amended to read as follows :—

“ In suits for the possession of land, houses, and gardens—according to the value of the subject-matter; and such value shall be deemed to be 15 times the net profits arising from the land during the year next before the date of presenting the plaint, but where no such net profits have arisen therefrom, the amount at which the court shall estimate the land with reference to the value of similar land in the neighbourhood.”

We concur and recommend accordingly. The sub-clauses of clause (v) may be omitted.

*Applications made to Debt Conciliation Boards under sections 9 and 23 of the Punjab Relief of Indebtedness Act.*—Article 1 of Schedule I to the Court-fees Act prescribed *ad valorem* court-fee on plaint and memorandum of appeal in money suits. Under Article 1 (clause b), schedule II of the Court-fees Act, the fee for an application presented to a public officer is Re. 1. Rule 15 of the Punjab Debt Conciliation

Rules, 1935, lays down that every application for settlement made under section 9 of the Punjab Relief of Indebtedness Act and every application for review made under section 23 of that Act shall be stamped by the applicant with a court-fee stamp of the value of 8 annas. We recommend that the fee on such applications should be raised to Rs. 2.

Since receipts from the sale of court-fee stamps used in respect of various documents are not recorded separately, either in the treasury or stamp vendors' registers, it is not possible to give an estimate of the increase in revenue likely to result from the adoption of these proposals. A substantial increase in revenue may, however, be expected.

#### FORESTS.

196. We have considered the relative merits of the extraction of timber through private or departmental agency and approve of the present system under which extraction takes place mainly by private agency and to a relatively small extent departmentally. The reply of the Chief Conservator of Forests succinctly states the case for the present position: 'If both systems are maintained a comparison of the relative value of the two is possible. Neither system is ideal, but each has advantages under appropriate conditions.'

While we are aware of the demand for wider grazing facilities we are inclined to favour stricter control of private encroachments on forest domain and more stringent closures. The forest policy of the Government must be boldly conceived with a view to the advantage of the whole community and the ultimate and larger interests of the province. On the correct treatment of problems of conservation and soil erosion depends the steady stream of perennial water supply to our widespread canal system, and, therefore, the security of the farmer's crops and the stability of provincial finances. Conservation of forest wealth rather than a short-sighted policy of exploitation will be of lasting benefit to the people. As Mr. F. L. Brayne puts in his written evidence before us: 'The area under the Forest Department is many times more valuable as a water reservoir than as a timber reservoir.'

This, however, refers to wholesale exploitation of timber. The view expressed here is not inconsistent with a careful policy of fostering selected industries for which definite scope may be found to exist. However, the development of commercial possibilities of the forests is more a long term problem

of the full utilisation of provincial resources, involving probably some initial expenditure, than an immediate means of increasing the receipts of Government under this head. We cannot, therefore, do more than mention a few lines of possible development which appear worthy of consideration. Among these are the planting of better timber trees in forests ; the cultivation of fruit trees at suitable places in the Kulu valley ; the growing of *kuth* at selected stations and the rearing up of small or medium industries on the basis of such raw materials as silk cocoons, tanning materials, lac, and grass for paper, besides match wood, etc., which are available in the provincial forests and could no doubt be further developed if proper uses were discovered for them. The special attention of those responsible for conducting the industrial survey of the province may be invited to the need for investigation of profitable uses for raw materials that may exist or could be produced in Punjab forests.

(2) In view of the policy of the Kashmir Durbar to impose heavy taxation on all imports from this province, and for that matter, from British India, we are *prima facie* inclined to favour the proposal to tax Kashmir timber floated down the rivers to the markets of this province. The Sources of Revenue Committee, 1931, recommended by a majority the taxation of all timber imported from Kashmir into the Punjab. The attitude of the Punjab Government towards the levy of such a tax was favourable at the time when this recommendation was made. The tax was not actually levied because the Government of India advised that there was little chance of the proposal being considered till final settlement of the financial system of the New Constitution.

The new Government of India Act has now been passed and the awaited financial settlement has taken place. Under the present constitution (*cf.* section 297 of the Government of India Act, 1935) it does not appear open to a province substantively to restrict the entry into it of goods from outside by means of heavy taxation. Nor is it possible for a province to discriminate in its scheme of taxation between goods imported from one locality and another. Import of timber from the North-West Frontier Province, Chamba, Mandi and other states would, therefore, have to be taxed equally with imports from Kashmir. We also appreciate that timber is a raw product, the supplies of which are none too plentiful in the plains, and its price rather high, and any addition to the cost of placing timber on the market will in

the main be borne by consumers. We do not, therefore, suggest the imposition of any big tax on imports, but, in the alternative, recommend that the present rates of rafting fees should be doubled. This recommendation has the support of the Chief Conservator of Forests.

#### REGISTRATION.

197. The two ways to increase the receipts from registration are (1) to raise the rates for registration of documents without unduly discouraging registration; and (2) to extend the scope of compulsory registration to cover a wider range of documents.

*Scope of registration.*—Sections 54, 107 and 123 of the Transfer of Property Act, 1882, which—together with the rest of the Act—were not applicable to the Punjab in the first instance, were extended to this province in 1935, but were to operate only within the limits of municipal committees and notified areas. These sections provide for the compulsory registration of transfers of tangible immovable property of the value of one hundred rupees and upwards, of leases of immovable property from year to year, or for any term exceeding one year, or reserving a yearly rent, and of gifts of immovable property. Over much the greater part of India these provisions have for a long time been universally applied to all transactions of the above types in urban as well as rural areas.

The Punjab Government was approached by the Government of India on various occasions in 1878, 1881, 1891, 1899, 1909 and 1927 and considered the question of the extension of the Act, or any parts of it, to this province, but on each occasion they thought that such a step would not be in the best interests of the agricultural population. Briefly, their reasons as summarised by the Sources of Revenue Committee, 1931, were that :—

- (1) the small land-owner who engages in petty transfers of land would be put to unnecessary inconvenience in coming long distances to register these transfers;
- (2) it would have the effect of depreciating the value of land records;
- (3) many of the laws on land tenures generally, and the Land Alienation Act in particular, would almost certainly have to be recast.

The Punjab Sources of Revenue Committee too considered the application of the whole or parts of the Act relating to compulsory registration of transfers, mortgages, leases and gifts to the Punjab, but there was such extreme diversity of opinion as to the various aspects of the question that they could make no definite recommendation. It was the then Chairman's view partly that was given effect to by the Government when in 1935 they made certain sections of the Act applicable to municipalities and notified areas.

The following passages occur in the Notes on the Administration of the Registration Department of the Punjab, for the years 1935 and 1936, respectively :—

“ The Registrars of Ferozepore, Gujranwala and Sheikhupura have raised the question of prohibiting oral transactions in rural areas and of making a suitable reduction of stamp duty in respect of instruments concerning them. This is a suggestion which calls for much deliberation. It would, no doubt, bring the Punjab into line with the other provinces in which the Transfer of Property Act has a general application. But its adoption is likely to present difficulties due to the past tradition.”

“ The Registrars of Ferozepore, Sheikhupura and Lyallpur have again raised the question of prohibiting oral transactions in rural areas and the Registrar of Sialkot has also drawn pointed attention to this matter.”

We consider that the province is now sufficiently advanced and the time has arrived when oral transfers of immovable property should be stopped and all transfers of the value of above Rs. 100 effected by means of regularly written deeds. This would incidentally check fraudulent and fictitious alienations, and would greatly facilitate the work of courts of law in deciding disputes relating to immovable property. It is, therefore, recommended that sections 54 and 123 of the Transfer of Property Act, 1882, be made applicable to the whole province.\*

(2) *Rates of Registration.*—The Registration Department in reply to the Questionnaire on Resources, observes that a comparison of the rates of registration fees levied in various

\*In the opinion of one member, Khan Bahadur Chandhi Rissat AH, the rates should continue.



provinces shows that "the scale of fees in force in the Punjab is already higher than in any other province and there is, therefore, no room for a further increase in these rates."

The Sources of Revenue Committee too made a recommendation very similarly worded.

However, the statement, on which the Department bases its opinion is generally out of date. The following conclusions and recommendations are based on an up-to-date comparative statement of rates of registration in various provinces (Appendix I).

It is true that the scale of *ad valorem* rates of fees on non-testamentary documents in the Punjab is high as compared with that in other provinces, and does not admit of further increase. But in respect of extra or additional fees there appears to be room for modification of the scales in certain cases with a view to some increase of receipts. These are:—

*Copying fees.*—In the Punjab the existing fees for making or granting copies of reasons, entries, or documents is 3 annas for every 400 words or less, and 2 annas for every 100 words in excess of 400. In Bombay and Central Provinces the charge is 3 annas and  $2\frac{1}{2}$  annas respectively for every 100 words. In Bengal, Assam, and Bihar, the fee is 2 annas for every 100 words in vernacular and 4 annas for every 100 in English. In Madras the charge is 3 annas for every 100 words in English or vernacular of the sub-district and 4 annas for any other vernacular. In the United Provinces for every 600 words or less in vernacular the fee is 12 annas and in English 15 annas.

We recommend that the fee in the Punjab may be fixed at 3 annas for every 100 words in vernacular and 4 annas for every 100 words in English. This change while it enhances the cost of taking larger copies, would facilitate the taking of copies of small extracts of documents.

Besides, an expedition fee may be levied, in addition, if the applicant requires copies to be furnished on the day of application, or in preference to other applications on which ordinary copying fee has been paid. This fee should be Rs. 2, or if the copies exceed four pages of 300 words, Re. 0-8-0 for each page of copy as in the case of Bengal and Bihar. In Assam the corresponding rates of this fee are Rs. 1-8-0 and Re. 0-8-0.

*Commissions and visits.*—The fee for attending at private residences in cases other than where the person to be examined is sick, or infirm, or in prison, is lower in the Punjab than in Bombay, Bengal, Madras, Assam, United Provinces and Bihar. An increase from Rs. 10 to Rs. 20 may reasonably be made. In this case, however, it would be desirable to allot a part of the fee to the Sub-Registrar who has to attend at a private residence.

### (B) INCIDENTAL SOURCES OF REVENUE.

#### EDUCATIONAL RECEIPTS.

198. We have examined the question of fees charged in arts and professional schools and colleges. We are aware that these fees have recently been raised and are conscious of the high pitch at which they stand, particularly in Government institutions. We, therefore, recommend no enhancement in the present rates.

We have examined the question of grant of rent-free accommodation to Professors of Government Colleges and recommend that with the exception of Principals of Colleges and any Professor directly in charge of a College hostel as superintendent, all other professors who now enjoy free residential accommodation should pay an appropriate house rent. If these Professors are obliged to stay near the college the house rent should be charged at the rate of 5 per cent. of their emoluments instead of the usual rate of 10 per cent.

#### MEDICAL RECEIPTS.

199. The Sources of Revenue Committee, 1931, were strongly of the view that a proportion of the fees received by medical experts for operations performed with Government equipment should be paid to Government. "We are unanimously of opinion," they remarked in paragraph 84 of their Report, "that in all surgical operations performed in the hospital, or outside with Government equipment, the surgeon should pay a certain proportion of the fees he charges to Government for the use of the Government equipment" on the analogy of the Bacteriologist and the Chemical Examiner. It was their unanimous recommendation that Government should receive 25 per cent. of such fees. The same proportion, it was suggested by Colonel G. G. Jolly, Inspector-General of Civil Hospitals, should form the Government's share. We accept the suggestion and would fix the Government's share at 25 per cent. of the fees charged by surgeons for operations

performed in private wards of Government hospitals. Some of us, however, desire to recommend 50 per cent as the appropriate share of Government in such fees.

It is understood that the question of the retention by Government of a portion of the fees charged by physicians as well as surgeons is already under the consideration of Government. We recommend that a substantial percentage of fees charged by physicians for private examinations in Government laboratories should also be retained by Government. The amount of fees realized annually by surgeons and the amount charged for private examinations in Government laboratories has been estimated respectively at Rs. 43,672 and Rs. 7,331. The share of Government, at 25 per cent of both, would be a little over Rs. 12,500 in all.

We would further suggest that Civil Surgeons and Assistant Surgeons should be required to keep a record of all fees received by them under the existing rules for issuing certificates to persons instituting criminal cases as regards injuries, for issuing certificates to Government servants for obtaining sick leave and for resuming duties, *post-mortem* examination fees, etc. It would facilitate the maintaining of a complete record if particulars of such fees were kept on counterfoils of certificate forms. We recommend that Government should have as its share 50 per cent of all such fees.

It appears from an examination of tables furnished by the Inspector-General of Civil Hospitals showing the contribution made by District Boards and Municipal Committees towards the cost of medical relief in the province that the local bodies are not paying their due share of such cost. In particular we feel that the Lahore Municipal Committee is not making an adequate contribution towards the maintenance of the various Government hospitals situated within its limits. We recommend that the present contribution of Rs. 7,67,000 out of a total income of Rs. 1,18,60,812 of the local bodies should be raised to at least Rs. 10 lakhs.

The Inspector-General of Civil Hospitals informed the Committee that the greater proportion of the patients in Leper Asylums in the Punjab were residents of other provinces or Indian States and suggested that these administrations should be asked to contribute the cost of their maintenance. We further understand that the number of Punjabee lepers undergoing treatment in the leper homes in other provinces is 15 only, and that the approximate gain to the Punjab Government, if reciprocal arrangements for charging

the other Provincial Governments and Indian States for their lepers could be made, would be Rs. 51,000. We, therefore, recommend that the Provincial Government may charge the other Provincial Governments and Indian States for the cost of keeping their lepers in the Punjab, and in return assume the obligation to bear the cost of maintaining Punjabee lepers in homes outside the province.

#### VETERINARY RECEIPTS.

200. We accept the suggestion of the Director of Veterinary Services made in the course of his evidence and recommend the following scale of fees for all cattle out-patients at the Veterinary College, Lahore, to be levied only once on the first visit in the course of a single treatment: Equines—one rupee; Bovines and others—eight annas. The suggestion of the Director to restrict the levy of fees to income-tax payers does not appear workable, since the animals are sent for treatment usually through servants or menials. Such restriction would, besides, make the proposal not worthwhile. The number of out-patients of the two kinds on an average during the five years 1934-35 to 1938-39 were 7,191 and 15,071 respectively and the average receipts on this basis should be between Rs. 14,000 and Rs. 15,000. Allowing for some probable decrease in the number of out-patients the likely receipts may be put at Rs. 12,000.

*Hissar Cattle Farm.*—A Sub-Committee of four members\* visited the Government Cattle Farm, Hissar, with a view to finding out possible lines of economy and means of increasing receipts, so as to reduce the net loss to Government from the maintenance of the Farm. The measures of economy recommended by us at the instance of the Sub-Committee have been dealt with under Retrenchment. The principal measure for increasing the receipts from the Farm recommended by the Sub-Committee, is to increase the standard output of the Farm from 600 as at present to 1,000 pedigree bulls per annum as soon as famine conditions permit. We consider that this would make for maximum economy and the best utilization of the resources of the Farm. It would reduce the cost of production of bulls from the present figure of Rs. 440 per head to about Rs. 350 per head. When that position is reached, even if no change were made in the existing policy of disposing of bulls outside the province at non-concession rates, an appreciably greater demand should result from the reduced cost price. Since the proposed

\*Rai Bahadur Binda Saran, Pir Akbar Ali, Chaudhri Suraj Mal and Dr. S. M. Akhtar, besides the Assistant Secretary.

increase can only be brought about gradually and the reduction in cost would also be gradual and nearly in the same measure, it would be desirable, in furtherance of a policy of increasing the annual output, to allow a concession on sales outside the province to the extent of 15 to 20 per cent of the *average* cost. While some 'loss' will thus be involved on sales *outside* the province, this should be more than made up by the reduction in the cost of production of bulls issued *within* the province. In other words, the loss on outside sales will be only apparent, not real—a loss relatively to average cost, not additional cost. The actual additional cost of raising the extra bulls to be sold at a 'concession price' will be comparatively small, and a substantial addition to aggregate receipts without a proportionate increase of aggregate costs should be secured.

Government has recently sanctioned\* a proposal that the 618 acres of irrigated land at present leased to tenants may be resumed in two instalments, in October 1939, and May 1940, for the purpose of direct cultivation operations. This closes a long controversy about the best means of raising fodder at the Hissar Cattle Farm. The change from *batai* to direct cultivation is estimated to cost the Government Rs. 16,640 yearly, besides another Rs. 5,000 non-recurring expenditure on the purchase of bullocks. On the other hand, it should save the Government a good part, if not the whole, of the expenditure on the purchase of seed and grain from outside, which in 1937-38 was Rs. 14,524 and in 1936-37 Rs. 10,647. It may not appear on the whole to be a measure of direct economy, but should help to make the farm self-sufficient in fodder in bad as well as good years. This would be achieved by the accumulation of satisfactory reserves to meet most eventualities, and would in turn help to avoid much of the large additional expenditure involved during a succession of bad years. Moreover, should the proposal made above to increase the annual output of bulls be accepted, the change to direct cultivation of the entire area of the Farm would become necessary in any case. Altogether direct cultivation alone appears consistent with full exploitation of the possibilities of the Farm.

Another means of increasing the receipts from the Farm which merits consideration is the possibility of growing

\*Vide Punjab Government letter No. 1689-D, dated the 20th April 1939, from the Under Secretary to Government, Punjab, Development Department, to the Director, Veterinary Services, Punjab.

commercial crops when the reserves of fodder exceed reasonable requirements. With ample quantities of manure available, some measure of rotation of fodder with money crops should prove a profitable proposition.

The Sub-Committee also noticed that the Farm was not able to utilise to the full the irrigation facilities which were available. For instance, the actual irrigation per cusec was 130.75 acres against the 'working duty' per cusec of 153 acres in the Northern Area, and 102.67 acres against 130 acres respectively in the Southern Area. We recommend that the question should be examined, with a view to getting more economical results from the Farm on the whole, and whether in these circumstances cultivation should not be extended by taking in larger area or by increasing the intensity of it.

At times of ample rainfall, plentiful supplies of grass in some areas of the Farm can neither be used for grazing nor cut, and run to waste. The public might be given access on suitable terms to such areas at such times.

### (C) RECENT SOURCES OF REVENUE.

#### MOTOR VEHICLES TAXATION.

201. Motor vehicles are taxed in this province under the Punjab Motor Vehicles Taxation Act, 1924, as amended in 1925. In addition, certain fees for registration and licensing of vehicles or drivers are levied under the Punjab Motor Vehicles Rules, 1931, framed under section 11 of the Indian Motor Vehicles Act, 1914. The fees are not, however, charged primarily for fiscal reasons, but in the interest of regulation of the use of motor vehicles as a means of transport.

In addition to provincial taxation of motor vehicles there is some taxation by Municipal Committees and Town Committees in the form of wheel taxes and license fees—most of it being collected by the Municipalities of Lahore and Amritsar alone. In most other provinces there is now no local taxation of motor vehicles, though compensation is paid by some provincial Governments to local bodies, for taxation previously levied by the local bodies but since abolished or taken over by the provincial Government.

We notice that the Punjab Motor Vehicles Taxation (Amendment) Act, 1925, considerably lowered the rates of

taxation as originally levied under the Act of 1924 for the most common type of vehicles, as follows :—

Description of motor vehicle.	Annual Rate of tax.	
	In 1924.	Since 1925.
	Rs.	Rs.
3. Vehicles used solely in the course of trade and industry for the transport of goods—		
(b) Vehicles other than electrically propelled vehicles up to 25 cwt. in weight unladen—not exceeding 12 cwt. in weight unladen .. ..	50	25
(c) Vehicles exceeding 12 cwt. but not exceeding one ton in weight unladen .. ..	75	37½
(d) Vehicles exceeding one ton but not exceeding 2 tons in weight unladen .. ..	150	75
4-A. Vehicles plying for hire and ordinarily used for the transport of passengers outside the limits of a Municipality or a Cantonment or from a point within the limits of a Municipality or Cantonment to a point situated outside such limits or within the limits of another Municipality or Cantonment—		
(b) Other (than tram cars) vehicles seating not more than four persons .. ..	50	30
(c) Other vehicles seating more than 4 persons but not more than 6 persons .. ..	75	40
(d) Other vehicles seating more than 6 persons but not more than 20 persons .. ..	..	50
(e) Other vehicles seating more than 6 persons for every additional person that can thus be seated up to 32, in addition .. ..	6	..
(f) Other vehicles seating more than 20 persons for every additional person that can thus be seated up to 32, in addition .. ..	..	6

In the Act 1924 all 'vehicles plying for hire and used for the transport of passengers' were taxed alike. The Amendment Act of 1925 introduced a distinction between passengers vehicles plying more or less exclusively in an urban area and vehicles operating mainly in rural areas or





It will readily appear from the above comparison that the present level of motor vehicles taxation in the Punjab is far the lowest of all provinces which have passed provincial Motor Vehicles Taxation Acts. Even the original Punjab rates under the Act of 1924 were very moderate compared to most other provinces. Before proposing any change in the present scale of rates we wish to record our conviction that it would be desirable to do away with the present multiple authority to tax motor vehicles under which varying local taxes are being levied in addition to the provincial tax. The existing local taxes should be abolished, and for the future the scope of the taxing power possessed by Municipalities should be limited to vehicles other than motor vehicles, the right to tax motor vehicles being reserved for the provincial Government. This would mean a loss of revenue to local bodies to the extent of Rs. 1,48,000 according to the figures of wheel tax and license fee realized by them in 1935-36. We propose that the local bodies which have levied a tax on motor vehicles (other than a license fee) prior to 1st January 1940, should be compensated to the full extent of loss of revenue sustained by them on account of the proposed limitation of their taxing power, such annual loss to be estimated on the basis of an average of three years or any smaller period during which the tax has been levied, prior to the date from which such taxing power is taken from them.

If the proposal to abolish local taxes be accepted we suggest that the following amendments be effected in the scale of rates laid down in the Schedule to the Motor Vehicles Taxation Act, 1924 :—

In respect of vehicles for the transport of goods, in items 3 (b), 3 (c), and 3 (d) for the figures '25', '37½', and '75', respectively the figures '40', '60' and '120' should be substituted. This would still leave the rates of taxation of the popular classes of commercial vehicles 20 per cent. below the rates originally imposed in 1924. In regard to public vehicles for the transport of passengers we recommend, in the first place, that the distinction made between vehicles plying within or outside a Municipal area or Cantonment should be removed, and accordingly, the two items 4 and 4-A should be reduced to one; secondly, for the existing

sub-items and rates under items 4 and 4-A the following should be substituted :—

Description of vehicles.	ANNUAL RATE OF TAX.	
	Now recommended.	Existing (under 4-A).
	Rs.	Rs.
(a) Tram cars .. .. .	15	15
(b) Other vehicles seating not more than 4 persons.	60	30
(c) Other vehicles seating more than 4, but not more than 6 persons.	80	40
(d) Other vehicles seating more than 6, but not more than 20 persons.	100	50
(e) Other vehicles seating more than 20, but not more than 32 persons.	120 plus Rs. 6 in respect of each person in excess of 21.	6 in addition for every person in excess of 20 up to 32.
(f) Other vehicles seating more than 32 persons.	700	700

We also consider that the opportunity of amending the Motor Vehicles Taxation Act should be used to revise the basis of assessment on the lines suggested by the Government of India and generally accepted by the Transport Advisory Council. The most suitable basis thus recommended and accepted is—

- (a) for private cars .. unladen weight ;
- (b) for buses .. seating capacity ;
- (c) for goods lorries' .. registered laden weight.

The adoption of this recommendation will not involve any change in respect of buses ; but it will involve a change from 'weight unladen' to 'laden weight' in the case of goods

lorries, and a change from 'seating capacity' to 'unladen weight' in the case of private cars.

#### ROAD MONOPOLIES.

202. In a memorandum submitted to the Committee Mr. F. L. Brayne, Commissioner, Rural Reconstruction, has strongly supported the institution of a system of road monopolies. He is of opinion that every road in the Punjab should have a controlled and revenue producing service of public transport. The system should, however, be gradually developed. It would require the determination by District authorities in consultation with the local bodies and traffic agencies and lorrywallas of the requisite number of lorries for each road which would be accepted for monopoly of a road through advertisement or tender or in some other way from one or more licensees. There would be a fixed and published time-table and fare-table for each road. The licenses would be issued on payment of a certain amount of money calculated with reference to the volume and profitability of the traffic and the number of lorries requisitioned.

This system of transport and traffic regulation was considerably developed by Mr. Garbett in the Rawalpindi district and by Mr. Brayne himself in imitation thereof in the Jhelum district. The idea has been to provide a good, regular and reliable service to the public at a reasonable cost. Mr. Brayne concludes: 'It is the only popular form of tax that I have ever come across'. The system, according to him, was extremely popular in Jhelum and in Rawalpindi.

A somewhat similar suggestion was made by the Punjab Sources of Revenue Committee, 1931. They recommended that the licenses to ply for hire should be auctioned annually. "We consider", they said, "that if at the time of the auction of each road, rules prescribing the amount of the fares, the time-table of running and the number of cars to be employed are laid down, a considerable improvement in the comfort and safety of the passengers would result."

The Punjab Motor Traffic Control Committee, 1928, however, opposed the grant of monopolies except on hill roads, to lorries plying for hire. They did not favour the suggestion that District Boards should auction the roads in their districts. It is understood that in 1930 District Boards were asked to discontinue the practice of giving

road monopolies, since it was the policy of Government to discourage them. Subsequently in April 1932, Government decided against the suggestion of the Sources of Revenue Committee to give monopoly to run motor vehicles on arterial roads; it was considered that the system might offer a limited advantage in the case of certain District Board roads.

We considered the question in all its aspects, and do not support the principle of giving monopolies to motor vehicles on public roads. For one thing we consider that the situation will materially alter with the enforcement of the Indian Motor Vehicles Act, 1938; the new Act contains many provisions for improving the safety, efficiency and convenience of motor transport through better statutory regulation and control of road traffic. Secondly, any system which aims at bringing a large amount of money to Government and at the same time providing the additional facility of punctuality and regularity of service should be definitely more costly to the public. Now we believe that the one factor above all others responsible for the growing popularity of lorry transport is its cheapness, which has a special appeal to the poverty-ridden countryside.

Moreover, any method that enables Government to raise additional money by increasing the price of transport to the public must involve some restriction of the existing agencies of transport. It will seriously affect the lorry trade, and particularly the small lorrywalla, leaving the field to the big financiers and capitalists. The proposal is also liable to be attacked on the ground that it is designed to help the railways at the expense of the poor lorrywalla. Altogether it is likely to meet with vehement popular opposition, and a popular Government may find it hard to give effect to a measure of such far-reaching import.

#### ENTERTAINMENT TAX.

203. *Limit of Exemption.*—We recommend that the following category be added at the beginning of the Schedule to the Punjab Entertainments Duty Act, 1936, after the words 'where the payment, excluding the amount of the duty—':—

is two annas or more but not more than four annas. . . .  
 $\frac{1}{2}$  anna.

The additional receipts in entertainment duty anticipated from the adoption of this recommendation are about Rs. 75,000.

The evidence before us almost unanimously urged for the removal or substantial lowering of the existing exemption limit at four annas. The present recommendation will exempt from taxation payments for admission to entertainments of less than two annas only. The limit of exemption in Bihar is at two annas, in Bengal at three annas and in the United Provinces at less than two annas as now proposed by us. In Bombay, Madras, Sind and North-West Frontier Province it is at four annas as at present in the Punjab. In Assam under the recently passed Amusements and Betting Tax Act, 1939, no exemption has been prescribed.

The change recommended above can be carried into effect by notification under sub-section (1) of section 22 of the Punjab Entertainments Duty (Amendment) Act, 1939.

*Rates.*—We do not recommend any other change in the existing scale of rates of duty. The present rates in the Punjab are on a par with those current in Bombay, Madras, the United Provinces, and the North-West Frontier Province, are apparently somewhat higher than in Bengal, but in practice lower than in Bihar, Assam and Sind. (The rates of tax in different provinces are given in Appendix J).

*Scope.*—A large number of free passes for admissions to cinemas and theatres are issued at present which are not liable to entertainment duty. Under the Entertainment Duty Act, 1936, the number of such tax-free complimentary tickets is restricted to 5 per cent of any class of seats at any one performance. We consider that this exemption leads to abuse, and otherwise find little justification for remission of entertainment duty in respect of gratuitous enjoyment by persons who are fully able to pay and should have no claim to exemption. It is accordingly recommended that the second proviso to section 4 of the Punjab Entertainments Duty Act be deleted.

Under Notification No. 4581-Ex., dated the 25th November 1936, horse race meetings, horse shows and polo matches are exempted from liability to entertainments duty in the Punjab. In Bengal payments for admission to race-courses are liable to pay a tax of 25 per cent under the Bengal Amusements Tax Act, 1922. This is a tax at a

much higher rate than is imposed on payment for admission to theatres, cinemas and other ordinary entertainments. Similarly in Bombay a tax amounting to 25 per cent of all payments made for admission to a race-course is levied under the Bombay Entertainments Duty Act, 1923, as amended by the Betting Tax Act, 1925. The rate in Sind (as in Bombay before 1925) was 50 per cent until it was reduced by the Sind Betting Tax Act, 1938, to 25 per cent, simultaneously with the imposition of a betting tax on race-courses. In Assam also the recent Amusements and Betting Tax Act, 1939, provides for a special rate of tax of 25 per cent on all payments for admission to any race-course. Admission to race-courses in Madras and the United Provinces is taxed at the ordinary rates of entertainment duty.

We recommend that the ordinary rates of duty under the Punjab Entertainments Duty Act, 1936, should be made applicable to payments for admission to any race-course. It is estimated that the adoption of this proposal will increase the income from entertainment duty by approximately Rs. 25,000.

We are aware of the argument sometimes advanced that such a tax might discourage the industry of horse-breeding in the province. We consider it very unlikely in the first place, that a tax of such light incidence as the one proposed above should discourage admissions to race-courses, even as the existing entertainment duty has hardly affected recourse to sundry entertainments. It is far less likely, therefore, that the proposed tax will, further, have any indirect restrictive effect on horse-breeding. Indeed, the connection between a light tax on payments for admission to race-courses and horse-breeding in the province appears far too remote to have any practical significance. It may be as well to mention that our proposal is very modest in view of the fact that in all provinces where horse-racing is of any importance (Bengal, Bombay, Madras, United Provinces, Assam and Sind) a betting tax at from 4 to 7 per cent of all moneys paid as stakes or bets is imposed in addition to the tax on admissions which, as pointed out above, is often at a rate of 25 per cent.

#### TOBACCO TAXATION.

204. Tobacco has everywhere been acknowledged as one of the most suitable objects for taxation. It is very commonly taxed in foreign countries. An internal excise

on tobacco is imposed in at least 35 countries. In British India, until recently, no system of taxation of tobacco except through customs and octroi existed. The Indian Taxation Committee, however, had evidence that tobacco was being taxed in French and Portuguese possessions and in at least 72 of the Indian States. Certain recent developments in the field of tobacco taxation in Indian provinces are briefly noticed below.

*Bombay.*—The main provisions of the Tobacco Duty (Town of Bombay) Act, 1857, as subsequently amended in 1932 provided, firstly, for a duty of Rs. 30 per maund, called the municipal duty, on all tobacco imported into the town of Bombay and intended for consumption therein, secondly, for an annual license fee of one rupee for the retail sale of tobacco in the Town of Bombay. The Bombay Tobacco (Amendment) Act, 1938, substituted for the annual license fee of one rupee a fee to be fixed under rules with a maximum of Rs. 50 for 'superior' tobacco and Rs. 25 for 'inferior' tobacco. The same Act substituted the following schedule of license fees for the previous schedule to the Bombay (District) Tobacco Act, 1933 :—

	<i>License fees.</i>	Rs.
Wholesale—		
Maximum rate	.. ..	50
Retail or Hawker—		
(1) Maximum rate in any urban area which may be notified :—		
Superior tobacco	.. ..	50
Inferior tobacco	.. ..	25
(2) Fixed rate in any other area		
Broker fixed rate	.. ..	2

The revised (1938-39) and budget (1939-40) estimates of receipts under the District Act and Town Act respectively are :—

District Act	..	Rs. 2.20 and Rs. 3.84 lakhs.
Town Act	..	Rs. 19.75 and Rs. 19.00 lakhs.

In addition to the license fee, the provincial Government may levy also a tax at prescribed rates and in prescribed areas on any sale of tobacco not exceeding 50 per cent *ad valorem* of the price of such sale,

*Bengal.*—Under the Bengal Tobacco (Sales Licensing) Act, 1935, the following rates of license fees are prescribed for various kinds of licenses :—

<i>Class of license.</i>	<i>Rate of annual fees.</i>
	Rs.
Wholesale license .. .. .	6
Retail license .. .. .	3
Retail license authorising retail sale in a specified <i>hat</i> on the <i>hat</i> day, hawkers license, and temporary retail license for special occasions .. .. .	1

The revised estimate of receipts from the tax in 1938-39 was Rs. 1,30,000.

*Madras.*—The Madras Tobacco (Taxation of Sales and Licensing) Bill, 1939, was a measure of far-reaching fiscal importance.

Its most important provision related to the sale by public auction or by inviting tenders of the exclusive privilege (monopoly) of selling tobacco in retail in any specified area for a specified period. The right of monopoly dealing was thus to be licensed. A monopoly dealer in turn might let or assign the whole or any portion of his privilege, or permit any person to sell or hawk tobacco in the area specified in his license provided the lessee, assignee or other person was licensed. Special licenses might be issued to companies, associations, firms, hotels, clubs or individuals, to sell in retail tobacco in specified amount and of specified quality (generally higher grade tobacco products) subject to a fee not exceeding ten rupees, and subject to a tax not exceeding ten per cent of the turnover of the licensee—this maximum fee and maximum percentage to be alterable by notification.

In effect this Tobacco Bill in its original form would have placed the retail trade in tobacco in the same position as the trade in liquor had been under the Madras Abkari Act. As finally passed, the Madras Tobacco (Taxation of Sales and Licensing) Act, 1939, provides, firstly, for the licensing of all traders in tobacco, whether as dealers or brokers or agents; secondly, for the levy of a tax on turnover



of retail and wholesale dealers of manufactured tobacco, and a heavy license fee for wholesale dealers of other tobacco.

Thus every retail dealer shall pay a tax in each year on his retail sales of manufactured tobacco at the rates given below :—

	Rs.
(a) If such turnover does not exceed two hundred rupees	6
(b) If such turnover exceeds two hundred rupees but does not exceed four hundred rupees	12
(c) If such turnover exceeds four hundred rupees	3 per cent on the first four hundred rupees of the turnover and 10 per cent on the remainder of the turnover.

Every wholesale dealer shall pay a tax in each year on his wholesale sales of manufactured tobacco at the rate of two per cent on his turnover.

The supply of tobacco to its members by a club or to its guests or customers by a hotel is deemed to be a sale of tobacco. Sale of tobacco leaf or of roughly cured tobacco produced therefrom by a grower may be effected without a license, but sale by a manufacturer of tobacco manufactured by him, whether by wholesale or retail, can only be made subject to license.

No fee shall be levied for the grant of a retail dealer's license. In respect of every license granted to a wholesale dealer, manufacturer, broker or commission agent, there shall be levied on the licensee an annual fee as specified in the table below :—

	Rs.
(1) Any wholesale dealer who sells or buys tobacco leaf cured or uncured or any preparation or mixture of tobacco (not being manufactured tobacco) for trade therein or for conversion into manufactured tobacco	100

Provided that the Collector may issue a license to any person who deals on a small scale :—

(a) If his turnover is estimated at less than Rs. 1,000 per annum .. ..	On a fee of Rs. 5 per annum.
(b) If his turnover is estimated at one thousand rupees or above, but at less than three thousand rupees .. ..	On a fee of Rs. 10 per annum.
	Rs.
(2) Any other wholesale dealer, not being a manufacturer governed by item (3) below	50
(3) (a) Any manufacturer to whose premises the Factories Act, 1934, applies or has been extended and in whose premises 200 or more workers are working or were working on any day of the preceding 12 months .. ..	100
(b) Any other manufacturer to whose premises the Factories Act, 1934, applies or has been extended .. ..	50
(c) Any manufacturer to whose premises the Factories Act, 1934, does not apply, and has not been extended .. ..	2
(4) A broker or commission agent.. ..	50

A limit of possession for private use is prescribed not with a view to restricting the use of tobacco, but in order to prevent the evasion of the provisions of the Act.

*Central Provinces.*—The Central Provinces and Berar Tobacco Act, 1939, provides for the licensing of all dealers in tobacco, other than hawkers or retail dealers in villages with a population of 2,000 or less, and prescribes the following schedule of fees for the grant and renewal of licenses :—

	<i>Rate of annual fee.*</i>
	Rs.
Wholesale :—	
(a) a person, other than a manufacturer who deals wholesale .. ..	25
(b) a manufacturer who deals wholesale .. ..	25*

\*For each set of premises where tobacco is both manufactured and issued, or distributed, with an additional Rs. 10 for each premises where it is only manufactured.

## Retail :—

## Every retail dealer in—

(1) a village with a recorded population of more than 2,000 and not more than 5,000 ..	5
(2) a village or town with a recorded population of over 5,000 ..	5
(a) in respect of a stall including a stall which can be moved bodily although it may be temporarily fixed ..	5
(b) in respect of a shop with fixed premises the annual rental value of which—	
(i) does not exceed Rs. 50 ..	10
(ii) exceeds Rs. 50 but does not exceed Rs. 150 ..	15
(iii) exceeds Rs. 150 but does not exceed Rs. 500 ..	20
(c) in respect of a shop the rental value of which exceeds Rs. 500—	
(i) in which a retail dealer deals in tobacco other than the superior tobacco ..	25
(ii) in which a retail dealer deals in superior tobacco ..	50

*Sind.*—The Bombay (District) Tobacco (Sind Amendment) Act, 1938, which came into force from 31st March provided for the application to Sind of the provisions of the Bombay (District) Tobacco Act, 1938, for an indefinite period, and substituted the following Schedule for the Schedule to that Act :—

	<i>Rate of fee per annum.</i>
	Rs.
1. Wholesale .. .. .	50
2. Retail—	
(a) in Municipal areas .. .. .	4
(b) in areas for which a Notified Area Committee constituted under the Bombay District Municipal Act, 1901, or a Sanitary Committee or a Sanitary Board constituted under the Bombay village Sanitation Act, 1899, has been appointed .. .. .	3
(c) in other rural areas .. .. .	2
3. Hawkers (in all areas) .. .. .	3
4. Brokers (in all areas) .. .. .	2

The rate of license fee for wholesale licenses was reduced to Rs. 15 by the Bombay (District) Tobacco (Sind Amendment) Act, 1939.

The revised estimate of receipts from tobacco duties for 1938-39 is Rs. 61,000 and the budget estimate for 1939-40 is Rs. 55,000.

*North-West Frontier Province.*—The North-West Frontier Province Tobacco Vend Fees Act, 1938, is a modest measure on the lines of the Punjab Tobacco Vend Fees Act, 1934. The dealer's licenses are granted as in the Punjab subject to fees prescribed by notification.

The budget estimate for 1939-40 and revised for 1938-39 is only Rs. 8,000.

*Punjab.*—The Punjab Tobacco Vend Fees Act, 1934, makes it 'unlawful for any person to keep manufactured tobacco for sale or to sell manufactured tobacco except under and in accordance with the terms and conditions of a dealer's license', manufactured tobacco being defined as 'tobacco in any shape or form intended for the purpose of smoking, chewing, or for use as snuff, or any preparation or admixture of tobacco intended for the said purpose or use and includes *bidis*, cigarettes or cigars'. The Punjab Tobacco Vend Fees Orders, 1935, fixed a uniform rate of license fee of Rs. 2 a year for all dealers. Notification No. 1621-Ex., dated the 30th March 1939, has, however, provided for four classes of licenses with different rates of fees as follows :—

	Rs.
1. License for use by the licensee and five assistants or employees .. ..	10
2. License for use by the licensee and two assistants or employees .. ..	5
3. License for use by the licensee and one assistant or employee .. ..	8
4. Hawker's license to be used by himself only ..	2

The receipts from tobacco vend fees during 1938-39 were Rs. 55,628. It is expected that the levy of the above graduated scale of fees will bring up receipts to about a lakh of rupees.

We consider, however, that tobacco should be capable of contributing more than the meagre sum of Rs. one lakh to the provincial exchequer. Writers on Public Finance

have often drawn pointed attention to the peculiar fitness of tobacco for taxation. "The suitability of distilled and malt liquors and tobacco for taxation is recognised by nearly every civilized country, and it is the uniform practice of European governments (indeed, of governments the world over) to derive from them the largest possible revenue consistent with efficiency of administration." (D. A. Wells). Many provincial governments in India have recognised this fact and recently passed legislation, noticed above, with a view to increasing the revenue from tobacco through more or less heavy taxation of this commodity. As already observed the taxation of tobacco forms an important part of the fiscal system in many Indian States. The present incidence of the tobacco vend fee receipts in the British Punjab is  $\frac{1}{2}$  pie per head of the population (excluding Sikhs) against 2·2 annas per head in Patiala, 6 annas a head in Nawanagar and 8·1 annas in Travancore.\*

Since the new rates of license fees have been only recently introduced and their effect has not yet been known, no alteration in the basis or scale of such license fees is proposed here. We have, however, received a mass of evidence to the effect that the tax should be higher on superior and highly finished tobacco than on inferior and crude country tobacco. Such a distinction would have a sound basis in the fact that the two categories (in turn composed of several kinds) of tobacco cater for a distinct market and range of customers with a marked difference in their capacity to bear taxation.

Such a distinction in treatment could be effected, to begin with, by imposing an *ad valorem* sales tax based on the aggregate turnover or value of sales, on the wholesale dealer of manufactured tobacco. There would be no difficulty in regard to the keeping of accounts by wholesale dealers. The accounts, too, would be of a simple, not complicated, character. The figures for a month, a quarter, or a year, would only be the sum of daily gross proceeds of sales. The rate of the sales tax might be fixed at 10 per cent of the value of sales. It may at once be added that there is not the least intention to make the traders bear the burden of the tax. It is expected that the tax being substantial in amount, may easily be passed on to the retail dealer and by him in turn to the consumer. We should indeed have recommended

\*These figures relate to the time of the Indian Taxation Enquiry in 1924.

a turnover tax on retailers, but the administrative difficulties would then be greatly multiplied.

The yield of such a tax would depend upon the value of sales of manufactured tobacco by wholesale in the province, which is very difficult to estimate. The total imports of manufactured and unmanufactured tobacco into India during 1937-38 were of the value of Rs. 85 lakhs, of which about 40 lakhs worth were in the form of cigarettes and cigars, and the rest were unmanufactured, presumably meant to be made up into cigarettes in Indian factories. The rate of duty on manufactured tobacco imports is 50 per cent., and on unmanufactured tobacco imports is 25 per cent. On this basis the total market value at port towns of the imported tobacco, would be Rs. 60 lakhs plus Rs. 56 lakhs or a total of Rs. 116 lakhs. On the assumption that unmanufactured tobacco after manufacture comes to have double its previous value, the value of the total foreign tobacco imported or locally made up in manufactured form was Rs. 172 lakhs in 1937-38. The output of Indian manufactured tobacco, again, is not known. If it be taken to be half as much again in value as the total value of foreign tobacco, i.e., Rs. 258 lakhs, the aggregate value of the manufactured tobacco sold in India comes to Rs. 430 lakhs. If the consumption of tobacco be assumed to be evenly spread over the entire population of India (excluding Sikhs) the value of manufactured tobacco sold in the British Punjab comes to a little over Rs. 25 lakhs (1/17th of the total); 10 per cent of this is Rs. 2½ lakhs.

The total proceeds of tobacco taxation after the adoption of the changes recommended above would be about Rs. 3½ lakhs on a rough estimate.

It may be possible later to increase the proceeds still further by extending the system of licensing tobacco vendors to rural areas, by applying the system of sales taxation to retail vendors in municipalities, small towns and notified areas, as well as by widening the scope of sales taxation to cover inferior types of tobacco. We are inclined to prefer this method of heavier taxation of tobacco to the alternative one of auctioning the monopoly of retail vend for fixed areas with permission to set up shops without limit of number, but subject to registration of particulars, which was recommended by the Indian Taxation Enquiry Committee and is also generally feasible.

## (D) FRESH SOURCES OF REVENUE.

## PETROL TAXATION.

205. The question of a sales tax applicable generally or to specific commodities was under our consideration when the Central Provinces Motor Spirit and Lubricants (Taxation) Act, 1938, was passed. As is well-known the Government of India took objection to the measure before the Federal Court on the ground that it encroached on the Federal power of levying excise duties and was, therefore, *ultra vires* of the provincial legislature. The Federal Court held that the Central Provinces Sales Tax Act was fully within the competence of the provincial legislature to enact under item 48 of the Provincial Legislative List 'Taxes on the sale of goods': the Act imposed a tax of general application on all sales of petrol within the province, irrespective of origin, *i.e.*, whether the petrol was produced within the province, or in any part of India, or outside. The question of a similar sales tax on petrol in this province had already engaged our attention. When the constitutional position became clear, our opinion favouring such a tax was communicated to Government through the Chairman. The Punjab Motor Spirit (Taxation) Act, 1939, was accordingly passed and came into force from 19th April, 1939. It provided for a tax of one anna and three pies per imperial gallon on motor spirit only; lubricants were left outside the scope of the tax. Below is given a comparative statement of the rates of tax on motor spirit (and lubricants) in such Indian provinces as have imposed the tax:—

		RATE OF TAX PER GALLON.	
		<i>Motor spirit. Lubricants.</i>	
Madras .. ..	.. ..	.. Re. 0-1-6 on petrol, Re. 0-0-6 on any other motor spirit.	.. .
Bombay .. ..	.. ..	.. 1 anna	..
United Provinces .. ..	.. ..	.. Not exceeding 2 annas.	..
Central Provinces .. ..	.. ..	.. 5 per cent of the value of sales.	
Assam .. ..	.. ..	.. 2 annas.	3 annas.
Bihar .. ..	.. ..	.. 1 anna 6 pies.	..
Sind .. ..	.. ..	.. 1 anna	..
North-West Frontier Province	.. ..	.. 1 anna 3 pies	..
Punjab .. ..	.. ..	.. 1 anna 3 pies	..

It will appear that the Punjab (together with the North-West Frontier Province where legislation has been passed more or less on the same lines) has the most moderate incidence of motor spirit taxation of all provinces, excepting Bombay and Sind.

The budget estimate of receipts from the petrol tax during 1939-40 is Rs. 6,50,000. The actual receipts in a full year are likely to exceed this figure. The consumption of petrol, moreover, is expanding and the receipts from this source should show a natural increase from year to year.

#### PROFESSION TAX.

206. 'Taxes on professions, trades, callings and employments' forms item 46 of the Provincial Legislative List in the 7th Schedule to the Government of India Act, 1935. Under the Government of India Act, 1919, item 9, Schedule II of the Scheduled Taxes Rules, 'a tax on trades, professions and callings' belonged to the local bodies. Since Provincial Governments have full authority to regulate the financial powers of the local bodies under the present constitution, no specific resources have been assigned to the latter by statute. Three Provincial Governments have recently passed legislation to impose a tax on professions, trades, callings or employments.

*Central Provinces.*—The first to move in the direction was the Government of the Central Provinces. Under the Central Provinces and Berar Finance Act, 1938, every person who carries on either by himself or by an agent or representative, a profession, trade or calling or is in employment, public or private, in the Central Provinces, and who was assessed to income-tax in British India in the preceding financial year, shall be liable to pay in respect of each quarter, or part of a quarter of not less than forty-five days, of each financial year, a tax at the rate of rupees seven. Any person who has paid a tax on a profession, trade, calling or employment imposed prior to the 15th February, 1938, by any local authority, shall, however, be liable to pay only the difference, if any, between such tax and the tax imposed under this Act. The receipts from *haisiyat* tax and profession tax respectively levied by municipal committees and district councils in the Central Provinces were Rs. 1,32,901 and Rs. 1,01,843 in 1936-37. The budget estimate for 1939-40 of receipts from the quarterly profession tax levied under the Provincial Finance Act, 1938, is Rs. 2,25,000.



*Bengal.*—Under the Bengal Finance Act, 1939, a similar tax in respect of any profession, trade, calling or employment is leviable at the rate of thirty rupees for each financial year. There is no provision in the Act for deduction of any amount paid to any local body as a tax on profession, trade, calling or employment from the tax leviable under this Act. The yield of the professional tax levied by municipalities in the Province was Rs. 14,92,376 in 1936-37.

*United Provinces.*—The United Provinces Employment Tax Act, 1939, is a much more ambitious measure. It purports to levy a tax on employments on a graduated scale on the basis of the amount of salary received by any employee. Employees whose emoluments from their employment do not exceed Rs. 2,500 per annum are exempted from the tax. Other employees have been divided into 27 grades according to the amount of *salary earned* in the United Provinces. To give a general idea of the scale of tax leviable a few categories are mentioned below :—

<i>When total salary earned exceeds</i>	<i>But does not exceed</i>	<i>Amount of tax.</i>
Rs.	Rs.	Rs.
2,500	3,500	90
4,500	5,500	225
7,500	10,000	475
17,500	20,000	1,400
25,000	30,000	2,500
45,000	50,000	5,100
85,000	1,00,000	9,500
1,25,000	1,50,000	13,000
1,75,000	2,00,000	20,000
2,50,000	3,00,000	30,000
3,00,000	..	32,000

It is explained in the statement of objects and reasons that employments are of various kinds and divergent descriptions. Employees differ from each other in respect of the nature and class of their employment and their rank and status and seniority. There are various methods by which employments and employees can be differentiate

from each other. One of these methods and the most practicable and equitable is that of defining and classifying employments in the light of emoluments attached to various employments and earned by different classes of employees. It is therefore proposed to impose a tax on different employments according to that method on a definite graded scale, for it would be manifestly unjust and arbitrary to treat all employees alike for purposes of such a tax.

The main basis of distinction of this employment tax from the income-tax may be briefly put thus : The employment tax is a tax on employees (not all persons) on their salary (not total income) earned (not necessarily received) in the United Provinces and it is graduated according to amount of salary in order just to differentiate between the *nature and class* of employment and the *rank, status and seniority* of the employee for purposes of taxation. Another point of difference is that this tax is not based precisely on the amount of salary, i.e., it is not so many pies on a rupee of the salary of the employees, but is levied at fixed consolidated rates on salaries falling between certain limits, though the limits are fairly narrow at least in the smaller grades. A difference in form is also made by giving no exemption for contributions to provident funds and insurance premia, etc. These points of distinction, however, do not alter the broad nature of the tax : it is a tax roughly based on income from employments, but less steep in graduation, less regular in progression, more strict in operation (as regards exemptions) and more severe in its general incidence, than the income-tax.

A tax on employments, however, is a definite item of the Provincial Legislative List : the only question is as to how far it is open to classify employments for purposes of taxation according to the emoluments attached to them. Now it is possible to contend with some reason that equity is the central principle of taxation, and that relative ability to pay, or capacity to bear, taxation should be taken into account in the case of *any* new tax levied. But on the other hand it might be contended that every tax has a base with reference to which its amount is determined and which gives any tax its individuality and distinctive significance. To lose the base of a tax in an attempt to secure equity in its operation, or to adopt a base which by long tradition is appropriated by another important tax with well-established principles and practice, may change the essential character

of that tax. It is of course arguable in reply that the Employment Tax has a composite base, which is not specifically precluded under the present scheme of allocation of resources. Everything considered, however, the legal position appears doubtful and difficult of precise definition.

In view of the above, we do not wish to recommend a tax on professions or employments on lines similar to those followed in the United Provinces.

Objections have, however, also been taken to the ungraduated flat rate tax of the type levied in the Central Provinces and Bengal. These objections stand on much weaker ground. The only real objection, indeed, could lie against the distinction made between income-tax payers and non-income-tax payers among persons following professions, trades, etc. In this connection it is pertinent to observe that any practicable scheme of taxation of professions, trades, callings and employments must provide for at least some exemption from the scope of its operation. It could not be applied universally and indiscriminately without becoming extremely harsh and difficult to work in practice, or alternatively nor worthwhile from the point of view of yield (i.e., if the amount of tax were kept low enough to suit the capacity of the most indigent member of a profession, trade or employment). Now any exemption is best made on the basis of income. Now and if *some* limit of exemption is necessary there appears to be no logical reason why that limit could not be fixed at Rs. 2,000. That is just what is meant by exempting non-income-tax payers: the exemption renders the tax a practicable proposition from the point of view of the individual tax-payer, besides making for administrative convenience and economy of collection. The fact that the exemption limit for the profession tax happens to, or is made to, coincide with the exemption limit under the income-tax should not make a flat rate ungraduated levy on all persons who follow any profession, trade, or calling or are in employment an income-tax on that account.

We recommend that there be levied on every person who follows whether by himself or through an agent or representative a profession, trade, or calling or is in employment in the province, and who was assessed to income-tax in the preceding financial year, a tax at the rate of five rupees per quarter or part of a quarter exceeding forty-five days,

of each financial year.\* We would allow no deduction from the amount of the provincial profession tax proposed here on account of any tax of a similar nature paid to any local body in the province.† It is partly in view of this that we have suggested a moderate rate of quarterly tax as compared to some other provinces.

As regards the *haisiyat* or profession tax imposed by local bodies in this Province, the Report on the working of Municipalities in the Punjab during the year 1936-37 shows that a 'profession tax' is levied in only 9 municipalities in the province. Besides, the tax is very light in incidence as should appear from the fact that its total proceeds in 1936-37 were no more than Rs. 7,006, the lowest receipts for any single municipality (Sonepat) being as small as Rs. 15 only; the total income of all municipal committees in the year was Rs. 196 lakhs. The profession or *haisiyat* tax contributes in a much larger measure to the income of the District Boards in the Punjab, the total receipts from this source being Rs. 5,97,236 in 1936-37, when the total income of District Boards was 2,08 lakhs. It is levied by all District Boards of the province excepting Simla and Rawalpindi.

The number of income-tax assesseees with an income of Rs. 2,000 and above was 29,363 in 1937-38, or say 30,000. A quarterly flat rate tax of Rs. 5 per assessee would amount in a year to Rs. 6 lakhs.

#### ELECTRICITY DUTY.

207. The taxation of electricity is to be found in the United States, Italy, Spain, Hungary, Greece, Poland, Turkey, Yugoslavia, Brazil, Chile and Peru. In India, a tax on the consumption of electricity is levied in Bombay, Bengal, Madras and Sind. 'Electricity' forms item 51 of the Concurrent Legislative List under the Government of India Act, 1935. It is fairly likely that the Central Government will stand outside the field of a tax on the consumption of electricity on the lines of some existing provincial taxes. Moreover, a tax on the sales of electricity may be imposed under item 48 of the Provincial Legislative List.

*Bombay.*—Under the Bombay Finance Act, 1932, a duty at the rate of six pies per unit was levied on electrical

\*Three of the members (besides the chairman) were prepared to recommend up to Rs. 7½, and three recommended Rs. 5 per quarter. Rai Bahadur Binda Saran does not favour the levy of this tax.

†If a profession tax were levied, Rai Bahadur Binda Saran would urge that the amount of any similar tax paid to any local body should be deducted from the amount of the provincial tax.

energy consumed for the purposes of lights and fans in respect of all residential premises, consumers using not more than units in a month being exempt. This duty was increased by the Bombay Finance (Amendment) Act, 1938, to nine pies in the city of Bombay, and other prescribed areas, but continued at six pies in other areas. The rate of the tax has been further raised under the Bombay Finance (Amendment) Act, 1939, in the city of Bombay to  $1\frac{1}{4}$  annas per unit in any case where the total consumption exceeds 12 units per month; at the same time the exemption of small consumers with a consumption of less than 12 units in a month has been removed and such consumers have been made subject to a tax at the rate of 1 anna per unit. A concession is, however, made in respect of energy consumed in cinema houses and theatres in the city of Bombay, the duty on which has been continued at  $\frac{3}{4}$  anna per unit. In other areas rates are to be prescribed by notification.

The rates of tax for unmetered consumption as fixed in 1932 and increased in 1939 are shown below :—

	1932.	1939.
	<i>Annas per mensem.</i>	<i>Not exceeding Annas per mensem.</i>
for every lamp of less than 30 watts ..	2	5
for every lamp of 30 watts or more but less than 40 watts .. ..	3	$7\frac{1}{2}$
for every lamp of 40 watts or more but less than 60 watts .. ..	4	10
for every lamp of 60 watts or more but not exceeding 100 watts ..	6	15
and for every additional 15 watts or fraction thereof in excess of 100 in any lamp .. ..	1	$2\frac{1}{4}$

Consumption of current by Government, any local authority, railway administration, tramway company, or industrial undertaking, except in respect of residences, and by a charitable hospital or dispensary, is free of duty.

*Sind.*—In Sind the provisions of the Bombay Finance Act, 1932, relating to the levy of electricity duty were applied by a (Sind Amendment) Act of 1933. The Bombay Finance (Sind Amendment) Act, 1939, prescribes nine pies for each unit of energy consumed in the city of Karachi and in such other areas as may be notified.

*Bengal.*—The rates of tax under the Bengal Electricity Duty Act, 1935, are the same as they were in Bombay under the Finance Act of 1932 for metered as well as unmetered consumption. The scope of exemption is wider than in Bombay and extends, besides, to energy supplied to new areas for the first three years, to energy generated by a small plant having a capacity not exceeding two-and-a-half kilowatts, to energy used in any place of public worship, public charity, or cremation ground and in any vessel, and to any consumer using not more than 15 units of current in any one month.

*Madras.*—The subject of the tax in the terms of legislation in Bombay and Bengal is the consumer, though the electrical licensee supplying the energy is made responsible for collection and payment. Under the Madras Electricity Duty Act, 1939, however, it is the licensee who is made primarily responsible for payment of the tax, which is levied at the rate of 6 pies per unit of all sales of energy made by him during the previous month at a price of more than 2 annas a unit. Licensees whose total sales do not exceed 16,666 units a month at whatever price, or are less than 200,000 units per annum, are exempt. The duty may only be recovered from the consumer by a licensee with the previous sanction of the Provincial Government and subject to prescribed conditions.

We recommend that in the Punjab, a tax be levied for metered consumption at the rate of six pies per unit on current consumed for the purpose of lights and fans in residences and nine pies per unit on energy used through temporary connections on marriage and other special occasions. The rates of tax for unmetered consumption should be as follows:—

	<i>Annas.</i>
for every lamp of less than 30 watts ..	3
for every lamp of 30 watts or more but less than 60 watts ..	4
for every lamp of 60 watts or more but less than 100 watts ..	6
for every lamp of 100 watts or more ..	8

In respect of metered consumption any consumer using not more than 5 units in any one month should be exempted from the tax. Besides, consumption of current

by Government, by any local authority, by railway administration or by any agricultural or industrial undertaking (except in respect of residences) should be free of duty. Similar freedom from duty should extend to a charitable hospital or dispensary, to any places of public worship or public charity and to a cremation ground. Exemption from the tax should also be provided for energy supplied to new areas for the first two years and to energy generated by small plants of a capacity not exceeding two-and-a-half kilowatts for purposes of direct consumption and not for sale.

The above scheme of taxation meets all the important objections advanced in evidence before us against the proposal to tax electricity. There need be no check to industrial development or increased use of electricity in agricultural operations, as the supply of energy to agricultural and industrial undertakings will not be taxed. Petty consumers need not be deterred from the use of electricity and forced to resort to less healthful modes of lighting. Newly established concerns will be left free from the tax to enable them to cope with initial difficulties and to develop demand. The electrical industry too will remain the growing enterprise it is at present. Mr. H. P. Thomas, Chief Engineer, Public Works Department, Electricity Branch, considered that such a tax would not reduce the number of existing consumers, though its effect on the expansion of demand was less certain.

The tax has the advantage of being easy to administer and economical to collect through the agency of the existing licensees of electricity with their monthly bills.

The total number of units of electricity sold by the various electric supply undertakings for lights and fans in the Punjab during the five years 1933 to 1937 has been 72·8, 121·4, 185·1, 154·4 and 197·1 lakhs respectively. Allowing for exemption on various accounts the extent of which it is not possible to estimate accurately, 15,000,000 units may be assumed to be liable to tax under the above proposed scheme. The yield of the electricity tax on this basis would be about Rs. 5 lakhs at present. But the use of electricity is bound to go on expanding for at least some time. It is estimated in the Completion Report of the Uhl River Hydro-Electric Project that with the probable further outlay as planned at present, it would be possible to sell 133 million units by the

year 1945-46 within the existing reticulated area of supply and the area to be covered under the existing plans. The above estimate may be taken for the present purpose as only approximately correct. Allowance will also have to be made for the much larger amount of energy exempt from the tax with the extension of electricity to backward areas where the proportion of small consumers is bound to be very high. Every thing considered, it should not be an overestimate to put the amount of taxable consumption of electricity in another eight years at about 30 million units. This is a purely conjectural figure but errs, it is hoped, on the low side. If so, the likely receipts of this tax in 1945-46, when the first stage of the Hydro-Electric Scheme is scheduled to be completed, will be about Rs. 10 lakhs.

We have fully considered the bearing of the proposed tax on the financial prospects of the State Hydro-Electric Scheme. The tax will apply to consumers of energy by whomsoever generated and will be collected from licensees who merely distribute energy purchased in bulk from the State equally with those who have their own generating plants. In the course of some years, indeed, most of the larger licensees will come to be of the former type. The apparent objection against the imposition of the tax under these conditions is that the Government in this province, as the owner of the biggest 'commercial' concern supplying electricity, is itself vitally interested in the development of demand for electricity by keeping rates as low as possible. That the Government is so interested is incontestable. But what appears to be also beyond doubt is that, with the safeguards in the form of exemptions proposed, the check to expansion of demand will be inappreciable, and will not offset to any material extent the direct financial gain from the levy of the tax. Roughly speaking, at present the average return per unit on the sale of the State Hydro-Electric energy to the type of consumers who should be liable to tax is 18 pies or less. To this are added the distributing expenses and profits of the licensees which bring the price charged to the consumer up to 43 to 72 pies. A tax of 6 pies on this amounts to a surcharge of between 1/8th and 1/12th of the present price. This is unlikely to cause any appreciable contraction in demand. But the 6 pies mean an increase of 33 per cent or more (because the average price is 18 pies or less) in the aggregate receipts of the State



from electricity in price and tax. We are convinced therefore that the net effect of the tax will be a substantial addition to State revenues and any fears of the possible adverse reactions of this tax on the future of the great State enterprise are unfounded.

#### SALES TAXATION.

208. We now come to deal with a form of taxation which is about the most important source of fresh revenue recommended by us, viz., 'Taxes on the sale of goods'—item 48 of the Provincial Legislative List, II of the 7th Schedule to the Government of India Act.

The origin of sales taxes dates back to antiquity. Their present vogue is due largely to the impulse of the war, and of the great depression which began in 1929. Both these events severely strained the finances of most states and led to the adoption of sales taxation by a number of important countries including France, Germany, Belgium, Italy, Netherlands, Czechoslovakia, Hungary, Rumania, Austria, Union of Soviet Socialist Republics and Norway, and among the Anglo-Saxon countries almost all the American States, Canada, Australia, and New Zealand. It is also levied in six South American countries besides a few of the Central American States. The sales tax forms an important part of the tax systems of many of these countries, and contributes a substantial proportion of their total tax revenues.

It appears from a study of the systems of sales taxation in different countries that the sales tax refers commonly to a general levy on proceeds of sales without reference to particular commodities. It has gradually become accepted usage in many countries to exclude from the term 'sales taxes' selective excise taxes on the sale of specific articles such as tobacco, lighting materials, etc., etc. There is nothing in the nature of a sales tax, however, or in the terms of the Government of India Act as authoritatively interpreted by the Federal Court of India, to preclude the levying of sales taxes on specific commodities. Indeed, this appears to be the trend of much of the sales taxation that has been recently levied in the Indian provinces.

The first sales tax under the Government of India Act was imposed by the Central Provinces Government under the Central Provinces Motor Spirit and Lubricants Taxation of Sales Act, 1938. Following the famous decision of the Federal Court on a reference by the Government of India

objecting to the Central Provinces sales tax on petrol on the ground that it infringed the federal power of levying excise duties, a sales tax on motor spirit or on motor spirit and lubricants has been imposed in Bombay, Madras, United Provinces, Bihar, Assam, North-West Frontier Province and the Punjab and Sindh.

The way was now open for experimenting with various alternative methods of levying the sales tax : (1) The sales tax could be a general levy on sales of all commodities, with some exceptions or exemptions, or (2) it could be levied on the sales of specified commodities. In the former case, a very small rate might yield as much as could be produced by a relatively high rate on specified commodities.

Among taxes on specified commodities, apart from motor spirit and lubricants, recently imposed are (1) a tax at the rate of 6 pies per unit on certain sales of electrical energy in Madras (on the lines of electricity duty in Bombay and Bengal, but termed a tax on sales presumably so that it may be covered by item 48 of the Provincial Legislative II, List, besides item 31 of Concurrent List, III) ; (2) taxes on the retail sales of certain articles of luxury under the Assam Sales Tax Bill, 1939,—the articles specified under the Assam Finance Bill, 1939, being motor cars, motor cycles, bicycles, radio or wireless sets, watches and clocks of the value, singly or in the aggregate, of Rs. 50 and over, and firearms of every kind of the value, singly or in the aggregate, of Rs. 50 and over, and the rate of tax being 5 per cent. *ad valorem* (besides item 48, such taxes might also be admissible under item 56 'Taxes on luxuries, etc., of the Provincial Legislative List) ; (3) a tax under the Bombay Sales Tax Act, 1939, at a prescribed rate not exceeding  $6\frac{1}{2}$  per cent on the value of sales of manufactured cloth, whether manufactured in the Province or imported into the Province, and silk yarn including artificial silk yarn and cloth made of such yarn ; (4) the taking of power by the Provincial Government in Bombay under the Bombay Tobacco (Amendment) Act, 1938, to levy, in addition to the license fees for the sale of tobacco, a tax at prescribed rates on any sale of tobacco on an *ad valorem* basis not exceeding 50 per cent of the price of such sale ; and (5) a tax on the sale of tobacco under the Madras Tobacco (Taxation of Sales and Licensing) Act, 1939.

The only example of a general sales tax so far levied in an Indian province is furnished by Madras. The Madras

General Sales Tax Act, 1939, provides for a sales tax of one-half per cent or roughly one pie in the rupee on the gross value of sales of businesses with an annual turnover of over Rs. 20,000 and a tax at a consolidated fixed rate of Rs. 5 per mensem on traders with an annual turnover of between Rs. 10,000 and Rs. 20,000. Traders with a turnover below Rs. 10,000 are exempted. The tax is a general turnover tax and makes no distinction between wholesale sales and retail sales : it may be collected more than once on the same commodity, the number of times depending upon how often a commodity changes hands.\* Exemptions from taxation are provided for the sale of bullion and species, of cotton, cotton yarn and any cloth woven on handloom and sold by persons dealing exclusively in such cloth. Besides, hides and skins are to be taxed only at a single point in the series of sales by successive dealers.

The various problems which demand solution in defining the exact scope, extent and range of application of the sales tax in any particular case have been stated in questions 42 to 47 of the Questionnaire on Resources.

In this province a more or less permanent structure of sales taxation which should have the minimum theoretical objections and practical difficulties would be a tax on retail sales of goods (as distinct from a wholesale sales tax or turnover tax) at a flat (not graduated) rate applicable throughout the province (and not only in towns), with a low level of exemption based on the quantity (and not class) of sales.

We do not think, however, that it would be desirable to introduce the full system at once. We suggest for immediate adoption an alternative form of sales taxation which we consider will be administratively simpler, more convenient and less harassing to the tax-payer, easier of collection, and fairly productive, and the operation of which will at the same time provide the necessary experience and familiarity with the organisation of trade to facilitate an advance to the full system of *ad valorem* taxation recommended above—a general sales license tax. The tax should be leviable on the sale of all commodities and not any particular specified commodities, and on all dealers whether wholesale dealers or retail dealers. Every shopkeeper, trader, merchant or

\*In contrast, the Assam sales tax on luxury commodities and the sales tax in Bombay on manufactured cloth, etc., are to be levied only *once*—the former at the retail stage, the latter at one stage or the other between production and consumption.

dealer, indeed every seller of commodities, whose gross yearly proceeds of sales are Rs. 5,000\* or more,† should be required to take out an annual license on payment of a fee. This license fee should be graded broadly in proportion to the volume of sales, or the aggregate annual receipts from sales, as follows :—

<i>Sellers with gross sale proceeds of</i>	<i>Annual tax.</i>	<i>Tax as per-centage of mean gross sales.</i>
	Rs.	
Less than Rs. 5,000	—	—
Rs. 5,000 or more than but less than Rs. 10,000	10	•193
Rs. 10,000 or more but less than Rs. 20,000	25	•166
Rs. 20,000 or more but less than Rs. 35,000	40	•145
Rs. 35,000 or more but less than Rs. 50,000	60	•141
Rs. 50,000 or more but less than Rs. 1,00,000	100	•193
Rs. 1,00,000 or more	200	—

The tax should not be levied on the sale of agricultural produce by a person who raises that produce himself either directly or indirectly, i.e., either by direct cultivation or through tenant or tenants.

The incidence on gross sale value of the license fee according to the above scale would be 2/15 per cent or a little higher. We consider that such a fee may be introduced without involving undue disturbance of the smooth course of trade, or any appreciable burden on the consumer, in these days of relatively low prices.

The appropriate machinery for the collection of this tax would ordinarily be the tehsil agency. The tax may be assessed, levied and collected by the Tehsildar in all cases where the business is confined to a tehsil ; where the business

\*Representing on our calculation at 10 per cent an annual income of Rs. 500 ; though what is proposed is by no means a tax on income but a tax on sales and therefore likely in large part to be shifted to the consumer.

†Two members are in favour of keeping the minimum limit for levying the tax at Rs. 10,000. Rai Bahadur Binda Saren would also have the exemption level at Rs. 10,000, should it be decided to impose the tax. He is himself opposed to its levy. He is prepared to contemplate its imposition only as a substitute for octroi and terminal taxes, as suggested by the Indian Taxation Enquiry Committee. The tax has many demerits in common with other forms of indirect taxation and should, in the opinion of the Rai Bahadur, be levied only in an emergency.

extends to more than one tehsil but is confined to a single district, the Collector may assess and impose the tax ; and if the business extends to more than one district, such one of the Collectors as the Financial Commissioner may authorise may be made responsible for collection.

It is not possible to frame any estimate of the likely yield of such a tax, in the absence of information about the number of dealers in different classes. It is anticipated, however, that the receipts will be substantial, probably of the order of several lakhs.

#### TAX ON BICYCLES.

209. The Sources of Revenue Committee, 1931, recommended the imposition of a tax on bicycles at Rs. 2 per annum, the method of collection being by the sale of a provincial stamp to be placed in a holder on the handle bar of the bicycle.

A tax on bicycles is covered by clause (c) of sub-section (2) of section 61 of the Municipal Act, and, in the case of Committees which have not less than 75 per cent of elected members and which maintain cash balances above the prescribed minimum within the three months preceding, a tax on bicycles can be levied by the local body without the sanction of the Provincial Government. But actually no local body in the province (except the Simla Municipality) has levied a tax on bicycles.

The only precedent in the Punjab to guide or warn us in regard to the imposition of a bicycle tax at present is the experience of the Lahore Municipality. It imposed in 1908 a tax of Rs. 3 per annum or annas 4 per month on all bicycles and tricycles used within Municipal limits. But the tax was withdrawn in 1910 owing primarily to its unpopularity and also to the expense entailed in its collection. The unpopularity was perhaps due as much to the actual payments as to the difficulty and delay involved in making them at a Municipal office.

An alternative proposal to levy a tax on bicycles at a convenient point so as to avoid harassment to the public, e.g., a terminal tax on new bicycles not exceeding 10 per cent *ad valorem* to be collected at railway and road posts, or a tax on sales of new bicycles, was also considered by the Government. But on reference to the Government of India the Provincial Government were informed that the imposition of either of these forms of tax was not within its competence

under the then existing constitutional arrangements (August, 1932). Under the Government of India Act, 1935, a new terminal tax could only be levied by the Federation, though the proceeds thereof shall be distributable to the provinces.

A third method, viz., to levy a tax on sales of new bicycles, does not appear to be free from all doubt as regards its constitutional practicability, the example of Assam notwithstanding, since bicycles are mostly, if not entirely, imported. Also, the Committee are otherwise not inclined to adopt it, since the yield of any light tax would be comparatively small.

There remains, therefore, the alternative of a periodical tax on all bicycles in use. We recommend the imposition of an annual tax of Re. 1 on every bicycle in use.\*

Some of the methods of levying such a tax that have been considered involve the registration of bicycles in one form or another. The Sources of Revenue Committee, 1931, suggested that bicycles should carry number plates, which would incidentally prevent thefts. One of the official witnesses in his written evidence before us cited the case of the Channel Islands, where a tax of 2s. 6d. per year is imposed, checked by cardboard plates, issued from a book, the counter-foil of which is signed by the owner and retained by the Taxation authorities, and the foil is shown in a metal holder clamped to the bicycle. The use of metal instead of cardboard seals would, however, appear to be preferable here, if the suggestion were adopted.

On the other hand, it is considered that any system which involves registration and personal attendance of the owner at the Municipal office would involve such vexation and harassment to the public as to be thoroughly unpopular. In the alternative it has been suggested that the tax should be collected by means of stamps sold by ordinary stamp-vendors. The stamp might be displayed in a bracket affixed to the handle bar of the bicycle or might even be pasted as an adhesive label to the handle bar itself. An adhesive label, however, would wear out in course of time and may be thoroughly disfigured or even washed away in certain cases in less than a year, while a bracket might be transferred from one bicycle to another. In either case the colour of the stamp might be changed from year to year for quick detection of evasion. It is realized that the enforcement of the tax would be difficult in any case.

\* Raj Bahadur Binda Saran considers that the bicycle is a necessity for the poor and should not therefore be taxed.

We are aware of the argument against this tax that the bicycle is becoming an article of daily necessity to an increasing number of men of all levels of means, in particular that its use is spreading among the poorer strata of people following all sorts of occupations, the lower class employee in Government or private service, manual workers like carpenters and mistries, newspaper hawkers, barbers, milkmen, water-carriers and vendors of all varieties of goods. But we consider that a small tax like the one recommended here is justified in view of the fact that our other proposals for fresh taxation hardly touch these classes.

As regards the likely yield of the tax, it appears from trade statistics that somewhat over a million bicycles were imported into India during the last eight years. Assuming that all these bicycles, and no more, are in use, and that the bicycle is somewhat more common in this province than outside, relatively to population, the number of bicycles in use in the Punjab may be estimated at a little above a lakh. The proceeds of an annual tax of one rupee per bicycle would therefore come to Rs. 1 lakh.

#### REGISTRATION OF MARRIAGES.

210. The question of the compulsory registration of marriages on payment of a fixed or graduated fee was considered at the Conference of Finance Ministers and Secretaries held in Bombay on the 7th and 8th June, 1937. Opinion was generally in favour of the proposal, though no definite agreement was recorded, and the question was left to be considered by each province in the light of its own circumstances.

One point which clearly emerged from the discussions was that registration should not be held to imply anything about the validity of the marriage ceremony but should be taken simply as a record of the fact of marriage. In this respect the Indian Taxation Enquiry Committee observed that 'in any legislation of the kind it should be made quite clear that the purpose of the registration is to afford superior probative value of the fact of marriage, and not to interfere with the customs of the people in respect of the question of validity of any particular ceremony.' As was remarked by a member of the Conference, registration would only give 'simultaneous, contemporaneous, documentary evidence of the factum of marriage.'

Some kind of registration of Muslim marriages already obtains at present. But registration is optional.

The replies to the question in the Questionnaire on Resources relating to registration of marriages reveal a fairly large body of opinion in favour of the proposal. Indeed, the great majority of replies favour registration, only here and there strong opinion is expressed against it. But registration is favoured more on other than directly fiscal grounds, and a light registration fee is usually suggested. It is considered that evidence of the fact of marriage furnished in this way would obviate a good deal of criminal litigation arising out of the ambiguous basis of marriage at present in many cases. Indirectly this would lighten the work of courts and make for economy. A beginning will also be made in the direction of maintaining some sort of a continuous record of the civil condition of the population.

We recommend that three grades of fees—Rs. 1, Rs. 5 and Rs. 10—may be adopted for the purpose of registration of marriages. The first rate would be applicable to the vast majority of marriages taking place in the province. The second rate might be applied to persons with an annual income of Rs. 1,000 or paying Rs. 250 as land revenue, and the third to persons liable to income-tax or paying Rs. 500 and more as land revenue. It might be left to the person concerned to declare his approximate income and elect the category into which he would like to be placed. Such practice is adopted in many other cases, like school scholarships and freeships and hospital fees, etc. At the time of marriage a person might not like to perjure himself for the sake of a trivial sum. It would not be practicable to consult the income-tax office as to the fact of a person's liability to income-tax, and this may be left to the person himself to declare. Correspondingly provision would probably also have to be made that any declaration by a person to the marriage registration authorities about the state of his income does not become binding in evidence in income-tax or any other cases. Such a simple scheme of three categories would prove workable in practice.

In order to determine the rate of fee applicable in a particular case, the pecuniary status of the bridegroom, his father, near relative or guardian for the purpose of marriage, should be taken into account.

It is reliably estimated that 10 marriages take place on the average for every 1,000 of the population every year. This gives about 250,000 marriages a year for the present population of the British Punjab. If the registration fee



averaged Rs. 2 per marriage, a yearly income of Rs. 5 lakhs might be realized. We would, however, put the anticipated receipts at Rs. 4 lakhs.

#### TAXATION OF UNEARNED INCREMENTS IN LAND VALUES.

211. The principle of a tax on unearned increment in the value of land is well-founded and commands wide acceptance. Increases in the value of property not due to any improvements by the owner are in the nature of a wind-fall and have special ability to bear taxation.

There are four principal ways in which such taxation may be levied. The tax may be imposed generally on all increments that have already accrued since a fixed past date; it may be restricted to past increments in so far as they have accrued to present holders; or, it may be confined only to future increments; or, again, it may be levied as a special charge in the event of some specific improvement scheme initiated by a public authority. In the last form, it is more familiarly known as a 'special assessment' or a 'betterment levy' and is commonly imposed in many American cities, and even in India in Bombay and Madras under the Town Planning Acts of 1915 and 1920, respectively; as such it is generally accepted as an appropriate method of financing local improvements. In the form of a general increment levy, however, the actual application of this tax has had a very limited scope and is beset with peculiar difficulties. In Greece a tax on 'automatic increment in the value of immovable property' was levied until April, 1929, when it was abolished. In Italy a War tax on increase in value of property was imposed as a temporary measure. In the German cities increment taxation has spread since 1904, and represents an endeavour to tax past increments accruing to present holders who may realize them in future. The plan embodied in the British Finance Act, 1910, proposed to tax future increments, and necessitated the valuation of land and buildings by expert valuers. It broke down owing to the insuperable difficulties involved in complicated procedure for separating the value of land from that of the buildings and other improvements.

We discussed the proposal to tax unearned increments in land values in great detail and have arrived at the following

conclusions about the form, scope and rate, etc., of the tax, should it be imposed—

(2) The tax should be charged on the basis of the sale value, and not of any assessed value, of land, i.e., the unearned increment must be definitely ascertained as the difference between the value of a sale and a previous purchase.

(i) The retrospective scope of the tax should not be more than 5 years.

(ii) The increment in the value of land to be made subject to tax should be the rise in value which has occurred since the last sale (within 5 years).

(iv) A rise of 10 per cent per year would not be liable to any tax. That is to say, no tax would be leviable if the rise in 2,\* 3, 4 or 5 years is respectively not more than 20,\* 30, 40 or 50 per cent. A rise in value up to 10 per cent a year should be free of tax, since it could be regarded as a more or less normal return in view of the risks involved in such transactions—which may not unoften result in loss—and the return on other industrial investments offering a comparable degree of security.

(v) The minimum unit of increment liable to tax, irrespective of the period that may have elapsed since the purchase of land, should in no event be less than 25 per cent. A rise in value up to 25 per cent will not be taxable, if it should occur in two years or one year or any smaller period.

(vi) The tax should be charged at the rate of one per cent of the total increment.

(vii) The increment in the value of land is the difference in the value of land now, i.e., at the time of sale, and the value of land when it was purchased. The value of land now, if the land is built upon, is the difference between the total present value of the land and the house and the present value of the house. The value of land at the time of purchase similarly is the difference between the total value of the land and house then and the value of the house, if any. It is necessary to find merely the increment in the value of land, and not of land and house together, because this tax does not relate to taxation on houses or buildings which would be a

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\*Subject to what is said in the following sub-paragraph.

tax on capital. A peculiar difficulty in estimating the increment in the value of land on the above method would arise through efforts to have the value of a house, if any, at the present moment over-assessed and the value of a house, if any, existing already at the time of purchase under-assessed so as to show a lower increment in the net value of land. It is obvious that estimates of even the existing value of an old house are not easy to make. It would be much more difficult then to find out what the value of a house, apart from the land, was three, four or five years ago, because records are not likely to exist, and exact descriptions such as may be involved in material and specifications, etc., may not be available. In this view the opinion is largely held that one should not consider past transactions at all. But, even in order to apply the principle of taxation to future increments in the value of land where land is built upon, it would be necessary to estimate the value of all houses as they exist at present. This, as the Indian Taxation Enquiry Committee pointed out, would require the services of an army of expert valuers. It were such difficulties that led to the break-down in England of the attempt to tax future increments in 1910.

(viii) On the question whether the tax should be levied on the total transactions of a person in a given period, taking into account all his gains and losses, or on the individual transactions (in which a gain was made), we are divided in opinion. Similarly there is difference of opinion as to whether only a regular dealer or a casual dealer also should be taxed.

There is some opinion in favour of the proposition that all purchases and sales of landed property that showed any unearned increment should be liable to this duty irrespective of the fact whether the purchaser and seller made a regular business of buying and selling or he was merely a casual purchaser and made a casual sale pressed by need or otherwise. On the other hand there are others of the opinion that such a casual purchaser and seller should not be subjected to duty. A third point of view is that such casual purchaser and seller whose transactions were based on the idea of investment should be made liable to the duty. There is some opinion also in favour of the proposition that the rate of tax might vary according as a person is a regular, or only a casual dealer.

We appreciate the undesirability of imposing a tax on the casual dealer, but also realise the difficulty of discriminating between a regular and a casual dealer ; that is, indeed, why some of us would suggest the levy of the tax on both the casual and the regular dealer. If a tax were to be imposed on both classes, most of us do not see our way to discriminate in the rate of tax.

(x) In the case of a regular dealer who sells a plot of land by small parcels, the tax should be imposed on the sales of the whole, or nearly the whole plot and not on individual sales. Thus, for instance, if a person bought 100 kanals at the rate of, say, Rs. 100 per kanal, and disposed of a specially good parcel of 20 kanals soon after purchase at, say, Rs. 200 per kanal, he would not be liable to tax immediately. When, however, he had been able to sell off the greater part, say, 80 kanals, he would be liable to tax on all increment in the value of land, provided, of course, the increment exceeded 30 per cent in 3 years and 25 per cent at a minimum.

(x) The application of the principle of a tax on unearned increment should be made also to land outside towns, notified areas and small towns, i.e., the principle should be universally applicable to all land. We have considered in this connection the question of applying this principle to land where appreciation of value has taken place as a result of special facilities of irrigation, etc., recently provided or likely to come about in the near future.

We are conscious of the fact that already a stamp duty is levied on conveyance of property the registration of which is compulsory inside Municipal and Notified Areas. Indeed, the imposition of this tax might lead people to understate the value of property transferred in a conveyance deed, and take the excess value privately. The tax may thus be evaded, at the same time the income from stamp duty and registration fees may decline.

On the whole, we consider that the tax would not be productive unless it is made retrospective, but then it would be extremely difficult to work, and it would anyhow be costly to administer. We realise that altogether there are numerous and important difficulties in the successful working of such a tax, and that its actual profitable scope is extremely limited. We do not, therefore, make a definite recommendation for its imposition.

BETTERMENT TAX ON NEW-IRRIGATED AGRICULTURAL LAND.

212. Question 3 in the Questionnaire on Resources issued by the Committee is as follows :—

“ When land newly brought under irrigation, or guaranteed a supply of water for the first time increases largely in value, do you consider it proper that the State should take a part of such increase in value? If so, what proportion? In what form should the State appropriate such proportion to itself, in a lump sum, or betterment tax? ”

A large number of replies favour the imposition of some sort of betterment tax on lands which gain largely in value by the supply of water from the State canals. A lump sum levy is not favoured by many since it could not be paid out of income, and, at any rate in the colonies newly supplied with water, a large initial outlay is required for the purpose of clearing waste, levelling, laying out, constructing farm and residential buildings, etc., and in general equipping the estate with all the essentials of efficient farming. What is more generally regarded feasible is a special betterment tax, to be levied either as some percentage of land revenue for a number of years, or as some proportion of the unearned increment in the value of land payable by instalments. Mr. J. D. H. Bedford, Chief Engineer, Irrigation (since retired), has, however, recommended the levy of a lump sum tax on the increase in the value of land resulting from fresh introduction of irrigation in the following terms :—

“ I think the State should take a portion of the increase in value of land owing to the introduction of irrigation facilities and that the water advantage rate does not meet this demand. Generally the demand should be taken on a division of the land, i.e., Government should take over a portion of the land held by each individual, more particularly when the area of individual holdings is above a certain agreed unit, say 40 acres. Government should take over 25 per cent: such areas should gradually be sold, the original owners being given the first option to purchase at an agreed price, the agreed price should not be unduly low. The proposal would require elaboration but appears feasible.”

We have considered the above suggestion. We agree with the principle of this tax. It is a category of the tax on unearned increment in land values which has been considered above. The observations and conclusions made in that connection apply equally in this instance. Indeed, in this case the improvement in value is brought about as a direct result of State action and there is, therefore, at least an equal reason for appropriation of a part of such increase by the State.

**TERMINAL TAX ON GOODS OR PASSENGERS CARRIED BY  
RAILWAY OR TAX ON RAILWAY FARES AND  
FREIGHTS.**

213. Section 137 of the Government of India Act provides for terminal taxes on goods or passengers carried by railway and taxes on railway fares and freights. These taxes are to be levied and collected by the Federation but their proceeds are to be assigned to the Units in accordance with principles of distribution to be laid down by the Federal Legislature; the Federal Government will have the right of levying a surcharge for federal purposes.

We have considered the question of imposing these taxes in all their bearings. Our general conclusion is that the imposition of these taxes is bound to encroach on railway revenues: an increase in the cost of railway travel is bound to lead to some contraction, greater or smaller, in the demand for railway travel. This is inevitable, because the demand for railway travel is not absolutely inelastic: it is more or less elastic under different conditions (e.g., state of competition by road) over different distances, for different classes of passengers. Given the central principle of railway rates and fares, viz., charging 'what the traffic will bear' so as to maximise receipts, it is possible that the aggregate realisations of railways including the receipts of the tax may actually decline. In any case, railway revenues (excluding tax receipts) are certain to fall. To reduce this loss to a minimum it would be necessary to make traffic by other means of transport (mainly road and river) subject to similar taxation.

To sum up, the real position is this: Section 137 of the Government of India Act provides a means for diverting a part of growing railway earnings to the aid of provincial governments with their expanding needs. The Central Government is itself the recipient of an important contribution from the railways, responsible for their solvency, and

in a position to ensure uniformity over the provinces in the operation of a scheme for such diversion; the Central Legislature has therefore been largely empowered to determine the extent of such diversion. This province—and for that matter any other province—need have no objection to the levy of the taxes referred to here from its own point of view. Whether such taxes are imposed, and if they are imposed, the amount which may be made available for distribution among provinces, would depend very largely upon what view the Government of India take of their own financial position and the financial position of the railways.

#### SUCCESSION DUTY.

214. 'Duties in respect of succession to agricultural land' fall under the Provincial Legislative List II of the 7th Schedule of the Government of India Act, 1935, while 'Duties in respect of succession to property other than agricultural land' fall under the Federal Legislative List I. This division conforms with sound economic practice, and was arrived at in the United States after much experimenting. Some variation in the rates of taxation of immovable real property in the form of death duties may be allowed to occur, but inter-provincial differences in the treatment of movable personal property are likely to lead to uneconomic transference of personalty to evade the tax in whole or part and to consequent economic dislocation. The constitutional position in regard to the taxation of succession to property other than agricultural land is identical with that in respect of taxes on railway freights and fares discussed above; it is defined in Section 137 of the Government of India Act.

Since it would have been difficult for the provincial governments to proceed with the taxation of succession to agricultural land without some equivalent taxation of succession to non-agricultural property, it was desirable that the question of a non-agricultural succession duty should be examined early. Early last winter Sir H. Lloyd was entrusted with the duty of consulting provincial governments on the question with a view to devising a suitable scheme of taxation that might meet the many important objections commonly advanced against this tax. The opinion of all the eight provincial governments (other than Assam, Sind and Orissa), was against the immediate imposition of such a tax, though some Governments supported the general principle underlying it.

The grounds of opposition of the Punjab Government were—

- (i) that the yield would not be commensurate with the serious difficulties in the way of introducing such a measure and the great unpopularity attaching to such a form of taxation ;
- (ii) that it is far from certain that the Punjab would be able to secure its fair share in any scheme of distribution ; and
- (iii) that such a tax would entrench upon potential taxable capacity which would otherwise be available for provincial taxation\*.

It may be well to refer here briefly to the earlier history of the proposal to levy succession duty in this province. In April, 1923, the Punjab Government addressed the High Court Judges, Financial Commissioners, Commissioners of Divisions and the Legal Remembrancer on the question of imposing a succession duty with a view to meeting the rapidly increasing financial requirements of the province. The consensus of opinion as revealed in the replies to the circular letter was favourable to the proposal in principle but was against the immediate introduction of succession at a time when less objectionable methods of raising revenue had not yet been fully utilised. Many difficulties of a political, socio-religious, economic, legal and constitutional and judicial character were pointed out which did not appear to be outweighed by the advantages of increased revenue and better social justice promised by the introduction of such a tax. In November, 1927, the Government of India addressed Provincial Governments on the subject of Probate Duties recommended by the Indian Taxation Enquiry Committee in Chapter XII of their report. The Punjab Government did not consider it necessary or advisable to exploit this particular field of taxation in this province at the time in view of the existence of other and less objectionable methods of increasing the revenue, and expressed themselves definitely against enhancements of mutation fees on transfers of land at death. The question again came up for consideration in connection with Sir F. Layton's proposals in the Simon Commission Report. The Government decided that the tax would be very unpopular, and if levied at any really revenue producing rate would lead to the disintegration of estates

\*Statement laid on the table of the Indian Legislative Assembly on 30th March, 1939.



and business concerns and hamper and retard the development of agriculture and trade. The Sources of Revenue Committee, 1931, expressed themselves by a majority of five to one, in favour, in principle, of the levy of death duties. There was complete disagreement, however, about the exact form the death duties should take, in particular as to the range of their application. The Government reiterated their opposition to the proposal, particularly in view of the serious decline in the values of all immovable property, agricultural or urban, and decided to take no action thereon at the time.

In view of the circumstances detailed above, we wish to make no recommendation on the subject.

(Signed) MANOHAR LAL,  
*Chairman.*

„ MUZAFFAR KHAN.  
„ JAGJIT SINGH BEDI.  
„ AKBAR ALI.  
„ MUZAFFAR ALI QIZILBASH.  
„ SARDAR M. AKHTAR.  
„ KRISHAN DATTA.  
„ SURAJ MAL.  
„ BINDA SARAN.  
„ RIASAT ALI.  
„ BALBIR SINGH.

(Sd.) A. D. GRINDAL,  
*Secretary.*

„ B. K. MADAN,  
*Assistant Secretary.*

DATED LAHORE :  
*The 14th October, 1939.*

## APPENDIX A.

### Summary of conclusions or recommendations, with their financial effect.

#### PART I.—RETRENCHMENTS.

<i>Paragraph of report.</i>	<i>Recommendation.</i>	<i>Estimated savings.</i>
		Rs.
12	Abolition or reduction of several special pays and compensatory allowances .. ..	6,25,000
18	Reduction of existing rates of hill allowance of Secretariat establishments moving to Simla with the Government .. ..	30,000
14	Reduction of various forms of travelling allowance.	6,75,000
23	Classification of recessing Heads of Departments as permitted officers.	10,000
25	Abolition of a number of residential telephones maintained at Government expense.	17,500
<i>Excise Department.</i>		
31	Reduction of one post of Excise Superintendent or Excise Assistant.	5,000
33	Reduction of provision for Excise rewards ..	35,000
<i>Forest Department.</i>		
36	Reduction of superior cadre of the Forest Department by two posts.	18,000
37	Abolition of the post of Chief Conservator of Forests.	56,000
39	Abolition of the post of Chief Superintendent in the office of the Chief Conservator of Forests.	6,000
40	Discontinuance of Bahahr forest lease ..	13,000

<i>Paragraph of report.</i>	<i>Recommendation.</i>	<i>Estimated savings.</i>
		Rs.
<b>PART I.—RETRENCHMENTS—contd.</b>		
<i>Forest Department—concltd.</i>		
41	Abandonment of Sutlej Valley irrigated plantations.	88,000
42	Abandonment of the irrigated plantations at Chichawatni, Daphar, Khanewal and Tehra.	2,82,000
<i>Registration Department.</i>		
46	Amalgamation of two posts of Sub-Registrars in the Registration Department at Amritsar.	6,000
<i>Charges under Electricity Acts.</i>		
47	Revision of scales of pay of Electric Inspector and his Assistants.	4,000
	Reduction of one post of Assistant Electric Inspector.	5,000
<i>Irrigation Branch, Public Works Department.</i>		
52	Reduction of one post of Superintending Engineer by amalgamation of Upper Jhelum and Lower Jhelum Canal Circles.	20,100
	Amalgamation of the two Lower Chenab Canal Circles and appointing a Personal Assistant to the Superintending Engineer.	5,000
53	Reduction of one Division in the Upper Jhelum Canal Circle.	15,000
	Reduction of one Division in the Upper Chenab Canal Circle.	15,000
57	Increasing the length of canal beldar's charges to 8 miles generally.	80,000
58	Discontinuance of present canal treasury system	1,82,000
60	Reduction of expenditure on contingencies in the Irrigation Department.	2,00,000
62	Abolition of Jungle Allowance	17,000
64	Reduction of the number of sections or branches in the Irrigation Secretariat.	25,000
<i>General Administration.</i>		
67	Reduction to Rs. 2,000 per mensem of the salary of the Honourable Speaker of the Legislative Assembly.	12,000

<i>Paragraph of report.</i>	<i>Recommendation.</i>	<i>Estimated savings.</i>
	<b>PART I.—RETRENCHMENTS—<i>contd.</i></b>	Rs.
	<i>General Administration—<i>conold.</i></i>	
69	Revised distribution between the Punjab and the North-West Frontier Province of the cost of the Joint Public Services Commission.	88,000
70	Abolition of post of Financial Commissioner, Development.	40,000
71	Reduction of two posts of Commissioners of Divisions.	1,60,000
76	Discontinuance of the provision for allowances for purchase of civil uniforms	5,000
	<i>Criminal Tribes Department.</i>	
78	Shifting the present site of the Mughalpura Criminal Tribes Settlement or, in the alternative, closing it down.	9,000
	<i>Administration of Justice.</i>	
82	Reduction by 15 per cent. of the number of Subordinate Judges.	66,000
88	Abolition of Administrative Judges	18,000
85	Reduction of the status of the Registrar of the High Court to that of a senior Assistant Commissioner.	24,000
	<i>Jail Department.</i>	
89	Reduction of one I. M. S. post in the Punjab Jail Department.	9,000
90	Abolition of post of Deputy Inspector-General of Prisons.	25,000
91	Abolition of the system of granting the Superintendents of the smaller District Jails an allowance of Rs. 100 per mensem.	5,000
94	Adoption of measures to effect a reduction in the expenditure on under-trial prisoners.	1,00,000
	<i>Police Department.</i>	
100	Reduction of Criminal Investigation Department staff by one appointment of Superintendent of Police and one appointment of Deputy Superintendent.	18,500

<i>Paragraph of report.</i>	<i>Recommendation.</i>	<i>Estimated savings.</i>
<b>PART I.—RETRENCHMENTS—contd.</b>		
<i>Police Department—concl'd.</i>		
101	Abolition of the grade of Inspector of Police . . .	2,00,000
102	Reduction of cadre of European Sergeants . .	50,000
103	Abolition of posts of Prosecuting Deputy Superintendents of Police.	48,000
104	Reduction of provision for Police rewards and for improvement of Police lands	28,500
106	Abolition of special post of Assistant Inspector-General of Police (Traffic).	22,000
<i>Education Department.</i>		
110	Closing down of most of the Government Intermediate Colleges and the Shahpur Degree College.	1,50,000
111	Closing down of at least 15 Government High Schools in the Province.	1,80,000
116	Reduction in the number of Deputy Inspectors of Schools.	25,000
117	Abolition of post of Inspector of Training Institutions.	8,000
118	Abolition of two posts of Deputy Inspectors of Schools for Rural Science.	10,000
<i>Medical Department.</i>		
121	Amalgamation of Medical and Public Health Departments under one administrative head, with two deputies.	15,000
132	Closing down of the Medical School at Amritsar	1,37,000
<i>Public Health Department.</i>		
138	Reduction of status of post of Personal Assistant to the Director of Public Health to that of a District Medical Officer of Health.	1,800
139	Abolition of posts of Assistant Directors of Public Health on amalgamation of the Medical and Public Health Departments.	75,000
<i>Agriculture Department.</i>		
144	Discontinuance of the separate post of Assistant Director of Agriculture at headquarters.	12,000

<i>Paragraph of report.</i>	<i>Recommendation.</i>	<i>Estimated savings.</i>
		Rs.
<b>PART I.—RETRENCHMENTS—contd.</b>		
<i>Agriculture Department—conold.</i>		
145	Reduction of the number of Deputy Directors of Agriculture, with their circles, from seven to five.	85,000
146	Reduction of expenditure from provincial revenues on the Lyallpur Agriculture College.	66,000
147	Reduction of scale of expenditure on Agricultural Engineering.	16,000
148	Closing down of the Government Poultry Farm at Gurdaspur.	12,000
<i>Veterinary Department.</i>		
151	Abolition of the posts of Deputy Superintendents in the Veterinary Department.	30,000
152	Reduction of cost of Punjab Veterinary College at Lahore by suitably revising the scales of pay of the staff of Professors and Lecturers.	25,000
154	Reduction of superintending staff of Hissar Cattle Farm by one post of Assistant Superintendent and one post of Deputy Superintendent.	12,000
	Discontinuance of the minor activity of donkey breeding at the Hissar Cattle Farm.	7,000
<i>Co-operative Department.</i>		
156	Reduction in the cost of the appointment of Banking Expert or Financial Adviser in the Co-operative Department.	12,000
157	Abolition of posts of Deputy Registrars of Co-operative Societies.	60,000
158	Recovery from other provinces of a share of the cost of the appointment of Registrar, Co-operative Societies.	8,000
<i>Industries Department.</i>		
161	Closing down of such Government Industrial Schools as are shown to be costing an excessive amount.	10,000

<i>Paragraph of report.</i>	<i>Recommendation.</i>	<i>Estimated savings.</i>
		Rs.
<b>PART I.—RETRENCHMENTS—<i>consold.</i></b>		
<i>Miscellaneous Departments.</i>		
170	Appointment of an officer as Game Warden on the scale of pay of a Provincial Service Officer.	16,000
<i>Buildings and Roads Branch, Public Works Department.</i>		
176	Possible reduction of one post of Superintending Engineer and 2 posts of Executive Engineers in the Buildings and Roads Branch.	45,000*
178	Abolition of the post of Consulting Architect and his staff.	47,000
181	Amalgamation of the Buildings and Roads and Irrigation Branches, of the Public Works Department.	7,00,000
182	Merging of the post of Electrical Engineer and his staff in the Hydro-Electric Branch.	25,000
183	Possible alternative arrangement for reducing staff in the Buildings and Roads Branch.	2,25,000*
<i>Stationery and Printing.</i>		
186	The Punjab to have its own Provincial Stationery Stores.	40,000
<i>Miscellaneous.</i>		
189	Reduction of the scale of pay fixed for the Director of the Information Bureau.	3,000
	Abolition of post of Assistant Director of the Information Bureau.	6,50
190	Abolition of post of Commissioner, Rural Reconstruction, and his special staff.	83,0

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\*Not included in the total.

Paragraph  
of report.

Conclusion or Recommendation.

Approximate  
estimate of  
increase in re-  
ceipts.\*

PART II.—RESOURCES.

I.—Principal Heads of Revenue.

		Rs.
191	We approve of the system of giving temporary cultivation leases of colony Crown lands as well as waste lands in non-colony areas for more or less long periods by tender to the highest tenderer.	..
192	<i>Excise.</i>	
	(i) We do not think it is possible to increase the revenue from country spirit substantially without an appreciable reduction in the price charged by distilleries. This in turn could be achieved only if some means were found to reduce the cost of empty bottles.	..
	(ii) Without proposing any change in the general form or method of levying vend fees on foreign liquor we recommend an increase of 25 per cent in the existing rates of such fees in respect of spirits and wine and of 50 per cent. in the case of imported beer, cider and perry.	40,000
	(iii) The issue of a pass for the import of foreign liquor in any quantity exceeding one quart bottle for use of private individuals and non-proprietary clubs, including regimental messes and canteens run on a club basis, should be made subject to the payment of a pass fee at Re. 1 per gallon of spirit or wine.	Included under (ii).
	(iv) The advisability of an increase in the duty on opium to Rs. 90 per seer should be carefully considered after a year's experience of the effects on consumption and revenue of the recent increase in the rate to Rs. 80.	..
	(v) We propose an increase in the acreage duty on poppy cultivation by 50 per cent to Rs. 36 per acre.	20,000

\*Nothing has been noted in this column opposite certain paragraphs which record resolutions of the Committee without any recommendation involving increase in receipts.



Paragraph of report.	Conclusion or Recommendation.	Approximate estimate of increase in receipts.* Rs.
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## PART II.—RESOURCES—contd.

## I.—Principal Heads of Revenue—contd.

## Excise—concltd.

- |       |   |       |
|-------|---|-------|
| (vi)  | The rate of transport duty on bhang should be increased from Rs. 2-8-0 to Rs. 3-8-0 per quarter maund.  | 5,000 |
| (vii) | There is a strong case alike from the point of excise policy and excise revenue for a simultaneous stiffening of excise control and increase in the number of shops in the central districts of Lahore, Amritsar, Gurdaspur, Ferozepore, Ludhiana, etc. Any objection from the point of view of control of the drink evil to the increased provision of licit liquor can be removed by using the additional excise revenue thus secured for the education and uplift of the areas from which it is derived. | --    |

193

## Stamps.

- |       |   |   |
|-------|---|---|
| (i)   | <i>Article 3. Adoption deed.</i> —The exemption of wills from duty under Article 3 should be removed. The duty on an adoption deed might be lowered from the present uniform rate of Rs. 20 to Rs. 10 where the value of property involved does not exceed Rs. 2,000. On the other hand, where title is created through an adoption to properties of Rs. 10,000 or more the duty should be proportional to the value of property involved, but at one quarter the rate in the case of a conveyance. | No estimate could be given but the increase in receipts would be substantial. |
| (ii)  | <i>Article 4. Affidavit.</i> —Exemption (b) should be removed; the duty on such affidavits should be charged at a reduced rate of Re. 1.  | --  |
| (iii) | <i>Article 10. Articles of Association.</i> —The rates of duty in the Punjab should be raised to a level with those of Bombay.  | ..  |
| (iv)  | <i>Article 15. Bond.</i> —Rates prescribed for Bottomry bond (No. 16) should also be made applicable to Bond (No. 15).  | --  |
| (v)   | <i>Article 22. Composition deed.</i> —The rate of duty in the Punjab should be raised from Rs. 12-8-0 to Rs. 15.  | --  |

Paragraph of report.	Conclusion or Recommendation.	Approximate estimate of increase in receipts.* Rs.
<b>PART II.—RESOURCES—contd.</b>		
<b>I.—Principal Heads of Revenue—contd.</b>		
<i>Stamps—contd.</i>		
(vi)	<i>Article 23. Conveyance.</i> —Land situated within municipal limits and registered in revenue papers as 'agricultural' but actually used for other purposes should be assessed for stamp duty on conveyance on the amount or value of consideration for such conveyance as set forth therein.	..
(vii)	<i>Article 25. Counterpart or Duplicate.</i> —The duty should be raised from Re. 1-8-0 to Rs. 2.	..
(viii)	<i>Articles 32 and 40. Instrument of Further Charge and Mortgage deed.</i> —The duty on 'Mortgage deed' and an instrument of 'Further Charge' should be brought to a par with that leviable at present on a Bond (No. 15) in the case of a mortgage without possession and Conveyance (No. 23) if the mortgage is with possession.	..
(ix)	<i>Article 34. Indemnity bond.</i> —The duty under sub-clause (b) of this article should be increased from Rs. 7-8-0 to Rs. 10.	..
(x)	<i>Article 35. Lease.</i> —The present exemption should continue in the case of a lessee paying an annual rental of Rs. 100 or less but should be withdrawn in respect of single year leases.	..
(xi)	<i>Article 45. Partition.</i> —The proviso should be repealed.	..
(xii)	<i>Article 46. Partnership.</i> —The rates of duty in the Punjab should be doubled in respect of both categories.	..
(xiii)	<i>Article 55. Deeds of Release.</i> —Where documents falling within the definition of a release really operate to convey property by way of gift or sale, they should be charged duty at the conveyance rate of one per cent of the value of the property conveyed.	..
(xiv)	We consider that it may be useful to issue fresh instructions to District Officers on the point of evasion of stamp duty on	..

<i>Paragraph of report.</i>	<i>Conclusion or Recommendation.</i>	<i>Approximate estimate of increase in receipts.*</i> Rs.
	<b>PART II.—RESOURCES—contd.</b>	
	<b>I.—Principal Heads of Revenue—contd.</b>	
	<i>Stamps—concltd.</i>	
	transactions relating to sale, lease or mortgage deed through instruments like receipt, acknowledgment and indemnity bond, with a view to more effective check being exercised on the abuse of such instruments.	--
	(xv) The possibility of preparing and maintaining a classified record of the kinds of instruments from which stamp revenue is derived may be carefully examined.	
194	<i>Civil Process Fees.</i>	
	The different scales of fees might be based on the value of suits instead of on the grade of courts. A suitable scale is suggested.	--
195	<i>Court Fees.</i>	
	A better alternative than any addition to the scale of court fees is greater economy in the administration of justice in view of the decline of work in the courts.	The likely addition of revenue could not be estimated but would be appreciable.
	<i>Schedule I. Article 1.</i> —The limit of concessional rate of fees should be lowered to Rs. 250.	
	<i>Articles 6 (v) (a) and (b) and 6 (vi).</i> —An increase of 50 per cent in the scale of fees is recommended.	..
	<i>Article 11.</i> —A graduated upward revision in the scale of fees is suggested.	..
	<i>Schedule II. Article 1 (d).</i> —The rate of fee in the Punjab might be raised from Rs. 2 to Rs. 3.	..
	<i>Article 10.</i> —‘Memoranda of appearance’ should be included in the text of this Article.	--
	<i>Article 11 (a).</i> —The fee might be raised from Re. 1 to Rs. 2.	..
	<i>Article 12.</i> —The fee should be Rs. 5 when the amount or value of the property does not exceed Rs. 5,000 and Rs. 10 in any other case, instead of Rs. 5 in all cases.	..

<i>Paragraph of report.</i>	<i>Conclusion or Recommendation.</i>	<i>Approximate estimate of increase in receipts. *</i> Rs.
<b>PART II.—RESOURCES—contd.</b>		
<b>I.—Principal Heads of Revenue—concl'd.</b>		
<i>Court Fees—concl'd.</i>		
	<i>Article 14.</i> —An increase in the fee from Rs. 5 to Rs. 7-8-0 should be made.	..
	<i>Article 17.</i> —We recommend an enhancement of the rate of fee under all sub-sections from Rs. 10 to Rs. 15.	..
	A fee of Re. 1 may be charged on all appeals under Section 19 (ix) of the Court Fees Act.	..
	A re-drafting of Section 7 (v) is suggested to prevent suits relating to land situated in the neighbourhood of large towns being instituted on payment of nominal court fees.	..
	The fee on applications made to Debt Conciliation Boards under sections 9 and 23 of the Punjab Relief of Indebtedness Act, 1934, should be raised from 8 annas to Rs. 2.	..
<i>Forests.</i>		
	A few suggestions for the better possible exploitation of the resources of forests are mentioned.	
	The present rates of rafting fees charged on timber floated down the rivers from forests in the hills should be doubled.	64,000
<i>Registration.</i>		
	We recommend that Sections 54 and 123 of the Transfer of Property Act, 1882, should be made applicable to the whole Province.	..
	A few minor additions in the 'extra or additional fees' are suggested.	..
<b>II.—Incidental Sources of Revenue.</b>		
	Professors of Government Colleges who now enjoy free residential accommodation should pay house rent, with certain exceptions.	..
	We accept the suggestion of the Inspector-General of Civil Hospitals to fix the Government's share of fees charged by Surgeons for operations performed in the private wards of Government hospitals at 25 per cent of such fees.	12,500

<i>Paragraph of report.</i>	<i>Conclusion or Recommendation.</i>	<i>Approximate estimate of increase in receipts.*</i>
		Rs.
	<b>PART II.—RESOURCES—<i>contd.</i></b>	
	<i>II.—Incidental Sources of Revenue—<i>conold.</i></i>	
	though some of us wish to make this proportion 50 per cent. We further recommend that Government should have as its share 50 per cent. of all fees charged by Civil Surgeons and Assistant Surgeons for issuing certificates, etc., under the existing rules.	
	The present contribution of the local bodies towards the cost of medical relief in the Province is inadequate and should be increased to at least Rs. 10 lakhs.	2,93,000
	We recommend that the Provincial Government may charge the other Provincial Governments and Indian States for the cost of keeping their lepers in the Punjab and in return bear the cost of maintaining Punjab lepers in homes outside the province.	51,000
200	A fee of one rupee for equines and eight annas for bovines and others should be levied for all cattle out-patients at the Veterinary College, Lahore, only once in the course of a single treatment.	12,000
	The standard output of the Hissar Cattle Farm should be gradually increased from 600 to 1,000 pedigree bulls per annum after the present famine conditions permit.	..
	When reserves of fodder on the Farm exceed reasonable requirements some measure of rotation of fodder with money crops should prove a profitable proposition.	..
	<i>III.—Recent Sources of Revenue.</i>	
201	<i>Motor Vehicles Taxation.</i>	
	The present level of motor vehicles taxation in the Punjab is far the lowest of all provinces which have passed Provincial Motor Vehicles Taxation Acts.	
	It would be desirable to abolish the existing local taxes and reserve the right to tax motor vehicles for the provincial Government. The local	—1,50,000

Paragraph of report.	Conclusion or Recommendation.	Approximate estimate of increase in receipts.* Rs.
<b>PART II.—RESOURCES—contd.</b>		
<b>III.—Recent Sources of Revenue—concl'd.</b>		
<b>Motor Vehicles Taxation—concl'd.</b>		
	bodies should be compensated to the full extent of the loss of revenue thereby caused to them.	
	An upward revision of the scales of rates and some modification of the categories of motor vehicles for purposes of taxation are suggested.	3,00,000
	An alteration of the basis of assessment in the case of private cars to "unladen weight" and of goods lorries to "registered laden weight" is recommended.	
202	<i>Road monopolies.</i>	
	We do not support the principle of giving monopolies to motor vehicles on public roads.	
203	<i>Entertainment Duty.</i>	
	It is recommended that a duty of half anna be levied on payments for admission to entertainments of two annas or more but not more than four annas. No other change in the existing scales of rates of duty should be made.	75,000
	The second proviso to Section 4 of the Punjab Entertainment Duty Act should be deleted; this would remove the present exemption of a certain percentage of complimentary tickets from the scope of the tax.	..
	The ordinary rates of duty under the Punjab Entertainments Duty Act, 1936, should be made applicable to payments for admission to any race course.	25,000
204	<i>Tobacco Taxation.</i>	
	The suitability of tobacco as an object for taxation has been universally recognised. The present incidence of tobacco taxation in this Province is extremely light. No alteration in the basis or scale of tobacco vend license fees is proposed. We recommend, however, that an <i>ad valorem</i> sales tax at the rate of 5 per cent should be imposed on the aggregate turnover of wholesale dealers of manufactured tobacco to start with. The scope of taxation of tobacco might be further extended later on.	2,50,000

Paragraph of report.	Conclusion or Recommendation.	Approximate estimate of increase in receipts.* Rs.
PART II.—RESOURCES— <i>contd.</i>		
IV.— <i>Fresh Sources of Revenue.</i>		
205	<i>Petrol Taxation.</i>	
	The Punjab Motor Spirit (Taxation) Act, 1939, has been passed on an <i>interim</i> recommendation of the Committee.	7,00,000
206	<i>Profession Tax.</i>	
	The legal position underlying the United Provinces Employment Tax Act, 1939, appears doubtful and difficult to define with precision. The objections against the ungraduated flat rate tax of the type levied in the Central Provinces and Bengal stand on much weaker basis. We recommend the levy of a tax of Rs. 5 per quarter on all income-tax payers as a tax on profession, trade, calling or employment.	6,00,000
207	<i>Electricity Duty.</i>	
	We recommend that in the Punjab a tax be levied for metered consumption at the rate of six pies per unit on current consumed for the purpose of lights and fans in residences and nine pies per unit on energy used through temporary connections on marriage and other special occasions. A scale of rates for unmetered consumption is also given.	5,00,000
	Exemption from the operation of the electricity duty should be granted to ordinary consumers using not more than 5 units in any one month, to agricultural or industrial concerns, to areas newly supplied with current, and to small plants installed for personal or direct use. Exemption may also be allowed in certain other cases on lines well recognised in Bombay and Bengal.	
	Any fears about the possible adverse reactions of this tax on the future of the Uhl River Hydro-Electric Scheme are unfounded.	

<i>Paragraph of report.</i>	<i>Conclusion or Recommendation.</i>	<i>Approximate estimate of increase in receipts.*</i> Rs.
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## PART II.—RESOURCES—contd.

## IV.—Fresh Sources of Revenue—contd.

208

*Sales Taxation.*

A sales tax commonly refers to a general tax on gross proceeds of all sales without reference to particular commodities. But sales taxes on specific commodities may also be levied and, indeed, represent the line of development of recent sales taxation in Indian provinces. The Madras General Sales Tax Act, 1939, is more in conformity with the broad nature of sales taxation in other countries.

In this Province a more or less permanent structure of sales taxation which should have the minimum theoretical objections and practical difficulties would be a tax on retail sales of goods (as distinct from a wholesale sales tax or turnover tax) at a flat (not graduated) rate applicable throughout the province (and not only in towns), with a low level of exemption based on the quantity (and not class) of sales.

We suggest for immediate adoption, however, a general sales license tax with varying consolidated rates of fees for sellers having gross sale proceeds between different limits (see page 227).

209

*Tax on Bicycles.*

We recommend the imposition of an annual tax of Rs. 1 on every bicycle in use. The bicycles may or may not be registered for the purposes of the tax; registration will have the important incidental advantage of checking thefts, though it will involve some inconvenience to the public.

1,00,000

210

*Registration of Marriages.*

There is a fairly large body of opinion in favour of registration of marriages, which has important indirect advantages, apart from any additional receipts that it may bring.

We recommend three grades of fee—Rs. 1, Rs. 5, and Rs. 10 for the purpose of registration of marriages.

4,00,000



Paragraph of report.	Conclusion or Recommendation.	Approximate estimate of increase in receipts.*
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Rs.

## PART II.—RESOURCES—contd.

## IV.—Fresh Sources of Revenue—contd.

211 *Unearned increments in land values.*

Were a tax to be levied on unearned increments in land values (1) the tax should be charged at the time of sale, and on the basis of the sale value, and not of any assessed value, of land ;

(2) the increment in the value of land to be made subject to tax should be the rise in value which has occurred since the last sale (within 5 years) ; (3) a rise of 10 per cent. per year should be exempted from any tax ; (4) notwithstanding (3), no tax should be levied unless the increment in value exceeds 25 per cent at a minimum ; (5) the tax should be charged at one per cent of the total increment.

The taxation of past increments in the value of land presents particular difficulties connected with estimating the value of a house at a past date and the absence of satisfactory records in many cases. Taxation of future increments in cases where land is built upon will also involve assessing the value of all houses as they exist at present.

Altogether there are numerous and important difficulties in the successful working of such a tax and its actual profitable scope is extremely limited. We make no definite recommendation for its imposition.

212 The principle of a tax on unearned increments is, however, sound, and should, if applied, be extended to all land, and not only to land in urban areas. For, canal land may gain greatly in value through the supply of canal irrigation for the first time ; the large unearned increment thus reaped is a suitable object for taxation ; indeed, in this case the improvement in value is brought about as a direct result of state action and there is at least an equal reason for appropriation of a part of such increase by the State.

Paragraph  
of report.

*Conclusion or Recommendation.*

*Approximate  
estimate of  
increase in  
receipts.*

Rs.

PART II.—RESOURCES—concl.

IV.—*Fresh Sources of Revenue*—concl.

*Terminal Tax on goods or passengers carried  
by railway.*

213 Our general conclusion is that the imposition of these taxes will encroach on railway revenues. No province need object to their levy from its own point of view. Whether they are in fact imposed and, if so, the amount which may be made available to the provinces would depend very largely upon the view of the Government of India.

214

*Succession Duty.*

In view of the opposition of most Provincial Governments to the immediate levy of a non-agricultural succession tax and the consistent opposition of the Punjab Government to the proposal on various occasions in the past we wish to make no recommendation on the subject.

## APPENDIX B.

### Report of the Sub-Committee appointed to examine compensatory allowances and special pays.

WE were appointed in February 1938 to examine all the allowances that are still in existence and to consider whether any of these can suitably be discontinued or reduced in amount. After going into the matter as desired by the Hon'ble the Chairman we beg to present our Report.

There are two types of allowances to which Government servants are entitled: "Special pay" and "Compensatory allowance". The terms are defined in the Fundamental Rules as follows:—

"Special pay means an addition, of the nature of pay, to the emoluments of a post or of a Government servant, granted in consideration of:—

- (a) specially arduous nature of the duties; or
- (b) a specific addition to the work or responsibility; or
- (c) the unhealthiness of the locality in which the work is performed."

"Compensatory allowance means an allowance granted to meet personal expenditure necessitated by the special circumstances in which duty is performed. It includes a travelling allowance,\* but does not include a sumptuary allowance nor the grant of a free passage by sea to or from any place outside India."

These allowances were either voted or non-voted. Under the old constitution the latter used to be outside the voting power of the legislature, while the former were subject to its vote. Allowances attached to posts which were under the rule-making powers of the Secretary of State were non-voted. Even under the new constitution they are beyond the control of the local Government. Recently, however, the Secretary of State has given certain powers to local Governments by which the latter can abolish or reduce such allowances under certain conditions.

#### I.—NON-VOTED ALLOWANCES.

2. *Compensatory allowances.*—These allowances can be reduced or withdrawn by local Governments provided,† in

\*We have dealt with travelling allowances as such in a separate part of our report.

†See Government of India, Home Department, letter No. 507/31-Esta., dated the 24th June, 1933,—paragraph 3: "On the question whether a 'protected' officer has a statutory claim to compensation in the event of an existing compensatory allowance admissible to him being reduced or abolished, the view of the Secretary of State in Council is that, as it has always been an express or implied condition in rules regulating compensatory allowances that they are not to be a source of profit, such an officer would have no legal claim to compensation for the reduction or withdrawal of a compensatory allowance unless he could show that he had been put to actual loss by that reduction or withdrawal."

the case of a protected officer, compensation is allowed if the latter can show that he has been put to actual loss by such withdrawal or reduction.

One such allowance, called jungle allowance, is granted because of the locality concerned being a jungle. At present this allowance is admissible at 92 places but is being drawn only by 17 L.S.E. officers of the Irrigation Department. We fail to understand why this allowance should be confined to the Irrigation Department alone. Even on its merits, however, such an allowance is difficult to justify. In some cases the localities concerned can no longer be called jungles. Delightful places like Rasul, Khanki, etc., are no longer jungles but 'jungle main mungle'. We are definitely of opinion that the circumstances under which these allowances were granted no longer exist and recommend their immediate discontinuance.

*Special pays.*—Regarding the powers of the local Government to withdraw or reduce special pays the present position is as\* below :—

- (i) where the post is borne on the cadre of a service or is reserved for members of a service the special pay cannot be reduced for existing members of the service unless the conditions which originally led to the grant of the special pay have disappeared or changed ;
- (ii) where the post is not borne on the cadre of a service or is not reserved for the members of any particular service, the special pay may be reduced on any grounds which Government consider reasonable, for officers at present in service, whether protected or not protected.

In making our recommendations we have kept these principles in view. We came across some cases in which the special pays existed even though the "original conditions which led to their grant" had disappeared. A case in point is the special pay granted to officers of the I.C.S. placed in charge of certain sub-divisions of districts. We notice that at one

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\*Vide recommendations of the Government of India to the Secretary of State in letter No. 144-F-507/31-Pata., dated the 16th October 1933, as approved by the latter in the letter from India Office No. S. & G. 4663/33, dated the 15th November 1933.

time the Punjab Government recommended to the Secretary of State that these special pays be abolished on the ground that the circumstances under which they were allowed as outpost allowances had altered. Accepting this recommendation the Secretary of State agreed to the abolition of these special pays. We are surprised to see them still being drawn. We have recommended their abolition.

Another case that may be mentioned in this connection is that of Settlement Officers in the Land Revenue Department. They are given a special pay of Rs. 150 per mensem for the irksome nature of their duty. Whatever the nature of the settlement work twenty years ago, at present we do not think that considering the great improvements in the means of communications and transport, their work is any more arduous than that of other I. C. S. officers posted as Deputy Commissioners. In fact these latter officers are harder worked to-day than ever before. Their work has increased because of the general political awakening among the masses, more numerous elections (Central, provincial and local) and the additional duties imposed on them by the recent agrarian legislation. On the other hand, the Settlement Officers enjoy 2½ months' recess in the hills every year which the hard-worked Deputy Commissioners do not. Moreover after submitting their report Settlement Officers have very little to do. We have therefore recommended the abolition of this allowance.

On the other hand where duties are really arduous as in the case of Secretaries and Under-Secretaries to Government, we have deemed the special pays to be justified.

Our recommendations are contained in the attached statement I.\*

## II.—VOTED ALLOWANCES.

3. It is, however, in the case of voted allowances that we found greater scope for economy. This is because the number of such allowances and the sum involved is very large. We have made our recommendations in each case after a careful study of the nature of each allowance individually.

It will be convenient to divide the various allowances and special pays into the following categories :—

(1) Paid because of the nature of the locality where duty has to be performed :—

(a) Hilly tracts—where hill allowances are paid.

(b) Unhealthiness of the locality.

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\*Not printed as part of this report.

- (c) High cost of living.
  - (d) Lack of social amenities.
  - (e) Lack of facilities for practice to medical officers.
- (2) Given because of the nature of the duty to be performed :—
- (a) Arduous nature of the duty.
  - (b) Dual charge.
  - (c) Work additional to ordinary duty.
  - (d) House Allowance.
  - (e) Allowance to Superintendents of Hostels.
  - (f) Prohibition of private practice to medical officers.
  - (g) Conveyance allowances.

(1) (a) The Retrenchment Committee of 1931 when dealing with hill allowances remarked that they did not object to some allowance being given for service in hill tracts which are expensive, but they considered that the rates seemed to be *prima facie* excessive and recommended their re-examination. The views of the local officers were obtained by Government but nothing has so far been done in the matter. We too recognise the necessity of giving hill allowance, especially to comparatively low paid officials. We have, however, revised the scale of such allowances in view of the great fall in the cost of living in recent years. In doing so we have had in mind the suggestions of the local officers concerned which had been furnished to the local Government. All hill allowances we have grouped together in one statement (statement II\* attached) for general recommendation. As desired by the Hon'ble the Chairman we have not touched the hill allowances of the Secretariat which we understand will be taken up in his presence in the general Committee.

(1) (b) Some local allowances are given on account of the unhealthiness of the locality. The localities concerned are no longer unhealthy. But even if they are, we think that such allowances should be discontinued and people posted to such places in turns for short periods.

(1) (c) and (d) Some allowances are given because of the alleged high cost of living in a locality. For example, the allowances granted to officers posted at places like Lahore and Rawalpindi. On the other hand, allowances are paid to officers

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\*Not printed as part of this report.

posted in out-of-the way places on the basis of the lack of social amenities. This seems like having it both ways. If in large towns the cost of living is high, they possess the advantage of social amenities ; on the other hand, in small places the lack of social amenities is counterbalanced by a low cost of living. We think these advantages and disadvantages should be considered to counterbalance each other and such allowances discontinued as soon as possible.

(1) (e) Another set of allowances is given to medical officers posted in localities where the chances of private practice are said to be meagre. We have recommended the abolition of such allowances in cases where we thought private practice could be built up by energetic and able officers.

(2) Allowances granted because of the nature of the duty.

(2) (a) Some allowances are given on account of the arduous nature of the duty to be performed. In some cases these allowances are given to people whose duty can no longer be regarded as arduous, whatever the case might have been when the allowances were originally fixed. In such cases we have recommended the abolition of the allowance.

(2) (b) Dual charge allowances are granted when an officer holds two charges, for example a Sub-Divisional Officer in the Public Works Department put in charge of two Sub-Divisions. Such allowances we think are justified because a dual charge certainly involves increased responsibility and strain of work, and in many cases such arrangements save considerable expense to Government.

(2) (c) In cases where the officer is required to do work in addition to his regular duty we have allowed the allowance to continue, provided the additional work is substantial.

(2) (d) Sometimes the employee's duty demands that he should live on or near the scene of his work. In such cases Government gives rent-free house accommodation, and if this is not given an allowance is granted in lieu thereof. We have not touched such allowances, provided they are not in addition to the rent-free house accommodation.

(2) (e) Superintendents of hostels attached to educational institutions get free accommodation. The last Retrenchment Committee recommended that this should be regarded as enough compensation for their duties as Superintendents and no other allowances should be given. We endorse their recom-

mentation. We have, however, made one exception in the case of the Superintendent, King Edward Medical College Hostel, due to special reasons given in the attached statement.

(2) (f) Medical officers holding appointments where the nature of their duty is such as to give little scope for private practice, or where private practice is disallowed by Government, get an allowance for the loss of such private practice, for example, non-clinical professors and their assistants in the Medical College or medical officers posted to jails. Such allowances, we think, are quite justified in view of the fact that the grades of medical officers are fixed lower than the scales of pay of officers of the same status in other departments, on the ground that medical officers can supplement their incomes by private practice.

(2) (g) Conveyance allowances are paid to officers whose duty requires them to move about frequently within five miles of their headquarters. They do not get any travelling or daily allowance for such travelling. We have agreed to the continuance of such allowances, although in some cases we have recommended their curtailment on the ground of their being excessive.

Our recommendations are contained in statement III attached.\*

### III—TRAVELLING ALLOWANCES.

4. We have examined the travelling allowance rates in force in the Punjab in the light of similar rules of the Government of India and of the neighbouring Province of the United Provinces and have also kept in mind the general rule that the amount of a compensatory allowance should be so regulated that the allowance is not on the whole a source of profit to the recipient. In our examination we found it convenient to consider the rules in the following order, and our recommendations follow the same order :—

- (i) Classification of Government servants for travelling allowance purposes, and rates of rail and road mileage and of daily allowance.
- (ii) Conveyance and horse allowances.
- (iii) Permanent monthly travelling allowances or fixed travelling allowance.

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\*Not printed as part of this report.



(iv) Concessions allowed by Travelling Allowance Rules 2·19 and 2·22.

5. (i) *Classification of Government servants for travelling allowance purposes and rates of rail and road mileage and of daily allowance.*—For purposes of travelling allowance Government servants are divided into classes or grades according to the pay which they draw. The statement that follows compares the classification in force in the Punjab with that in the Government of India and the United Provinces :—

PUNJAB.

UNITED PROVINCES.

GOVERNMENT OF INDIA.

		<i>Class of travel.</i>		
Grade I	Secretaries to Government and Heads of Departments.	First	<i>First Class.</i> —Members of all-India services and others holding such posts. Other Government servants on pay of over Rs. 750 per mensem.	<i>First Grade.</i> —Members of all-India services and all other officers of Government in receipt of pay exceeding Rs. 750.
" II	Government servants with pay exceeding Rs. 699.	"		
" III	Government servants with pay Ra. 750—899.	Second	<i>Second Class.</i> —Government servants on pay of over Ra. 200.	<i>Second Grade.</i> —All Government servants in receipt of pay exceeding Ra. 200 (or, in the case of those on revised rates of pay, Ra. 175), but not exceeding Ra. 750.
" IV	Government servants with pay Ra. 350—749.	"		
" V	Government servants of Provincial services with pay below Ra. 350.	"		
" VI	Government servants of subordinate services with pay above Ra. 299.	"		
" VII	Government servants of subordinate services with pay Ra. 200—299.	"		
" VIII	Government servants of subordinate services with pay Ra. 150—199.	Inter.	<i>Third Class.</i> —All others in superior service whose pay exceeds Ra. 15, except Police Constables, Forest guards and Jail warders.	<i>Third Grade.</i> —All other Government servants in superior service except Police Constables and Forest guards.

- „ IX Government servants of subordinate services with pay Rs. 100—149. ”
- „ X Government servants of subordinate services with pay Rs. 50—99. ”
- „ XI Government servants with pay below Rs. 50. ”
- „ XII Government servants in inferior service. Third *Fourth Class*.—All Police constables, Forest guards and Jail wardens, all other Government servants in superior service on pay of Rs. 18 per mensem or less, and all Government servants in inferior service. *Fourth Grade*.—Includes Police constables, Forest guards and all Government servants in inferior service.

It will be seen that the Punjab Government's classification in respect of its officers compares favourably as regards economy with that of the Government of India or the United Provinces and we do not recommend any change in the basis of classification.

*Rail mileage.*—Government servants are entitled to the number of fares shown below of the class of accommodation to which their classification entitles them :—

PUNJAB.	UNITED PROVINCES.	GOVERNMENT OF INDIA.
All grades of Government servants, except the lowest (XII)— $1\frac{1}{2}$ fares.	First, Second and Third class .. $1\frac{1}{2}$ fares.	First, Second and Third grades .. $1\frac{1}{2}$ fares.
Grade XII (inferior servants)—1 fare.	Fourth class .. 1 fare of lowest class.	Fourth grade, 1 fare of lowest class.

Here the Sub-Committee would recommend the adoption of the Government of India and the United Provinces rule of  $1\frac{1}{2}$  fares. The conditions of travelling by rail are practically the same in the United Provinces, the Punjab and the Delhi Province and we see no justification for any difference in the number of fares allowed.

*Road mileage.*—The rates in the Punjab are compared below with those in the United Provinces and the Government of India :—

PUNJAB.	UNITED PROVINCES.	GOVERNMENT OF INDIA.
(a) for cars : 5 annas for Government servants of grades I to IV (Rs. 350 and over).	First class officers (over Rs. 750)— by car .. 4 annas.	First grade (over Rs. 750) .. 5 annas.
(b) for motor cycles : Rs. 0-1-8 per mile.	by motor cycle .. 2 .. any other means of conveyance .. 2 ..	
(c) other conveyances		
5 annas for grades I to III (Rs. 750 upwards).	Second class officers (over Rs. 200 and up to Rs. 750)— by car .. 8½ annas.	Second grade (over Rs. 200 and up to Rs. 750) .. 4 annas.
4 annas for grade IV (Rs. 350-749) ..	by motor cycle .. 2 .. other conveyance .. 2 ..	
3 annas for grades V to VII (Rs. 200-349).		
2 annas and 8 pies for grades VIII and IX (Rs. 100-199).	Third class officers (over Rs. 15) .. 2 ..	Third grade (other servants in superior service) .. 2 annas.
1 anna and 8 pies for grades X and XI (Rs. 50 and below).		
1 anna and 8 pies for grade XII (inferior servants).	Fourth class officers (inferior servants) .. 1 anna.	Fourth grade (inferior servants) .. 1 anna.

We would recommend the adoption of the United Provinces rate of 4 annas per mile for journeys by car, to replace the Punjab's existing rate of 5 annas which is applicable to Government servants drawing Rs. 350 and over. We would also adopt the Government of India rates of 2 annas for their third grade officers and 1 anna for their fourth grade officers for application to those Government servants of corresponding grades in the Punjab where the existing rates are higher. That is to say, the rate of Re. 0-2-3 for grades VIII and IX (Rs. 100 to Rs. 199) should become 2 annas, and the rate of Re. 0-1-3 for grade XII (inferior servants) should become 1 anna.

*Daily allowance.*—Government servants are granted daily allowance to cover the daily additional expenses which they have to incur by reason of their absence on duty from headquarters. The existing rates in the Punjab are compared below with those now in force in the United Provinces and the Government of India.

PUNJAB.

Rs. A. P.

Class I—Secretaries to Government and Heads of Departments	.. 7 8 0
	and
	8 0 0
II. Rs. 1,000 and over	.. 8 0 0
III. Rs. 750 to Rs. 999	.. 5 0 0
IV. Rs. 350 to Rs. 749	.. 4 0 0

V. below Rs. 350	.. 3 0 0
VI. above Rs. 299	.. 3 0 0
VII. Rs. 299 to Rs. 299	.. 2 8 0
VIII. Rs. 150 to Rs. 199	.. 2 0 0

UNITED PROVINCES.

First class (pay over Rs. 750)—

Special rate for Heads of Departments ..  
 Ordinary rate for others ..

6 12 0  
 4 8 0

Second class (pay over Rs. 200)—

Pay not exceeding Rs. 225 per mensem ..  
 Pay exceeding Rs. 225 per mensem, but not exceeding Rs. 250 per mensem ..  
 Pay exceeding Rs. 250 per mensem, but not exceeding Rs. 275 per mensem ..

2 0 0  
 2 4 0  
 2 8 0

GOVERNMENT OF INDIA.

Rs. A. P.

Rs. A. P.

First grade—

Pay up to Rs. 750 .. 5 0 0  
 Pay exceeding Rs. 750, but not exceeding Rs. 1,000 .. 6 0 0

Pay exceeding Rs. 1,000 .. 6 0 0

for first Rs. 1,000 plus Rs. 1 for every additional Rs. 500 or fraction thereof, subject to maximum of Rs. 10.

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Second grade—

Pay exceeding Rs. 200, but not exceeding Rs. 750 ..

Annas 2 for every Rs. 12½ or fraction of Rs. 12½ of pay, subject to a maximum of Rs. 4.

PUNJAB.	UNITED PROVINCES.	GOVERNMENT OF INDIA.
Rs. A. P.	Rs. A. P.	Rs. A. P.
	<i>Second class (pay over Rs. 200)-- concid.--</i>	
	Pay exceeding Rs. 275 per mensem ..	2 12 0
IX. Ra. 100 to Ra. 140 ..	<i>Third class (superior servants pay exceeding Rs. 16, up to Ra. 200)--</i>	<i>Third grade--</i>
1 8 0	Pay not exceeding Rs. 25 per mensem ..	All other Govt ernment servants in superior ser- vice ..
X. Ra. 50 to Ra. 90 ..	Pay exceeding Rs. 25 per mensem, but not exceeding Rs. 37-8-0 per mensem ..	Annas 2 for every Rs. 12½ or frac- tion of Rs. 12½ of pay, subject to a minimum of annas 8 if pay is not less than Rs. 35 and annas 6 if pay is less than Rs. 35.
1 0 0	0 5 0	0 7 0
XI. below Ra. 50 ..	Pay exceeding Rs. 37-8-0 per mensem, but not exceeding Rs. 50 per mensem ..	0 6 0
0 10 0	Pay exceeding Rs. 50 per mensem, but not exceeding Rs. 62-8-0 per mensem ..	0 7 0
	Pay exceeding Rs. 62-8-0 per mensem, but not exceeding Rs. 75 per mensem ..	0 11 0

276



Pay exceeding Rs. 75 per mensem, but not exceeding Rs. 87-8-0 per mensem ..	0 13 0
Pay exceeding Rs. 87-8-0 per mensem, but not exceeding Rs. 100 per mensem ..	0 14 0
Pay exceeding Rs. 100 per mensem, but not exceeding Rs. 112-8-0 per mensem ..	1 0 0
Pay exceeding Rs. 112-8-0 per mensem, but not exceeding Rs. 125 per mensem ..	1 2 0
Pay exceeding Rs. 125 per mensem, but not exceeding Rs. 137-8-0 per mensem ..	1 4 0
Pay exceeding Rs. 137-8-0 per mensem, but not exceeding Rs. 150 per mensem ..	1 5 0
Pay exceeding Rs. 150 per mensem, but not exceeding Rs. 162-8-0 per mensem ..	1 7 0
Pay exceeding Rs. 162-8-0 per mensem, but not exceeding Rs. 175 per mensem ..	1 9 0

PUNJAB.

UNITED PROVINCES.

GOVERNMENT OF INDIA.

PUNJAB.		UNITED PROVINCES.		GOVERNMENT OF INDIA.	
Rs.	A. P.	Rs.	A. P.	Rs.	A. P.
		<i>Third class</i> (superior servants pay exceeding Rs. 16 up to Rs. 200)— <i>concid.</i>			
		Pay exceeding Rs. 175 per mensem, but not exceeding Rs. 187-8-0 per mensem ..		1	11 0
		Pay exceeding Rs. 187-8-0 per mensem, but not exceeding Rs. 200 per mensem ..		1	12 0
Grade XII. Inferior servants	0 4 0	<i>Fourth class</i>	.. ..	0 3 0	<i>Fourth Grade</i> .. 0 4 0 eo

There has been an appreciable fall in the prices of food-stuffs and other articles required during a halt in the course of a tour. Such being the case a small reduction in the existing rates of daily allowance is justified. Seeing that the conditions of travelling in the Punjab are practically the same as in the United Provinces, we would recommend that the rates in this Province be reduced to the scale in force in the United Provinces. That is to say, we would recommend the following rates. The existing rates are also shown for purposes of comparison :—

	Rs. A. P.			Existing rate.		
	Rs.	A.	P.	Rs.	A.	P.
For Heads of Departments and others who receive a special rate of daily allowance.	7	0	0	7	8	0
				and		
				8	0	0
For those drawing Rs. 1,000 and over	...	5	0 0	6	0	0
"    "    "    750 to Rs. 999	...	4	8 0	5	0	0
"    "    "    350 to " 749	...	3	0 0	4	0	0
"    "    "    below " 350	...	2	8 0	3	0	0
"    "    "    above " 299	...	2	8 0	3	0	0
"    "    "    200 to " 299	...	2	4 0	2	8	0
"    "    "    150 to " 199	...	1	12 0	2	0	0
"    "    "    100 to " 149	...	1	4 0	1	8	0
"    "    "    50 to " 99	...	0	14 0	1	0	0
"    "    "    below " 50	...	0	7 0	0	10	0

6. *Road mileage allowance and daily allowance in hill tracts.*—The United Provinces Government allow an increase of 33½ per cent over their ordinary rates of road mileage and daily allowance for journeys performed in hill tracts. The Punjab Government allow an increase of 33½ per cent for road mileage in hill tracts. For daily allowance the Punjab Government allow an increase of 25 per cent for journeys made in tracts known as "hill tracts—ordinary", and of 50 per cent in tracts known as "hill tracts—special". We have examined the list of hill tracts in which this enhanced allowance is given and consider that with the rapid increase of the means of communication in recent years, it is no longer necessary to retain the present full statement of hill tracts. We would

recommend that the present list of " hill tracts—ordinary " be removed from the category of hill tracts for the purposes of travelling allowance, and that the list of " hill tracts—special " be regarded in future as the only list of hill tracts for this Province, for which the rate of daily allowance would be increased by 25 per cent. The present increased rate of road mileage would then apply to the hill tracts as defined above.

7. (ii) *Conveyance and horse allowances.*—Since travelling allowance is included in the definition of the term " Compensatory allowance " all conveyance and horse allowances in force in the Province should rightly have been included in the statements of compensatory allowances and special pays \*appended to this report, which have been under our examination. But a complete list of such conveyance allowances appears already in Appendix C to the Punjab Government's Travelling Allowance Rules. This has been examined by us. The cases in which we have suggested a reduction or alteration of the existing rates have, for convenience of reference, been included, † under their respective departments in the statements of compensatory allowances accompanying our report.

8. (iii) *Permanent monthly travelling allowances.*—A complete list of such allowances is given in Appendix B to the Punjab Government's Travelling Allowance Rules. This has been examined by us and such of the allowances as are proposed for reduction have been included, † under their respective departments, in the statements of compensatory allowances and special pays accompanying our report.

9. (iv) *Concessions allowed by Travelling Allowance rules 2·19 and 2·22.*—Certain cases relating to the concessions allowed by Travelling Allowance rules 2·19 and 2·22 have been referred for the advice of the Resources and Retrenchment Committee. We have considered these particular cases and have also taken the opportunity of examining the necessity of rules 2·19 and 2·22. Rule 2·19 gives power to the local Government to include a Government servant or class of Government servants in a grade other than that to which his pay entitles him. We agree to the exceptions so far allowed under this rule, but these should not be further extended. Rule 2·22 gives power to the local Government to declare any particular Government servant or class of Government servants to be entitled when travelling by rail to accommodation of a higher class than that prescribed for his grade. We have gone carefully through the list of officers granted concessions under this rule and consider that in

\*Not printed as part of this report.

†These now appear in paragraph 14 of the main report.

the following cases there is no good reason for giving the classes of Government servants concerned the concession of travelling by a higher class of accommodation than that to which their pay entitles them. The concession should, therefore, be withdrawn :—

- (1) Agricultural Assistants in the A. Division and Demonstrators in the Punjab Agricultural College, Lyallpur.
- (2) Personal Assistant to the Warden of Fisheries.
- (3) Sergeants of Police.
- (4) Stenographers on Rs. 150—10—300 when accompanying officers on tour.
- (5) Medical graduates on the emergency plague staff.
- (6) Veterinary Assistant Surgeons on Rs. 100—10—300 or the revised grade later introduced.
- (7) Medical graduates employed in the Mayo Hospital, Lahore.
- (8) Industrial Surveyors.

10. We calculate that if the recommendations made by us in respect of special pays and compensatory allowances are accepted by Government the annual saving will be over six lakhs of rupees. In addition there will be a very substantial saving in the expenditure on travelling allowance if our proposals under that head are adopted.

LAHORE :  
14th February, 1939.

MUZAFFAR KHAN.  
BINDA SARAN.  
S. M. AKHTAR.

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**APPENDIX C.**

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## APPENDIX C.

### Part I.

#### RECOMMENDATIONS OF THE COMMITTEE IN REGARD TO ALLOWANCES (NON-VOTED) DRAWN IN THE VARIOUS DEPARTMENTS.

Serial No.	Designation of Government servant.	Amount.	Classification.	Remarks explanatory of the allowance.	Recommendation of Committee.
1	2	3	4	5	6

#### LAND REVENUE DEPARTMENT.

Ru.

1	Settlement Officers (I.C.S.).	150 per mensem.	Special pay ..	Government of India, Home Department, notification No. F. 173/28, dated 8th April, 1929. This special pay is given for the irksome nature of the duties.	See the remarks in paragraph 2 of the Sub-Committee's report (Appendix B.) For the reasons given there we think this special pay should be abolished.  We consider there is now no case for this special pay and it should be abolished in the case of the existing colony areas which are now well settled and where the work could not now be called irksome.
2	Colonisation Officer, Nil Bar Colony.	150 per mensem.	Ditto ..	These special pays are given to I.C.S. Officers holding these posts, for the reasons given in item 1. They are for added responsibility and a specific addition to work.	
3	Assistant Colonisation Officer, Nil	100 per mensem.	Ditto ..		

PUBLIC WORKS DEPARTMENTS, BUILDINGS AND ROADS AND IRRIGATION BRANCHES.

1	Under-Secretaries	200 per mensm.	Special pay	..	Should be reduced to Rs: 150, as was recommended by the Retrenchment Committee of 1931.
2	Principal, Rasul School of Engineering.	200 per mensm.	Ditto	..	This officer has a rent-free house. We think that in the circumstances a special pay of Rs. 100 is sufficient. The allowance should be reduced accordingly.
3	Vice-Principal, Rasul School of Engineering.	100 per mensm.	Ditto	..	We recommend that this special pay be abolished in view of the fact that this officer has a rent free house. This is admittedly a jungle allowance and it should, therefore, be abolished as proposed by us for jungle allowances generally.
		50 per mensm.	Compensatory allowance.	Compensatory allowance for loss of jungle allowance	
4	Executive Engineers, Irrigation Department, belonging to the I. S. E. Sub-Divisional Officers, Irrigation Department, belonging to the I. S. E.	100 per mensm.	Jungle allowance (Compensatory allowance).	This allowance is given to I.S.E. Officers in the Irrigation Department posted to unfavourably situated places. The rules for the grant of this allowance will be found in Rules 18.8 to 18.13 of Punjab Financial Handbook No. 2, Volume II.	All these Jungle allowances should now be abolished as jungles no longer exist. Towns have sprung up everywhere, communications have improved and motors are running everywhere. There are now no jungles in the Punjab where officers may be required to have to spend a large portion of their service. If there are still any unpopular stations, it can be arranged to post officers to these by turns.
		50 per mensm.			



RECOMMENDATIONS OF THE COMMITTEE IN REGARD TO ALLOWANCES (NON-VOTED) DRAWN IN THE VARIOUS DEPARTMENTS—CONTINUED.

Serial No.	Designation of Government servant.	Amount.	Classification.	Remarks explanatory of the allowance.	Recommendation of Committee.
1	2	3	4	5	6

PUBLIC WORKS DEPARTMENT, BUILDINGS AND ROADS AND IRRIGATION BRANCHES—CONCLUDED.  
Ra.

5	Executive Engineers. Assistant Executive Engineers, European Assistant Engineers and Temporary Engineers in Sub-Divisional charge.  <i>Dual Charge Allowance.</i>	100  50	Language pay  Ditto	This is given to those officers for service in Dera Ghazi Khan District who have passed the Baluchi Examination by the Higher Standard. (Officers recruited on or after 16th July 1935, are not entitled to this pay.)	Should be abolished as recommended by the Retrenchment Committee of 1931 and a lump sum reward not exceeding Rs. 500 substituted for payment to those who pass in Baluchi.
6	For a Superintending Engineer holding current charge of a second circle in addition.	At a rate not exceeding 20 per cent of his own pay.	Special pay		
7	For a Superintending Engineer holding current charge of a Divi-	At a rate not exceeding 20 per cent of Rs. 825.	Ditto		

8	For a Divisional Officer holding current charge of a circle in addition to his Division.	Highest pay to which charge of one post alone entitles him.	Ditto	The drawal of these rates of pay is subject to the proviso that the period of the additional charge is not less than 10 days.	Serial Nos. 6 to 13— We consider that the special pay should only be given in all these cases when the period of the additional charge is not less than a month.
9	For a Divisional Officer holding current charge of two Divisions.	At a rate not exceeding 20 per cent of his own pay.	Ditto		
10	For a Divisional Officer of I.S.E., holding current charge of a Sub-Division in addition to his Division.	At a rate not exceeding 20 per cent of Rs. 375.	Ditto		
11	A temporary Engineer or a P. S. E. Officer, who while holding charge of Division holds charge of a Sub-Division in addition.	At a rate not exceeding 20 per cent of Rs. 250.	Ditto		
12	For a Sub-Divisional Officer holding current charge of a Division in addition to his Sub-Division.	Highest pay to which charge of one post alone entitles him.	Ditto		
13	For a Sub-Divisional Officer holding current charge of two Sub-Divisions.	At a rate not exceeding 20 per cent of his own pay.	Ditto		

RECOMMENDATIONS OF THE COMMITTEE IN REGARD TO ALLOWANCES (NON-VOTED) DRAWN IN THE VARIOUS DEPARTMENTS—CONTINUED.

Serial No.	Designation of Government servant.	Amount.	Classification.	Remarks explanatory of the allowance.	Recommendation of Committee.
1	2	3	4	5	6

GENERAL ADMINISTRATION.

Rs.					
1	Under-Secretaries to Government.	200 per mensem.	Special pay..	Government of India, Home Department, notification No. F-173/28, dated 8th April, 1929.	Should be reduced to Rs. 150 as previously decided by Government. Deputy Secretaries receive Rs. 150 only as special pay.
2	Secretary to His Excellency the Governor.	250 per mensem. 300 per mensem. 2,000	Special pay..  House rent allowance. Do.	For 12 months for the Lahore residence  For the Simla residence.	May continue.  These allowances were, we understand, personal to Colonel R. T. Lawrence, the previous incumbent, and have now ceased. They should be abolished.

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3	Deputy Commissioner, Lahore.	150	Special pay..	Government of India, Home Department, notification No. 119/29, dated 24th July, 1929.	We understand that this allowance was originally a compensatory allowance and was granted on account of the expensiveness of living. This naturally proved embarrassing to Government when officers of other departments stationed in Lahore claimed to be entitled to receive the same concession. Government then converted this allowance into a special pay on account of the particularly responsible and onerous character of the duties. We do not consider the duties at Lahore are much more onerous than at other large stations like Amritsar, Multan or Rawalpindi and we are definitely of opinion that the special pay should in future be abolished. Should be abolished and a lump sum reward given instead.
4	Two Indian Civil Service Officers.	50 per mensem.	Language pay		
5	Sub-Divisional Officer, Kasur.	150—25—200	Special Pay, Sub-Divisional allowance.	Government of India, Home Department, notification No. F-262/29, dated 4th September, 1929. The scale of pay was originally 200—50—300 but it has been reduced to the rate now shown.	See our remarks against serial No. 5 under "General Administration" of the list of voted allowances. We recommend that this special pay be reduced to a fixed sum of Rs. 150 per mensem.

RECOMMENDATIONS OF THE COMMITTEE IN REGARD TO ALLOWANCES (NON-VOTED) DRAWN IN THE VARIOUS DEPARTMENTS—CONTINUED.

Serial No.	Designation of Government servant.	Amount.	Classification.	Remarks explanatory of the allowance.	Recommendation of Committee.
1	2	3	4	5	6
GENERAL ADMINISTRATION—CONCLUDED.					
		Rs.			
6	Sub-Divisional Officer, Kulu.	100	Special Pay, Sub-Divisional allowance.	Government of India, Home Department, notification No. 228/29, dated 4th September, 1929.	These Sub-Divisional allowances we do not consider to be necessary. The reasons are given in greater detail in paragraph 3 of the Sub-Committee's report (Appendix B). We would abolish all these special pays.
7	Sub-Divisional Officer, Rajanpur.	75	Ditto	Ditto                      ditto	
8	Sub-Divisional Officers not mentioned above other than Sub-Divisional Officers, Murree and Dalhousie.	50	Ditto	Government of India, Home Department, notification No. F-282/29, dated 4th September, 1929, as amended by Government of India, Home Department, notification No. F-452/29, dated 24th January, 1930.	
9	Political Assistant and Commandant Border Militia	100	Special pay	..	We consider there is no case for this special pay and it should be abolished.

ADMINISTRATION OF JUSTICE.

District and Sessions Judges.	Rs. 150	Judicial pay	Since December 1924 the allowance has been done away with by the Lee Commission except in the case of those officers who drew it before December 1924.	We understand this allowance has now practically ceased.
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JAILS AND CONVICT SETTLEMENTS.

1 Deputy Inspector-General of Prisons.	100	Compensatory allowance.		Two of the three allowances here named are given to compensate the officer for the free house and jail allowance which he would receive if he remained as Superintendent of a Jail. The third allowance he receives for working in the post of Deputy Inspector-General. We consider this is justified and may continue, so long as this post continues. The allowance could, however, disappear if a non-Superintendent of a Jail were appointed.
	150	Jail allowance.		
	160	Special pay.		

POLICE DEPARTMENT.

277	1 Assistant Inspector-General of Police.	Rs. 200 per annum.	Special pay	Government of India, Home Department, notification No. F-143/28-Esta., dated 26th March, 1928.	We see no reason for this special pay and consider it should be abolished.
	2 Assistant Inspector-General, Government Railway Police.	200	Ditto	Ditto ditto ditto	Ditto.

RECOMMENDATIONS OF THE COMMITTEE IN REGARD TO ALLOWANCES (NON-VOTED) DRAWN IN THE VARIOUS DEPARTMENTS—CONTINUED.

Serial No.	Designation of Government servant.	Amount.	Classification.	Remarks explanatory of the allowance.	Recommendation of Committee.
1	2	3	4	5	6
POLICE DEPARTMENT—CONCLUDED.					
3	Assistant to the Deputy Inspector-General, C. I. Department.	Rs. 150	Special pay	Special pay at Rs. 150 per mensem is granted to all Superintendents of Police attached to the C. I. D. The Assistant to the Deputy Inspector-General, C. I. D., who is also a Superintendent of Police, receives special pay at this rate.	We think this special pay should be reduced in amount to Rs. 100.
4	Superintendent of Police, Rawalpindi.	100	Compensatory allowance.	Punjab Government letter No. 3114-S. (H.—Police), dated 29th August, 1923. These allowances are given in consideration of the high cost of living at these places. This allowance was formerly Rs. 150, but was reduced to Rs. 100 in 1932.	No officers of this status in other departments stationed at Rawalpindi or Lahore are receiving a compensatory allowance. We consider there is no case for exceptional treatment for the Police Department and would abolish these allowances.
5	Two Assistant Superintendents of Police, Lahore.	100	Ditto	Punjab Government letter No. 3114-S. (H.—Police), dated 29th August, 1923. These allowances are given in consideration of the high cost of living at these places.	
6	Four Superintendents of Police, C.I.D. Senior Superintendent of Police, Lahore.	150	Special pay	Government of India, Home Department, notification No. F-119/23, dated 24th July, 1929.	
		150	Ditto	Ditto ditto ditto	We consider these special-pays should be reduced to Rs. 100. See remarks against item 3 under General Administration which apply equally to this post. This special pay should be abolished.

8	Principal, Police Training School, Phillaur.	100	Ditto	Government of India, Home Department, notification No. F. 119/29, dated 24th July, 1929.	We consider that the case of this officer is not different from that of a Principal of an educational institution and therefore recommend that he should be given rent-free accommodation, but no special pay.
9	Assistant Superintendent of Police, Railway Police.	100	Ditto	Ditto	We consider this special pay should be abolished.
10	Assistant to the Inspector-General of Police for the supervision and control of Criminal Tribes.	150	Ditto	Punjab Government letter No. 7375 (H.—Police), dated 6th March, 1931.	We understand that this post has been abolished, and replaced by the post of Assistant Inspector-General, Traffic. If the latter post carries a special pay, it should be abolished.
11	Superintendent of Police, Dera Ghazi Khan.	100	Language pay		See recommendation in respect of a similar allowance in other departments. This should be abolished and be replaced by a lump sum reward.
<b>EDUCATION DEPARTMENT.</b>					
1	Principal, Government College, Lahore.	250	Special pay..	Secretary of States' despatch No. Public 169, dated 27th November, 1919.	Should get either rent-free accommodation or a special pay, but not both. Further, the special pay should have been reduced to Rs. 150 as already decided by Government. We would retain the rent-free house-concession and abolish the special pay.



RECOMMENDATIONS OF THE COMMITTEE IN REGARD TO ALLOWANCES (NON-VOTED) DRAWN IN THE VARIOUS DEPARTMENTS—CONTINUED.

Serial No.	Designation of Government servant.	Amount.	Classification.	Remarks explanatory of the allowance.	Recommendation of Committee.
1	2	3	4	5	6
EDUCATION DEPARTMENT—CONCLUDED.					
2	Principal, Central Training College, Lahore.	Rs. 150	Special pay	Secretary of States' despatch No. Public 169, dated 27th November, 1919.	See remarks against serial No. 1 above. The special pay should have been reduced to Rs. 100 as already decided by Government. We would retain the rent-free house concession, but abolish the special pay. We do not consider that there is a case for this special pay and would abolish it. See remarks against serial No. 1 above which apply here also. The officer should continue to receive the rent-free house, but the special pay should be abolished.
3	Assistant Director of Public Instruction, Punjab.	150	Ditto	For added responsibility and arduous duty.	
4	Principal, Government College, Ludhiana, in the I. E. S. (Men's Branch).	150	Ditto	Ditto ditto	
MEDICAL DEPARTMENT.					
1	Medical Superintendent, Punjab Mental Hospital, Lahore.	Rs. 250 per mensem.	Special pay	..	Should be reduced to Rs. 150.

	Principal, Medical School, Amritsar.	250	per mensem.	Ditto		Ditto.
3	Civil Surgeon, Lahore.	1,920	per annum.	Honorsria ..	At Rs. 32 per lecture, for delivering 60 lectures on Forensic Medicine and Toxicology to students of the King Edward Medical College, Lahore.	We would reduce the rate of honorarium to Rs. 16 per lecture as is given in other Provinces.
4	Civil Surgeon, Amritsar.	1,600	per annum.	Ditto	At Rs. 32 per lecture, for delivering 50 lectures on Forensic Medicine and Midwifery to students of the Medical School, Amritsar.	Ditto
5	Medical Superintendent, Punjab Mental Hospital, Lahore.	960	per annum.	Ditto	For delivering 30 lectures on Mental Diseases to students of the King Edward Medical College, Lahore, at Rs. 32 per lecture.	Ditto.
6	Ditto	320	per annum.	Ditto	For delivering 10 lectures on Mental Diseases to students of the Medical School, Amritsar, at Rs. 32 per lecture.	Ditto.
7	Ditto	200	per mensem.	Special pay..	For performing the duties of Medical Officer for European Officers of the Superior Civil Services and their families stationed at Lahore.	The special reasons for which this allowance has occasionally to be given are fast disappearing and there should seldom be any necessity for this arrangement. We would abolish it.

AGRICULTURE DEPARTMENT.

1	Assistant Director of Agriculture.	150	Special pay	For added responsibility	..	This special pay should be abolished.
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allowance is given only when the Civil Surgeon, Lahore, is not a European Officer of the Indian Medical Service. It may be drawn by the Indian Medical Service officer in Lahore whom the local Government may appoint.

**RECOMMENDATIONS OF THE COMMITTEE IN REGARD TO ALLOWANCES (NON-VOTED) DRAWN IN THE VARIOUS DEPARTMENTS—continued.**

Serial No.	Designation of Government servant.	Amount.	Classification.	Remarks explanatory of the allowance.	Recommendation of Committee.
1	2	3	4	5	6
<b>AGRICULTURE DEPARTMENT—CONCLUDED.</b>					
2	Principal, Agricultural College, Lyallpur.	Rs. 150	Special pay	..	We understand this officer has a rent-free house. We would retain the rent-free house concession, but abolish the special pay.
<b>VETERINARY DEPARTMENT.</b>					
1	Director, Veterinary Services.	250 per mensem.	Special pay	..	This should be reduced to Rs. 150.
2	Principal, Veterinary College.	150	Ditto	..	We understand this officer has a rent-free house. We would allow the free house but abolish the special pay.
<b>CO-OPERATIVE SOCIETIES DEPARTMENT.</b>					
1	Registrar, Co-operative Societies.	150 per mensem.	Special pay	Government of India, Home Department, notification No. F.-173-23, dated 6th April, 1929.	We would reduce this to Rs. 100.
2	Deputy Registrar, Co-operative So-	150	Ditto	..	Ditto.





4	Murree, Kasauli and Dalhousie.	All except Forest, Police and Jails.	(iii) Clerks with pay exceeding Rs. 50, who are neither married nor have any other member of their family dependent upon them.	1/4th of pay, subject to a minimum of Rs. 40 and a maximum of Rs. 125 per mensem and a total maximum of pay and hill allowance of Rs. 800 per mensem.	No ..	These allowances are reduced by 1/4th of pay if the clerk has an official residence allotted to him at Simla, subject to a minimum of Rs. 100 for clerks drawing more than Rs. 500.	(5) We propose a reduction of the rate to 20 per cent.
			Inferior servants ..	1/3rd of pay ..			
			(i) Inferior establishments.	25 per cent. of pay	Yes, an additional allowance of Rs. 1 being given if free quarters are not provided.		
			(ii) Superior non-gazetted establishments.	20 per cent. of pay subject to a maximum of Rs. 50, and a minimum of Rs. 10 per mensem.	No ..	These allowances have been sanctioned from 1st April, 1922, and are admissible only to men permanently stationed at these hill stations.	(6) We propose a reduction to 15 per cent., with a minimum of Rs. 7-8-0 and a maximum of Rs. 35. We understand that the local officers concerned agreed to these reductions some years ago, but no action has been taken.
5	Dharamasala and Kulu Sub-Divisions.	All except Forest, Police and Jails.	(i) Inferior establishments.	12 1/2 per cent. of pay	Yes, an additional allowance of Rs. 1 being given if free quarters are not provided.		(7) We propose a reduction of the rate to 10 per cent.

RECOMMENDATIONS OF THE COMMITTEE IN REGARD TO COMPENSATORY (HILL) ALLOWANCES—CONTINUED.

Serial No.	Place.	Department.	Class of Government servant.	Rate of allowance.	If drawn in addition to free quarters.	REMARKS.	Recommendation of Committee.
1	2	3	4	5	6	7	8
5— concid.	Dharamsala and Kulu Sub-Divisions—concid.	All except Police, Forest and Jails—concid.	(ii) Superior non-gazetted establishments.	12½ per cent. of pay subject to a maximum of Rs. 25 and a minimum of Rs. 10 per mensem.	No ..	This allowance has been sanctioned from 1st April, 1922, and is admissible only to men permanently stationed at these hill stations.	(ii) We propose a reduction of the rate to 10 per cent., with a minimum of Rs. 7-8-0 and a maximum of Rs. 20. We understand that the local officers agreed some years ago to a reduction of this allowance by 25 per cent. in the case of Dharamsala, but no action has been taken.
6	Murree, Kasauli and Dalhousie.	Police ..	European Inspectors European Sergeants Sub-Inspectors .. Asstt. Sub-Inspectors Head Constables .. Constables ..	Rs. 45 .. 35 .. 25 .. 12 .. 8 .. 5	Yes ..	These allowances have been sanctioned on the analogy of similar hill allowances admissible to Government servants of other departments stationed at these hill stations as described above, but have been	We propose that the allowance be reduced as follows:— Rs. European Ins- 30 pectors. European Ser- 25 geants. Assistant Sub- 10 Inspectors. Head Constables 6 Constables .. 4





RECOMMENDATIONS OF THE COMMITTEE IN REGARD TO COMPENSATORY (HILL) ALLOWANCES—concluded.

Serial No.	Place.	Department.	Class of Government servant.	Rate of allowance.	If drawn in addition to free quarters.	REMARKS.	Recommendation of Committee.
1	2	3	4	5	6	7	8
14	Kulu and Dharamsala.	Forest ..	Rangers on Rs. 200—250. Rangers on Rs. 80—150. Deputy Rangers .. Foresters .. All Forest guards, peons and chaukidars, whether permanent or temporary.	Rs. 20 " 15 " 8 " 7 " 3	} Yes	These allowances in the case of the establishment stationed in Kulu will be in lieu of the winter allowances.	We propose a rate of 10 per cent. of pay, instead of fixed allowances.
15	Upper Bashahr	Do. ..	(i) Forest Rangers in the scale of Rs. 200—250 per mensem (ii) Forest Rangers in the scale of Rs. 80—150 per mensem. (iii) Deputy Rangers. (iv) Foresters .. (v) Forest guards and peons.	Rs. A. P. 20 0 0 p. m. 15 0 0 " 8 0 0 " 7 0 0 " 3 0 0 "	} Yes	Sanctioned in Punjab Government letter No. 1594-C, dated 30th May, 1937. These allowances will not be admissible to persons who are residents of the Bashahr State.	May continue.

Lower Bahahr excluding Bohru Tahsil.	Do.	..	(5) Forest Rangers of all grades.	15 0 0	..	} Yes	..	Sanctioned,—vide Punjab Government letter No. 9393-C., dated 28th October, 1938. These allowances will not be admissible to persons who are residents of Bahahr State.	May continue.
			(46) Deputy Rangers and Foresters.	5 0 0	..				
			(56) Forest guards and peons.	2 8 0	..				
17	Murree	..	Public Health	Clerical, Vaccinating and menial staff attached to the Punjab Vaccine Institute.	10 per cent. of pay subject to a minimum of Rs. 5.	Yes	..	These allowances were originally sanctioned in 1914 at a rate equal to 20 per cent. of pay but since 1922 the rate has been reduced on account of the staff having been provided with free quarters. These allowances are admissible for six months while in Murree during which period the staff drops any other allowance which may be admissible to them while in Lahore.	May continue.
18	Kala	..	Veterinary	Veterinary Assistant	Rs. 10	Yes	..	..	May continue.
19	Do.	..	Revenue	Tahsildars Naib-Tahsildars	.. 20 .. 15	} Yes	..	These allowances were sanctioned in 1914 as winter allowances and are admissible only during the 5 months—November to March.	May continue.

**PART III.**

**RECOMMENDATIONS OF THE COMMITTEE IN REGARD TO ALLOWANCES (VOTED) DRAWN IN THE VARIOUS DEPARTMENTS.**

Serial No.	Designation of Government servant.	Amount.	Classification.	Remarks explanatory of the allowance.	Recommendation of Committee.
1	2	3	4	5	6

**DEPARTMENT OF LAND REVENUE.**

		Rs.			
1	Director of Land Records.	150	Special pay	On account of the exacting and irksome nature of the duties. The Executive Council in 1931 decided to reduce this special pay to Rs. 100, but Rs. 150 is still drawn.	We fail to see why the Executive Council's decision of 1931 was not carried out. The allowance should be reduced to Rs. 100 which we consider sufficient extra remuneration for the duties of this post.
2	Extra Assistant Settlement Officers.	100	Ditto	This allowance was sanctioned by the Secretary of State on 21st May, 1909. It was granted in consideration of the irksome nature of the settlement duties.	We would abolish this allowance. Appointment to such a post brings an officer into the limelight and he gets other chances. Moreover, the duties of an Extra Assistant Settlement Officer are not more arduous than those of a Revenue

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	Extra Assistant Colonization Officer, Nili Bar.	100		This allowance is given to a F. C. S. officer employed as Extra Assistant Colonization Officer, Nili Bar. The reasons for the grant of this allowance are practically the same as in case of serial No. 2.	We consider there is no case for this special pay and would abolish it.
	Extra Assistant Colonization Officer in charge Colonization Operations, Lyalpur.	150 per mensem.	Ditto	For additional responsibilities. The post is temporary, sanctioned from year to year.	Ditto.
5	Permanent Tahsildars employed in settlements, colonies or re-regularization work.	25 per mensem.	Ditto		
6	Permanent Naib-Tahsildars employed in settlements, colonies or re-regularization work.	15 per mensem.	Ditto	Sanctioned from the 1st April, 1930, on account of the arduous nature of the work.	We do not consider any special pay is needed here. These should be abolished.
7	Settlement Head Clerks.	15 and Rs. 20 in the proportion of 2 at Rs. 15 and 1 at Rs. 20.	Ditto	These allowances are given to Settlement Naib-Tahsildars on account of the unpopularity of the posts of Head Clerks (who are generally selected men) as compared with the duties of the field staff.	We do not consider these allowances to be justified. If Naib-Tahsildars are not forthcoming then selected Kanungos may be tried in these posts, in whose case the ordinary pay of a Settlement Head Clerk would be sufficient attraction.
8	Settlement Nazirs (Kanungos).	5 and Rs. 10 in the proportion of 1 to 1.	Ditto	These allowances are given to Kanungos on account of increased responsibility.	Should be abolished. Settlement Nazirs have no greater responsibilities than District Nazirs.

**RECOMMENDATIONS OF THE COMMITTEE IN REGARD TO ALLOWANCES (VOTED) DRAWN IN THE VARIOUS DEPARTMENTS—continued.**

Serial No.	Designation of Government servant.	Amount.	Classification.	Remarks explanatory of the allowance.	Recommendation of Committee.
1	2	3	4	5	6

**DEPARTMENT OF LAND REVENUE—concluded.**

Rs.					
9	Patwaris in the Rawalpindi district.	29 at Rs. 2 2 at Rs. 1	Compensatory (hill) allowance.	These hill allowances were sanctioned by the Financial Commissioner in 1908. No reasons are given, but apparently they are given for the extra expensiveness of living in certain portions of the district.	No reasons are given, but if these allowances have been given for extra expensiveness of living in certain areas in the plains, they should be abolished.
10	Kanungos employed in the Nili Bar Colony and the Lower Chenab Canal Extensions, Lyallpur district.	(1) Rs. 5 per mensem. (2) When employed in office Rs. 5 per mensem extra.	Special pay	The work is novel and exacting, calling for greater care than ordinary work. The posts are temporary, hence sanctioned by Government at the time of extending the period of colonization operations after the expiry of previous sanction.	We see no reason for these allowances. These Kanungos are better off than ordinary Kanungos. We would discontinue the special pay.
11	Mahal Patwaris employed in the Nili Bar Colony and the Lower Chenab Canal Extensions, Lyallpur district.	2 per mensem	Ditto ..	Ditto	Ditto
					Things are settling down now in this area. We see no great difference in duties and would abolish this special pay.

13	Head Clerk, Office of the Colonization Officer, Nili Bar Colony.	50 per mensem	Ditto ..	For added responsibilities	See remark against item 2 above which applies here also. We would discontinue this special pay.
13	Two Headclerks to the Extra Assistant Colonization Officer, Nili Bar Colony.	20 per mensem each.	Ditto ..	For arduous nature of duties and greater responsibilities. The posts are temporary, sanctioned after every three years.	The same considerations as above note 1 apply here. We would discontinue these special pays.
14	Camp Clerk to the Extra Assistant Colonization Officer in charge Colonization Operations, Lyallpur.	15 per mensem.	Ho ..	For extra work as Stenographer and increased responsibility. The posts are temporary, hence sanctioned by Government at the time of extending the period of colonization operations after the expiry of previous sanction.	See remarks against item 13 above which apply here. We would discontinue this special pay.
15	Agricultural Assistant working as Assistant Manager, Dhundi and Brucanled Estates, Dera Ghazi Khan district.	20 per cent. of his grade pay (100-10-300/10-300).	Ditto ..	This special pay is personal to the Agricultural Assistant. It was granted in consideration of the specially arduous nature of the duties to be performed by him—vide Fundamental Rule 9 (25) (c).	We admit that a special pay is justified, but it should be a fixed sum and not progressive. We suggest that it be fixed at Rs. 20.

EXCISE DEPARTMENT.

1	Excise Assistant to the Financial Commissioners, Punjab.	150	Special pay..	This allowance was sanctioned in 1925 when the post of Distillery Expert, who was getting Rs. 1,000 per mensem, was amalgamated with the post of Excise Superintendent and the designation of the new post was changed to Excise Assistant, which carried an allowance of Rs. 150 per mensem for increased work and responsibility.	There are two Excise Superintendents whose duties are mainly the inspection and control of Excise shops in two Divisions each. The Excise Assistant has only one Division, and in addition to the inspection work of this Division he inspects five distilleries situated in Rawalpindi, Amritsar, Sujapur, Karnal and Solon. We consider the allowance can be reduced to Rs. 100.
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RECOMMENDATIONS OF THE COMMITTEE IN REGARD TO ALLOWANCES (VOTED) DRAWN IN THE VARIOUS DEPARTMENTS—continued.

Serial No.	Designation of Government servant.	Amount.	Classification.	Remarks explanatory of the allowance.	Recommendation of Committee.
1	2	3	4	5	6

EXCISE DEPARTMENT—continued.

Rs.					
2	Clerk working as Stenographer to the Excise Assistant.	20	Special pay ..	This is personal to Lala Hira Nand for such time as he continues to hold this post.	We understand this is a stenographer's allowance granted to a clerk in the ordinary line who is selected for this duty. If so, it may continue.
3	Orderlies for the Excise Assistant.	5	Compensatory allowance.		We understand that the orderlies for the Excise Assistant and the peons employed in the Excise Bureau are regarded as Excise peons and are given the same rate of compensatory allowance as regular Excise peons who are paid on the same scale as Police Constables. We see no reason whatever for this. These orderlies should be treated as ordinary office chapsris or peons and given the same rate of pay and allowances.

	Poons employed in the Excise Bureau.	5	Ditto		See above. We discontinue this allowance.
5	Distillery Inspectors.	20 per mensem each.	Special pay	<p>These allowances, now known as special pay, were sanctioned by the Punjab Government in November, 1914, and were given effect to from 1st April, 1915. They are drawn by Inspectors and Sub-Inspectors attached to distilleries and breweries in the Punjab and are in addition to their grade pay. The reasons for the grant of the allowances are that :—</p> <p>(1) Work in the distilleries and breweries is irksome when compared with that of the preventive staff. There are long hours of work which is of a highly technical character and requires close application to ensure accuracy.</p> <p>(2) Men attached to distilleries are deprived of the prospect of gaining the rewards open to those on the preventive side for successful raids, etc. There is also far less opportunity for distinction. For these reasons the work in distilleries and breweries is said to be profoundly unpopular.</p>	We do not agree that these allowances are necessary. It is admitted the work is irksome, but in such cases officials should be posted to distilleries by turns. We would abolish these special pays.
6	Distillery Sub-Inspectors.	20 per mensem each.			
7	Excise Sub-Inspector, Kotkhai.	An allowance at 30 per cent of pay subject to a minimum of Rs. 25 and maximum of Rs. 75 per mensem.	Compensatory (bill) allowance.		We would apply the same rate as we have proposed for bill allowances in Simla.
8	Excise Sub-Inspector, B. I. Drug Company's Factory, Mughal-pura.	20 per mensem.	Special pay..		We see no special reason for this special pay and would discontinue it.



RECOMMENDATIONS OF THE COMMITTEE IN REGARD TO ALLOWANCES (VOTED) DRAWN IN THE VARIOUS DEPARTMENTS—CONTINUED.

Serial No.	Designation of Government servant.	Amount.	Classification.	Remarks explanatory of the allowance.	Recommendation of Committee.
1	2	3	4	5	6
Ra. EXCISE DEPARTMENT—CONCLUDED.					
9	Excise Sub-Inspector posted to Chemical Works of Messrs. Jagat Singh and Sons, Lahore.	20 per month.	Special pay..	--	We see no special reason for this special pay and would discontinue it.
10	Excise Sub-Inspectors attached to Match Factories at Gujranwala, Shahdara and Ludhiana.	20 per month each.	Ditto	--	Ditto.
11	Excise peons serving at Lahore, Amritsar, Simla, Mianwali and Rawalpindi	5 5 6 4 4	Compensatory allowance.	These allowances were sanctioned by Punjab Government with effect from 1st April, 1922. The allowances are given on the analogy of those drawn by head constables and foot constables of Police, and are in addition to pay. The reason for the grant of the allowance was to bring the Excise peons and jamadars on to the level of police constables and head constables in similar localities, and it is suggested that this case be dealt with together with that of the Police.	The Retrenchment Committee of 1931 recommended that the allowance at Simla may continue, but should stop at other places. We support this, provided the Excise peon at Simla receives no other bill allowance and in future the rate now proposed for police constables at Simla.

All Excise officials serving at Murree, Kasauli and Dalhousie.	20 and 25 per cent of pay for superior and inferior establishments with a maximum of Rs. 50 and minimum of Rs. 10 per mensem.	Compensatory (hill) allowance.	This allowance was sanctioned with effect from 1st April, 1922, to all superior and inferior establishments located at the stations mentioned in column 2. Inferior servants will get Rs. 1, if free quarters are not provided.	Our recommendation in the general case of hill allowances will apply here.
Dharamsala and Kulu Sub-Divisions.	12 1/2 per cent of pay for both with a maximum of Rs. 25 and minimum of Rs. 10 per mensem.	Ditto.		
Simla ..	For superior establishments 30 per cent. of the pay, and 25 per cent. of pay for inferior establishments with a minimum of Rs. 25 and maximum of Rs. 75.	Ditto.		

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FOREST DEPARTMENT.

1 Provincial Forest Service Officers.	100 and 50	Special pay..	These allowances have been sanctioned for the Provincial Forest Service officers for holding charge of major and minor divisions, respectively.	We see no reason for these special pays and would abolish them.
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RECOMMENDATIONS OF THE COMMITTEE IN REGARD TO ALLOWANCES (VOTED) DRAWN IN THE VARIOUS DEPARTMENTS--CONTINUED.

Serial No.	Designation of Government servant.	Amount.	Classification.	Remarks explanatory of the allowance.	Recommendation of Committee.
1	2	3	4	5	6

FOREST DEPARTMENT--CONTINUED.

Rs.					
3	Forest Rangers ..	25 per mensem.	Working Plan allowance.	This allowance is paid, with the sanction of Government, when any Forest Ranger has assisted in the preparation of a Working Plan.	We see no reason for this allowance and would abolish it.
2	Sub-Assistant Surgeon, Chunian.	15	Ditto ..	This allowance has been sanctioned since 1913 and is given to the Sub-Assistant Surgeon for attending Forest establishment at Changa-Manga. The Sub-Assistant Surgeon has also to do the work of certifying Surgeon at Changa-Manga under the Factories Act without extra remuneration.	We understand this allowance is not now being paid.
4	Camp Clerks to the Chief Conservator and 2 Conservators of Forests.	25 per mensem each.	Special pay--	These allowances have been sanctioned from 1st April, 1928. They are given to the Camp Clerks for performing the duties of Stenographers in addition to their other duties. The special pay is given only when the allowance combined with the substantive pay does not exceed Rs. 100 per mensem which is the minimum pay of a Stenographer to a Deputy Commissioner.	We would allow this special pay to continue on the clear understanding that the conditions described in column 5 are fulfilled.
5	Subordinate staff employed on Patrista Rope-way--				

	Deputy Ranger	10	Special pay	These allowances have been sanctioned every year since 1911. They are given to make attractive the work of the staff which is very unpopular and hard. The allowances are given for a period not exceeding 8 months each year. In 1930, however, they were sanctioned as follows:—	It is unnecessary special pay has been continued. It may be finally abolished.
	Deputy Ranger	5			
	Forester	5			
	Forest Guards	2-3-0 each			
				Per mensem.	
				Ra. A. P.	
				Forester .. .. .	10 0 0
				Daroga .. .. .	5 0 0
				Forest Guard .. .. .	2 8 0
6	Clerks	3	Compensatory allowance.	This is granted to clerks serving at Lahore and Rawalpindi whose pay is less than Rs. 100 per mensem. The grant of this allowance is subject to the same conditions as are in force for clerical establishments of other departments working at these stations.	See remarks on similar allowances in other departments. We would abolish this allowance.

PUBLIC WORKS DEPARTMENT, IRRIGATION BRANCH.

1	Temporary Engineers in Divisional charge.	65	Jungle allowance.	The rules for the grant of this allowance will be found in Rules 18-8 to 18-13 of Punjab Financial Handbook No. 2, Volume II. It is granted to those who on 1st January, 1926, were entitled to draw it under the old rules.	See remarks against the similar allowance in the list of non-voted allowances, Part I, item 4, under Public Works Department. We would discontinue it at once.
	Temporary Engineers in Sub-Divisional charge	35	Ditto		
2	Executive Engineers.	100	Language pay	This is given to those officers for service in Dera Ghazi Khan District who have passed the Baluchi Examination by the Higher Standard. (Officers recruited on or after 16th July, 1935, are not entitled to this pay.)	See remarks against a similar allowance in the list of non-voted allowances, Part I, item 5, under Public Works Department. We would discontinue and substitute a lump sum reward.
	Assistant Executive Engineers, European Assistant Engineers and Temporary Engineers in Sub-Divisional charge.	50	Do.		

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RECOMMENDATIONS OF THE COMMITTEE IN REGARD TO ALLOWANCES (VOTED) DRAWN IN THE VARIOUS DEPARTMENTS—CONTINUED.

Serial No.	Designation of Government servant.	Amount.	Classification.	Remarks explanatory of the allowance.	Recommendation of Committee.
1	2	3	4	5	6

PUBLIC WORKS DEPARTMENT, IRRIGATION BRANCH—CONTINUED.

Rs.

3	For a Superintending Engineer holding current charge of a second circle in addition.	At a rate not exceeding 20 per cent. of his own salary	Dual charge allowances.	
	For a Superintending Engineer holding current charge of a Division in addition to his Circle.	At a rate not exceeding 20 per cent. of Rs. 825.	Do.	
	For a Divisional Officer holding current charge of a Circle in addition to his Division.	Highest pay to which charge of one post alone entitles him.	Do.	

For a Divisional Officer holding current charge of two Divisions.	At a rate not exceeding 20 per cent. of his own pay.
For a Divisional Officer of L. S. E. holding current charge of a Sub-Division in addition to his Division.	At a rate not exceeding 20 per cent. of Rs. 375.
A temporary Engineer or a F. S. M. officer who while holding charge of Division holds charge of a Sub-Division in addition.	At a rate not exceeding 20 per cent. of Rs. 250.
For a Sub-Divisional Officer holding current charge of a Division in addition to his Sub-Division.	Highest pay to which charge of one post alone entitles him.
For a Sub-Divisional Officer holding current charge of two Sub-Divisions.	At a rate not exceeding 10 per cent. of his own pay.

Do.

Do.

Do.

Do.

Do.

The drawal of the rates of pay is subject to the proviso that the period of the additional charge is not less than 10 days.

See our remarks on the similar allowances shown under non-voted allowances, Part I, items 6-12, under Public Works Department which apply here also.

**RECOMMENDATIONS OF THE COMMITTEE IN REGARD TO ALLOWANCES (VOTED) DRAWN IN THE VARIOUS DEPARTMENTS—CONTINUED.**

Serial No.	Designation of Government servant.	Amount.	Classification.	Remarks explanatory of the allowance.	Recommendation of Committee.
1	2	3	4	5	6
<b>PUBLIC WORKS DEPARTMENT, IRRIGATION BRANCH—CONCLUDED.</b>					
4	Executive Engineer, Muzaffargarh Division.	Rs. 100 per mensem each.	Compensatory allowance.		We see no strong reason for this allowance and recommend its withdrawal.
5	Executive Engineer, Dara Ghazi Khan Division. Sub-Divisional Officers of the following Sub-Divisions:— (1) Jatof Sub-Division. (2) Muzaffargarh Sub-Division. (3) Kot Adu Sub-Division. (4) Dara Ghazi Khan Sub-Division. (5) Jam pur Sub-Division. (6) Talal Sub-Division.	50 per mensem each.	Ditto	These compensatory allowances were granted on account of very heavy work throughout the year, excessive strain and worry during the flood season and inability to get any casual leave between June 15 and September 7, which makes the work of these Divisions and Sub-Divisions most arduous and trying.  The sanction of the compensatory allowance has greatly improved the smooth working of the two Divisions. Officers are now willing to go there and stay there for three years and experience of the inundation canals is the prime necessity for their successful maintenance.  The allowance has been extended for a further period of three years from 4th November, 1938. It is not drawn by an officer who is an inhabitant of either district.	Ditto.

6	Overseer working as Nammal Canal Engineer, Mianwall.	80 per mensem.	Special pay.	On the understanding that the District Board, Mianwall, will continue to pay to Government one-half of the total emoluments (i.e., his grade pay Rs. 80-7-255 and the allowance) and subject further to the condition that the salary and this allowance will be subject to a maximum of Rs. 400 per mensem.	We are about the condition Nammal, but the special pay seems prima facie excessive. We would reduce the amount to Rs. 40, the District Board continuing to pay their share.
7	Cashier, General Record-keepers, Head of Routine Section and 3 Head Record-keepers of the Irrigation Secretariat.	20-10-50	Ditto	These allowances (now called special pay) are given to clerks of the Lower Division (1st or 2nd grade) in the Irrigation Secretariat who have more important and more responsible duties to perform than are ordinarily expected from clerks in that division. Three of these allowances were sanctioned from 1st October 1920, in the general revision of pay scheme and three were sanctioned afterwards on account of increase in the establishment of the Irrigation Secretariat in connection with the Sutlej Valley Project.	The Executive Council decided in 1931 that these allowances should be abolished for future incumbents. If any are in existence now, they should be abolished.
8	Sub-Divisional Clerks.	15	Ditto	These allowances were sanctioned in the general revision of pay scheme from 1st October 1920, and are allowed to sub-divisional clerks in addition to the time-scale of Rs. 40-2-50 in order to ensure efficiency and to make their posts more attractive, as these clerks have to work long hours.	Ditto ditto.
9	Sub-Assistant Surgeons in charge of Canal Dispensaries.	15	Special pay or compensatory allowance.	These allowances which are sanctioned under paragraph 150 of the Public Works Department Code, are granted to Sub-Assistant Surgeons whether Civil or Military, for independent or other charge of more than ordinary importance, or when local circumstances, such as reported unhealthiness or dearth of provisions afford just grounds for increasing the emoluments.	All these allowances should be abolished.
		10	Special pay	These allowances which are restricted to selected men are granted for exceptionally good service.	The Executive Council in 1931 decided that these should be abolished. If not done, they should go now.



RECOMMENDATIONS OF THE COMMITTEE IN REGARD TO ALLOWANCES (VOTED) DRAWN IN THE VARIOUS DEPARTMENTS—continued.

Serial No.	Designation of Government servant.	Amount.	Classification.	Remarks explanatory of the allowance.	Recommendation of Committee.
1	2	3	4	5	6
Rs.					
GENERAL ADMINISTRATION.					
1	Provincial Civil Service Officers placed in charge of Sub-Jails—  (a) Having sanctioned population of more than 200.  (b) Having sanctioned population of more than 100 but less than 200.	50 per mensem.  40 per mensem.  50	}  } Special pay  } Special pay	This is given in consideration of the additional responsibility ..	Work in Sub-Jails is not arduous in nature. We would reduce the amounts to Rs. 40 and Rs. 20, respectively.

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	Sonepat, Palwal, Khatwal, Lohah, Bapar, Kashtal, Bhakkar, Firdkhab and Pind Dadan Khan (15).		
3	Sub-Divisional Officer, Rajasthan.	75	Ditto
4	Sub-Divisional Officer, Kulu.	100	Ditto
5	Sub-Divisional Officer, Kasur.	150-25-200	Ditto
6	First Assistant to the Deputy Commissioner, Lahore.	150 75	Ditto Conveyance allowance.

With the exception of Chakwal which is reserved for an Assistant Commissioner, these Sub-Divisional allowances have been sanctioned by the Secretary of State. There are 10 Sub-Divisions in the Punjab (excluding Dalhousie and Murree which come into existence in summer months only). These posts are mostly reserved for Assistant Commissioners, and Extra Assistant Commissioners are only appointed when Assistant Commissioners are not available. The usual Sub-Divisional allowance is Rs. 50, and is sanctioned in consideration of the increased duties and responsibilities which fall on the officers in charge. Where the area under the control of the Sub-Divisional Officer is greater than usual a slightly higher rate of allowance has been sanctioned. The cases of the Sub-Divisional Officers Kasur and Kulu, are different. The intention is that these Sub-Divisions should be held by Assistant Commissioners. The Sub-Divisional Officer, Kasur, who it is intended should be an Officer of standing approaching that of an officiating Deputy Commissioner is invested with a considerable measure of Deputy Commissioner's powers and in view of the political importance of the Sub-Division and the wide powers delegated to the Sub-Divisional Officer, and with the further object of securing continuity in administration, the Punjab Government proposed to keep the same officer in charge of the Sub-Division for 3 years or thereabouts and to grant him as compensation for the loss of officiating promotion which he would in the ordinary course obtain, a local allowance (now called special pay) of Rs. 200-50-300. This allowance was sanctioned by the Secretary of State from 2nd March 1910. The allowance has been reduced to Rs. 150-25-200 from March 1933. In the case of Kulu, an allowance of Rs. 100, to be increased to Rs. 200 at the discretion of the local Government when an officer junior to the Sub-Divisional Officer officiates in a superior post. This allowance has been fixed at Rs. 100 from March 1938. The allowance has been sanctioned with a view to secure an experienced officer to deal with the difficult questions which arise in connection with the administration of forests in Kulu. After the outbreak of communal riots at Lahore in 1927, it was decided that the Deputy Commissioner, Lahore, should always have a senior F. C. S. officer (preferably a European or Anglo-Indian) capable of holding charge of the district when the Deputy Commissioner is absent from headquarters. The holder of this post has to maintain a motor-car for the efficient performance of his duties and in view of the arduous nature of the work and increased responsibility he gets these allowances.

These sub-divisional allowances we do not consider to be necessary. The reasons are given in greater detail in the sub-committee's report (App. B.) We would abolish all these special pays.

We agree to some extent with the previous Re-estimation Committee of 1931 in its remarks on this allowance. We recommend that instead of a progressive scale, the special pay should be a fixed sum\* of Rs. 150 per mensem.

We do not agree that these allowances are necessary. This officer performs the same duties as any other officer during riots and other disturbances. We recommend that the allowance be abolished.

**RECOMMENDATIONS OF THE COMMITTEE IN REGARD TO ALLOWANCES (VOTED) DRAWN IN THE VARIOUS DEPARTMENTS—CONTINUED.**

Serial No.	Designation of Government servant.	Amount.	Classification.	Remarks explanatory of the allowance.	Recommendation of Committee.
1	2	3	4	5	6
Rs. GENERAL ADMINISTRATION—CONTINUED.					
7	Extra Assistant Commissioners at Simla.	50	Compensatory allowance.	This allowance has been sanctioned with effect from 1st July 1920, to members of the P. C. S. whose pay is Rs. 500 or less, in consideration of the high cost of living at Simla. A similar allowance exists for Assistant Engineers of the Buildings and Roads Branch getting not more than Rs. 500. Similar compensatory allowances have been sanctioned for non-gazetted establishments of all departments stationed at Simla at rather a higher percentage rate.	Has been withdrawn, we understand. Anyhow it should be abolished.
8	Extra Assistant Commissioner at Murree.	10 per cent. of pay.	Ditto	This allowance has been sanctioned with effect from the same date and for the same reasons as the allowance in serial No. 7.	Should be abolished as has been done for Simla, we understand.
9	City Magistrate, Lahore.	75	Special pay	The post of City Magistrate, Lahore, is exceedingly important and the incumbent has to keep in touch with the political situation day and night and to guard against communal trouble breaking out. The duties are responsible and arduous—hence the necessity for a special pay of Rs. 75. The reason for the grant of a conveyance allowance is that the incumbent has much knocking about to do within the 5 mile radius for which he does not get any travelling allowance.	We would continue the conveyance allowance, but abolish the special pay which we do not consider to be necessary.
		25	Conveyance allowance.		
10	Waterlogging Assistant to the Financial Commissioners, Punjab.	100	Special pay..	This was sanctioned originally at Rs. 200 per mensem, but has been decreased to Rs. 100 per mensem from the 8th April 1931.	It is understood that a separate waterlogging establishment is being employed. If so, allowance

	Secretary to Financial Commission.	900	Ditto ..	
13	Examiner, Local Fund Accounts.	150	Ditto ..	An allowance of Rs. 150 is still drawn and is paid by the Local Government who pay the whole cost of this department.
13	3 Assistants in the Punjab Civil Secretariat.	10 each	Ditto ..	These allowances were proposed in the general revision of pay scheme for Assistants in the Civil Secretariat to make up for the officiating allowances which the new time-scale abolished. They were, however, not allotted to the Assistants concerned when the revision was sanctioned. Some time back the 2nd-in-command in the various branches represented that they had responsible and important work to do and were also in-charge of the branches and for these responsible and additional duties they should either be given duty allowances or else a selection grade be created for them. As a result of this representation and also for other reasons the question of allotting these allowances was re-opened recently and the six allowances have now been allotted on the following principle :— Ordinarily the allowance will be allotted by seniority to the 2nd-in-command of a branch. But where there are two Senior Assistants in the same branch and it is found that the junior is in every respect better than the senior and would become eligible for the allowance were he to be transferred to another branch a selection should be made between these two Assistants as to which should be the 2nd-in-command and the allowance granted to him. Again if there are two Senior Assistants in the same branch and each is fit for the post of 2nd-in-command and the transfer of one or the other to another branch is not feasible on administrative grounds, "the second of these two men may be given the allowance in the same branch irrespective of the fact that he is not 2nd-in-command of the branch." It is probable that the 2nd-in-command are generally the Assistants who have suffered in the matter of officiating allowances, so that the new principle laid down gives to some extent effect to the object for which these allowances were originally sanctioned. The special pay of Rs. 20 per mensem for six Assistants has recently been reconsidered. The amount has been reduced to Rs. 10 per mensem, but the number has been increased to 12 with effect from 1st April, 1931.

As for other Under-Secretaries, we recommend that this special pay be reduced to Rs. 150. We think this allowance should be abolished. There is no justification for its grant. If any such allowances are still in existence we recommend that they should now disappear.

RECOMMENDATIONS OF THE COMMITTEE IN REGARD TO ALLOWANCES (VOTED) DRAWN IN THE VARIOUS DEPARTMENTS—CONTINUED.

Serial No.	Designation of Government servant.	Amount.	Classification.	Remarks explanatory of the allowance.	Recommendation of Committee.
1	2	3	4	5	6

Rs.

GENERAL ADMINISTRATION—CONCLUDED.

14	Senior clerks in the Punjab Civil Secretariat.	20—10—50	Special pay	Seven special allowances up to a maximum of Rs. 50 were sanctioned for Senior Clerks in the Punjab Civil Secretariat in the general revision of pay scheme. Four of these which have been given on the incremental scale of Rs. 20—10—50, were intended for Head Circulating Clerk, Head Assistant, Issue, Accountant and Librarian for the additional responsibility attached to their posts. Only one such allowance is now in existence, that for the Librarian.	Are being abolished as existing grantees retire.
15	3 Senior clerks in the Punjab Civil Secretariat.	20—10—50	Personal pay		
16	Naib-Tahsildar, Dalhousie.	30	Compensatory allowance.	The other three allowances are intended to be given in the form of personal pays to clerks who have reached the maximum (150) of their grade of Rs. 75—5—150 and are considered efficient, but have no chance of promotion to the Assistant's grade. None of these personal pays are now in existence.	These allowances will cease for future incumbents.
17	Naib-Tahsildar, Dalhousie.	30	Compensatory allowance.	This allowance has been sanctioned with effect from 15th October, 1919. Allowances for establishments at Dalhousie (though in this case the percentage, somewhat higher, have been sanctioned for all Departments. These allowances have been sanctioned for Government servants not provided with free quarters or a house allowance in lieu thereof. The Naib-Tahsildar, Dalhousie, draws the allowance in addition to free quarters.	Has apparently ceased.

17	Najib-Tahsil d a r, Simla.	20 per cent of pay.	Ditto ..	On account of the extra expensiveness of these localities.	These will be governed by our recommendations on hill allowances generally.
18	Najib-Tahsil d a r, Kotkhal.	Rs. 15 per men- sem.	Ditto ..		
19	Tahsilidar, Kulu ..	Rs. 20 per men- sem for five months.	Winter allow- ance.		
20	Najib-Tahsil d a r s, Kulu and Seraj.	Rs. 15 per men- sem each.	Compensatory allowance.		
21	Najib-Tahsil d a r, Dalhousie.	20 per cent of pay.	Ditto		
22	Najib-Tahsil d s r, Murree.	Ditto	Ditto		
23	Reader and two Judicial Mubaz- rirs attached to the Court of Poli- tical Assistant, Dera Ghazi Khan.	20 per cent. of their pay.	Ditto ..		There is no other such al- lowance in Dera Ghazi Khan. We see no reason for its conti- nuance.
24	Head Treasury Clerk, Hoshiar- pur.	25	Personal pay	These pays are personal to the present incumbents and will cease to be drawn for new incumbents.	We see no justification for these personal pays. It has been decided that these will cease for new incumbents. This shows that they are not essen- tial for the posts and they should therefore be abolished.
25	Head Treasury Clerk, Amritsar.	50	Ditto		
26	Head Treasury Clerk, Sialkot.	25	Ditto		
27	Head Treasury Clerk, Attock.	25	Ditto		
28	Head Treasury Clerk, Mont- gomery.	25	Ditto		

RECOMMENDATIONS OF THE COMMITTEE IN REGARD TO ALLOWANCES (VOTED) DRAWN IN THE VARIOUS DEPARTMENTS—CONTINUED.

Serial No.	Designation of Government servant.	Amount.	Classification.	Remarks explanatory of the allowance.	Recommendation of Committee.
1	2	3	4	5	6
Rs.					
CRIMINAL TRIBES DEPARTMENT.					
1	General Assistant to the Deputy Commissioner for Criminal Tribes, Punjab.	50	Special pay ..	See Punjab Government letter No. 65, dated 18th October, 1916, addressed to the Government of India and Punjab Government, No. 896-S. Judl., dated 20th June, 1925. This allowance (now called special pay) was originally sanctioned at the rate of Rs. 60, but with the abolition of the post of 2nd Assistant (Deputy Superintendent of Police) to Deputy Commissioner, Criminal Tribes, from April, 1923, the allowance was increased to Rs. 100. It was subsequently reduced to Rs. 50 per mensem as a result of the general retrenchment. The allowance was meant to attract a good officer and to compensate him for the income nature of the duties involved.	We see no justification for this allowance and are of the same opinion as in the case of P. C. S. Superintendents of Jails—see item 1 under Jail Department. If P. C. S. men are unwilling to go, direct appointments can be made without the allowance.
2	Superintendent, Reformatory Settlement, Amritsar.	75	Ditto ..	In view of the specially arduous and responsible nature of the work and the unhealthiness of the locality in which it is performed the P. C. S. officer placed in charge of the Amritsar Reformatory was granted an allowance of Rs. 50 per mensem—vide Punjab Government letter No. 19450-Judl., dated 18th of April, 1926. Owing to the difficult and responsible nature of the charge the allowance was raised to Rs. 100 per mensem—vide Punjab Government letter No. 2888-Judl., dated 22nd January, 1929. It has since been reduced to Rs. 75.	See remarks against item 1 above which apply here also. We would abolish this special pay.
3	Superintendent, Industrial Settlement, Moga.	Ra. 20 per mensem.	Ditto ..	..	We see no reason for this special pay and it should be abolished.

Sub-Assistant Surgeons attached to Criminal Tribes Settlements at—				
Amritsar ..	20	Compensatory allowance.	This compensatory allowance was sanctioned by Government to compensate the Sub-Assistant Surgeons concerned for the loss of private practice and for the arduous nature of their duties. The allowances are given on the analogy of similar allowances admissible in the Jail Department.	See remarks against similar allowances of the Medical Department. We would abolish these allowances.
Moghalpura ..	20	Ditto		
Kacha Khuh..	20	Ditto		
Kusamsar ..	3	Bicycle allowance.		
5 Dispensars attached to dispensaries of Criminal Tribes Settlements at—	Rs. 3 per mensem.	Special pay..	For added responsibility. To compensate for the loss of income from treating private cases and for the hard work and constant attendance at the institutions.	We would discontinue this special pay. Dispensars have no private practice.
Moghalpura. Shahpur Jand (also for Chhanga Manga) Amritsar (two), Kot Adhian. Chak No. 109/ S.L. Kasowal. Lyallpur. Kacha Khuh. Kusamsar.				

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RECLAMATION DEPARTMENT.

1 Sub-Assistant Surgeon attached to Reformatories Farms, Burewals.	15	Special pay..	For added responsibility. The special pay was granted to the Sub-Assistant Surgeon in charge of the Burewala Farm Dispensary, to compensate him for the loss of private practice from which he is debarred.	If it is for loss of private practice it should be classified as a compensatory allowance.
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RECOMMENDATIONS OF THE COMMITTEE IN REGARD TO ALLOWANCES (VOTED) DRAWN IN THE VARIOUS DEPARTMENTS.—CONTINUED.

Serial No.	Designation of Government servant.	Amount.	Classification.	Remarks explanatory of the allowance.	Recommendation of Committee.
1	2	3	4	5	6

Rs.

RECLAMATION DEPARTMENT—CONCLUDED.

2	Dispenser, Reformatory Farms Dispensary, Burewala.	3	Special pay..		We see no reason for this special pay and would abolish it.
3	Sub-Assistant Surgeon, Delhi Jail, for working for Reformatory School, Delhi.	15	Ditto ..	This special pay is granted to the Sub-Assistant Surgeon, Delhi Jail, for rendering medical aid to the inmates of the Delhi Reformatory School.	See item 4 below. This should be discontinued of the allowance at item 4 remains.
4	Civil Surgeon, Delhi.	50	Ditto ..	This special pay is being drawn by the Civil Surgeon of Delhi for medical attendance on the Reformatory School.	We would reduce the amount to Rs. 30 and leave it to Inspector-General of Civil Hospitals to give this to the Assistant Surgeon or other Assistant to the Civil Surgeon. It is admitted that the duties are not heavy and that for the ordinary medical and public health needs of the institution a Sub-Assistant Surgeon is just as good as the Surgeon.

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**RECOMMENDATIONS OF THE COMMITTEE IN REGARD TO ALLOWANCES (VOTED) DRAWN IN THE VARIOUS DEPARTMENTS—CONTINUED.**

Serial No.	Designation of Government servant.	Amount.	Classification.	Remarks explanatory of the allowance.	Recommendation of Committee.
1	2	3	4	5	6

Rs.

**ADMINISTRATION OF JUSTICE—CONCLUDED.**

4	Superior non-gazetted establishment working under the Sub-ordinate Judge at Marree.	20 per cent. of pay subject to a maximum of Rs. 50 and minimum of Rs. 10 per mensem.	Compensatory (hill) allowance.	For the period 15th April to 15th October.	Our recommendations on hill allowances generally will apply here.
	Inferior establishment working under the Sub-ordinate Judge at Marree.	25 per cent. of pay plus Re. 1 per mensem if free quarters are not provided.	Ditto	Ditto ditto.	

80

**JAILS AND CONVICT SETTLEMENTS.**

1	Superintendents of District Jails from the P.C.S.	100	Special pay	Given apparently for increased work and responsibility	We consider this allowance of Rs. 100 is not justified as these officers get in addition rent-free accommodation or a house allowance of Rs. 60 per mensem.
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2	Non-Medical Superintendents other than members of the P. O. S.	100	Ditto		We understand there is no prescribed grade of pay for such Superintendents? We think one should be prescribed. No allowance should be given in such cases.
3	Medical Officers of District Jails where P. O. S. and non-Medical Superintendents are holding charge.	1st and 2nd class Jails Rs. 100 per mensem. 3rd class Jails Rs. 75 per mensem.	Ditto	Non-voted if Medical Officer is of the I. M. S.	We would allow, but reduce for 1st and 2nd class Jails to Rs. 75 and for 3rd and 4th class to Rs. 50.
4	Assistant Surgeon, in charge of Camp Jail, Khewra.	25 per mensem.	Ditto	Punjab Government endorsement No. 17712 (H./Jails), dated 22nd September, 1917, for holding the additional charge of the Camp Jail at Khewra.	We understand that there is no Camp Jail at Khewra and this allowance is not drawn.
5	Assistant Surgeon employed as Medical Officer, Borstal Institution, Lahore.	100 per mensem.	Ditto	For added responsibility.	We see no reason for this. It is his only work. We would discontinue.
6	Assistant Surgeon in charge of Civil Dispensary, Shahpur.	100 per mensem.	Ditto	For holding charge of the District Jail.	We would reduce the amount to Rs. 50, as the present allowance of Rs. 100 is, we consider, excessive.
7	Sub-Assistant Surgeons attached to Central and District Jails for whole-time duty.	40	Ditto	To compensate for the following disadvantages :— (a) Loss of private practice. (b) Conduct of work in jails under a certain amount of discipline. (c) Not being able to leave jail precincts without permission.	We would reduce the allowance of Rs. 40 to Rs. 30, as the present allowance seems excessive.
	For collateral or part-time charge.	15	Ditto		
8	Sub-Assistant Surgeons attached to Sub-Jails.	15	Ditto		

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RECOMMENDATIONS OF THE COMMITTEE IN REGARD TO ALLOWANCES (VOTED) DRAWN IN THE VARIOUS DEPARTMENTS—CONTINUED.

Serial No.	Designation of Government servant.	Amount.	Classification.	Remarks explanatory of the allowance.	Recommendation of Committee.
1	2	3	4	5	6
9	Dispensers attached to Sub-Jails at— (1) Sargodha. (2) Dharmasala. (3) Sheikhupura. (4) Muzaffargarh. (5) Karnal.	Rs. 5 per mensem each.	Special pay.	JAILS AND CONVICT SETTLEMENTS—CONTINUED. For additional duties in the Sub-Jails	We understand that no special pay is granted to the Dispensers appointed by the Jail Department to Sheikhupura, Karnal and Sargodha nor to the Police Dispensers at Dharmasala and Muzaffargarh who attend the Jail patients. This special pay was abolished in 1923.
10	(i) Accounts and (ii) Accounts Clerks at Central Jails and the Borstal Institution at Lahore.	(i) Accounts, Rs. 30, per mensem. (ii) Accounts Clerks, Rs. 30 per mensem.	House-rent allowance.		We understand that this is a house rent allowance given to old hands on the ground that Jail employees get free quarters. But these officials are not required to reside on the premises and so their case is different to the Jail executive staff. If this concession was laid down in the terms of their appointment it may continue, but if given subsequently, it should be stopped.

11	Store-keepers at Central Jails and the Borstal Institution, Lahore, except Jails at Multan.	20	Compensatory allowance.	House-rent in lieu of rent-free quarters	..	The same remarks as against item 10.
12	Head Warders and Warders trained as Males and appointed as Warden gardeners.	5 to 3 per mensem.	Garden allowances.	Garden allowance as follows:—	Per mensem.	We see no real necessity for these allowances and would discontinue them.
					Rs.	
				1. Central Jails and Mianwali .. ..	5	
				2. District Jails, 2nd Class and Kasur and Hissar	3	
				3. District Jails, 3rd Class except Kasur and Hissar.	3	
				4. Sub-Jails at Hoshiarpur, Sargodha, Karnal and Sheikhpura.	2	
				5. District Jail, Multan .. ..	4	
13	Assistant Superintendent at Dharmasala sub-jail.	15	Compensatory (hill) allowance.	..		Will be governed by our recommendations on hill allowances generally.
14	All Head Warders and Warders at Dharmasala.	Head Warders, Rs. 7 Warders, Rs. 3.	Ditto ..	..		
15	All Warders and Head Warders at the Female Jail, in the Lahore (three Jails) both male and female, and Amritsar and Rawalpindi Jails.	5 per mensem at Lahore and Amritsar, and Rs. 4 at Rawalpindi.	Compensatory allowance.	These allowances have been sanctioned for Jail Warders with effect from 1st December 1921, on the analogy of Police Constables to compensate them for the extra expensiveness of living at these stations.		We have proposed that these plains allowances be abolished. These should follow suit.

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RECOMMENDATIONS OF THE COMMITTEE IN REGARD TO ALLOWANCES (VOTED) DRAWN IN THE VARIOUS DEPARTMENTS—CONTINUED.

Serial No.	Designation of Government servant.	Amount.	Classification.	Remarks explanatory of the allowance.	Recommendation of Committee.
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Rs.

JAILS AND CONVICT SETTLEMENTS—CONCLUDED.

16	All Warders and Head Warders in the Jail at Ambala and the Multan Old and New Central Jails.	2	Special pay		We see no reason for this special pay and it should disappear.
17	All Warders and Head Warders at Montgomery Central Jail.	5	Ditto		Ditto.
18	All Head Warders and Warders at Dera Ghazi Khan and Rajanpur.	Head Warders Rs. 5, Warders, Rs. 4.	Compensatory (Trans-India) allowance.		We think this should be stopped as advised in the case of the Police Department. Inspector-General of Prisons should arrange to send men by turns to these places.

19	Datwa, Inspector-General of Prisons' office.	\$ per mensm.	Compensatory allowance.
20	Peons, Inspector-General of Prisons' office.	1 per mensm	Compensatory (House-rent) allowance.

posed that should disappear.

May continue if rent-free quarters are not provided for these peons.

POLICE DEPARTMENT.

DISTRICT EXECUTIVE FORCE.

1	7 Cantonment Inspectors at Ambala, Jullundur, Lahore, Sialkot, Ferozepore, Multan and Rawalpindi.	25	Special pay...	These allowances have been sanctioned from 1st April, 1920. The Cantonment, Reserve and Traffic Inspectors are all Europeans living in expensive stations. Their duties are extremely onerous. Apart from maintenance of discipline, etc., Cantonment Inspectors have a tremendous amount of miscellaneous work, often of a very important character, connected with slaughter-houses, prostitution and supervision of liquor shops. They all need to be men of education and considerable tact. The same applies to Reserve Inspectors who are in charge of big bodies of men and in fact perform the duties of Quarter-masters of regiments. The responsibilities of Reserve Inspectors at times of unrest and on the occasions of religious, political and other gatherings are great and the maintenance of a proper standard of discipline in the large bodies of men whom they have to train, control and lead throws on them a heavy burden of work.	We see no reason for these allowances and they should all be abolished.
	5 Reserve Inspectors at Ambala, Amritsar, Lahore, Multan, and Rawalpindi.	25			
2	7 City Inspectors at Lahore, Anarkali, Nauakha, Civil Lines, Amritsar, Rawalpindi, Multan.	25	Ditto	The inspectors in charge of cities are mostly Indians. Their duties are extremely onerous and are accentuated by the political atmosphere which now permeates all big centres of population. To exert an influence and keep themselves informed of what is going on they must maintain a position of social equality with the leading citizens and be prepared to extend hospitality when such a position demands. To attract suitable men for this purpose it is found necessary to give these allowances which have been sanctioned from 1st April, 1920.	We see no reason for these allowances. Character is needed, not the power to extend hospitality.

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RECOMMENDATIONS OF THE COMMITTEE IN REGARD TO ALLOWANCES (VOTED) DRAWN IN THE VARIOUS DEPARTMENTS—CONTINUED.

Serial No.	Designation of Government servant.	Amount.	Classification.	Remarks explanatory of the allowance.	Recommendation of Committee.
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Rs.

POLICE DEPARTMENT—CONTINUED.

DISTRICT EXECUTIVE FORCE—continued.

3	17 Sergeants serving in the District Police.	15	Special Pay..	These allowances have been sanctioned from 1st April, 1920, on the analogy of Railway allowances. The European Sergeants are all stationed at expensive places, and they claim that they cannot live cheaper than their brothers in the Railway Police. They also claim that their duty which is chiefly the regulation of traffic is more onerous and their hours of duty longer than in the case of Railway Sergeants who are merely required to maintain order on station platforms.	We see no reason for these allowances and would recommend their abolition.
4	1 Confidential Inspector at Lahore.	25	Ditto ..	This allowance has been sanctioned from 1st April 1920 and is given on account of increased work and responsibility.	Should be abolished. There is no good ground for any special pay.
5	1 Headquarter Inspector at Amritsar.	25	Ditto ..	This has been sanctioned from the same date and for the same reasons as above.—Serial No. 4.	Ditto.

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<p>The clerical staff of all English offices of Superintendents of Police, the Police Training School, Phillaur, and the Finger Print Bureau—</p> <p>Head Clerk .. 30  Pay Officer .. 30  Assistant Clerk 20  Typist .. 20  Assistant Pay Officer 10  Bill Clerk .. 10  Head Proficient Finger Prints. 10</p>	<p>Ditto ..</p>	<p>The clerical staff in the English offices of Superintendents of Police consists of executive police subordinates, i.e., Sub-Inspectors, Head Constables and Constables. At the figures of pay sanctioned for these officials in the regular line it is difficult to find and retain suitable men in these clerical appointments particularly as there are not as good chances of qualifying for promotion as in the Executive line. All these men have to work in English and some of them, for instance, the Head Clerk, Pay Officer, and Bill Clerk are in positions of considerable responsibility. For these various reasons these allowances have been sanctioned from 1st April, 1922. The need for these allowances will disappear with the introduction of the clerical cadre.</p>	<p>If these officials have not yet been clericalised, they should be, and the allowances should go. Better clerks can be obtained than police executive officers and on lower rates of pay.</p>
<p>7 Special armed guard at Makhad in the Campbellpur district—</p> <p>1 Sub-Inspector or 4 Head Constables. 4  3 Constables .. 3</p>	<p>Compensatory (Local) allowance.</p>	<p>This was given in 1921 on account of the expensiveness of the locality. They are not now being drawn.</p>	<p>Should be abolished if still drawn. There is now no good reason for these allowances.</p>
<p>8 Head Constables and Constables of the Mirwalli district serving trans-Indus—</p> <p>Head Constables 5  Constables .. 4</p>	<p>Special Pay</p>	<p>These allowances have been sanctioned from 1st July, 1921, and are given for work in an unseasonal locality (Ira Khal Takhal). The country is a difficult one; operations there involve great hardships not only in regard to the physical efforts demanded, but in regard to food and water; and the danger connected with duty is far greater than in any other part of the Province. For these reasons it was found necessary to sanction these allowances.</p>	<p>Should be abolished.</p>

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**RECOMMENDATIONS OF THE COMMITTEE IN REGARD TO ALLOWANCES (VOTED) DRAWN IN THE VARIOUS DEPARTMENTS—continued.**

Serial No.	Designation of Government servant.	Amount.	Classification.	Remarks explanatory of the allowance.	Recommendation of Committee.
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Rs.

**POLICE DEPARTMENT—continued.**

**DISTRICT EXECUTIVE FORCES—continued.**

9	Head Constables and Constables of the Dera Ghazi Khan district serving trans-Indus—  Head Constables. Constables	5  4	Compensatory allowance.	These allowances are given to Head Constables and Constables who are not residents of the Dera Ghazi Khan district. Efficiency demands that there shall be a lessening of Cis-Indus enrolments in the Police force of the Dera Ghazi Khan district, but the physical hardships of the district are such, and the expenses incurred by journeys to and from the Punjab when on leave are so heavy, that no Punjabi of the accepted standard for enlistment is prepared to enlist in the Dera Ghazi Khan district unless offered special terms.	No other Departments give allowances of this kind and it is a bad precedent. We would abolish.
10	Sub-Inspector attached to His Excellency the Governor's guard.	25	Ditto	This allowance has been sanctioned from 1st April 1913, and is given to compensate for the dearness of living at Lahore and Simla.	At Lahore the allowance should go, as proposed elsewhere. At Simla the general orders applicable to hill allowances should apply.

	Head Constables and	8 per mensem each.			
	7 Constables of the Simla district attached to His Excellency the Viceroy's Guard at Viceroyal Lodge, Simla.	5 per mensem each.			
	1 Sub-Inspector attached to His Excellency the Viceroy's Guard.	20		Ditto	These allowances (called Lodge allowances) have been sanctioned since 1909 for the Head Constables and Constables attached to His Excellency the Viceroy's Guard at Simla. They are drawn by the Sub-Inspector, Head Constables, and Constables in addition to the Simla compensatory allowances of Rs. 10 and Rs. 6 per mensem each drawn by the Police stationed in Simla. These allowances are granted for the multifarious duties which the men of the guard are called upon to perform and for the unpopularity of the duty with the guard.
2	Inspector attached to His Excellency the Viceroy's Guard.	75	Special pay..		This allowance is sanctioned in view of increased responsibility and arduous nature of duty.
13	Traffic Inspector, Lahore.	25	Ditto		This allowance has been sanctioned from 1929 and is known as the traffic duty allowance, given on account of arduous nature of the duty.
14	Traffic Inspector, Lahore.	25			
	Officers not below the rank of Sub-Inspector employed at Lahore to assist the Traffic Inspector in testing applicants for driving licenses.	10			
	Traffic Inspector or Sergeant at Rawalpindi.	25		Ditto ..	These allowances are sanctioned for the additional work performed in respect of the examination of applicants for licenses for motor driving.

We consider that this establishment should get the usual hill allowance only. There is no difference between these men and ordinary Constables. The Lodge allowance should disappear.

See remarks against item 11 above. This Inspector should get the usual hill allowance only and nothing more.

We do not agree to this allowance. The duties are not so arduous as that of Traffic Constables and Head Constables. We understand, however, that this special pay has since disappeared.

In the duty of these officials as noted here in addition to their ordinary duties? If not, there is no ground for a special pay.

RECOMMENDATIONS OF THE COMMITTEE IN REGARD TO ALLOWANCES (VOTED) DRAWN IN THE VARIOUS DEPARTMENTS—CONTINUED.

Serial No.	Designation of Government servant.	Amount.	Classification.	Remarks explanatory of the allowance.	Recommendation of Committee.
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Rs.

POLICE DEPARTMENT—CONTINUED.

DISTRICT EXECUTIVE FORCES—CONTINUED.

15	City Inspector at Multan.	25	Special pay	These allowances have been sanctioned from 1930 for additional work in respect of the inspection of motor vehicles and the test of motor drivers.	We do not agree to these allowances. See remarks against item 14 above.
	Cantonment Inspector at Multan.	25			
16	Inspector acting during the summer as Cantonment Inspector at Dalhousie.	25	Di to	European Inspectors are ordinarily deputed to Dalhousie. They are all in receipt of an allowance of Rs. 25 per mensem and the Inspector deputed to Dalhousie during the summer continues to draw this allowance.	We agree to this Inspector getting the usual bill allowance for Dalhousie at the rate now proposed, but not a special pay.
17	Head Clerks of the offices of the Range Deputy Inspectors-General of Police and the Assistant Inspector-General, Government Railway Police.	25	Ditt.	This allowance has been sanctioned from 1929 and is given on account of increased responsibility as Head Clerks.	We consider there is no justification for these allowances and they should be abolished.

18	Accountant (Senior Clerk), office of the Assistant Inspector-General, Govt. Railway Police, Punjab.	25	Ditto	Given on account of increased responsibility.	We consider there is no justification for this special pay and it should be abolished.
19	All Constables and Head Constables stationed at the Headquarters of Amritsar and Lahore.	5	Compensatory allowance.	These allowances have been sanctioned from 1st April 1920, and are given to compensate for the dearness of living at Lahore and Amritsar.	We would abolish this allowance. Prices have fallen. There is now no justification for the allowance. In the same year other pays were raised which have since been reduced.
20	All Constables and Head Constables of C. I. D. at Lahore.	5	Ditto		
21	Menials and inferior servants serving at Rawalpindi, Sarogdha, Lyallpur, Lahore and Amritsar on pay of Rs. 20 and above.	2	Ditto	This allowance has been sanctioned from 1920 and is given to compensate for the dearness of living at these places.	Should be abolished, but may continue for those on pay less than Rs. 20 in cases where rent-free quarters are not given.
		Ditto on pay less than Rs. 20.			
22	Deputy Superintendents of Police in charge Lahore Headquarters.	50	Ditto	This allowance has been sanctioned from time immemorial and is given to compensate for expensive living at Lahore.	Should be discontinued. There is no reason for this allowance in the Police Department alone. It is not given in other departments.

RECOMMENDATIONS OF THE COMMITTEE IN REGARD TO ALLOWANCES (VOTED) DRAWN IN THE VARIOUS DEPARTMENTS—CONTINUED.

Serial No.	Designation of Government servant.	Amount.	Classification.	Remarks explanatory of the allowance.	Recommendations of Committee.
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Rs.

POLICE DEPARTMENT—CONTINUED.

DISTRICT EXECUTIVE FORCE—CONTINUED.

23	Police staff employed in the Simla district, including the staff deputed from other districts in the Punjab, from Delhi and the Railway Police for duty during the summer season—				
	Inspector ..	50	} Compensatory allowance.	These allowances have been sanctioned from time to time since the year 1916 and are given to compensate for the dearness of living at Simla.	These are hill allowances. They may be retained at the rates proposed by us in the separate statement (Part II) of hill allowances.
	Sergeant ..	35			
	Sub-Inspector ..	30			
	Assistant Sub-Inspector ..	15			
	Head Constable ..	10			
	Constables ..	6			

340

24	<p>Police staff employed permanently or temporarily at Murree, Kasauli and Dalhousie Hill Stations—</p> <p>Inspector .. 45  Sergeant .. 35  Sub-Inspector .. 25  Assistant Sub-Inspector .. 12  Head Constable .. 8  Constable .. 5</p>	Ditto	<p>These allowances have been sanctioned from 1923 and are given to compensate for the dearness of living at these places.</p>	<p>These are hill allowances. They may be retained at the rates proposed by us in the separate statement (Part II) of hill allowances.</p>
25	<p>Police staff employed permanently or temporarily at Kulu and Dharmasala Hill Stations—</p> <p>Inspector .. 25  Sergeant .. 20  Sub-Inspector .. 15  Assistant Sub-Inspector .. 8  Head Constable .. 7  Foot Constable .. 3</p>	Ditto	<p>These allowances have been sanctioned from 1923 and are given to compensate for the dearness of living at these places.</p>	<p>These are hill allowances. They may be retained at the rates proposed by us in the separate statement (Part II) of hill allowances.</p>
26	<p>Police staff employed at Kotli Police Station and Karor Police Post in the Rawalpindi district—</p> <p>Sub-Inspector .. 25  Head Constable .. 8  Foot Constable .. 5</p>	Ditto	<p>The jurisdiction of the Kotli Police Station and of the Karor Police Post is hilly and these allowances are given to compensate for the dearness of living at these places. These allowances were sanctioned from 1929.</p>	<p>It is understood these areas are within the Murree tahsil. If so, the allowance may continue as a hill allowance, but at the rates proposed by us for Murree.</p>



**RECOMMENDATIONS OF THE COMMITTEE IN REGARD TO ALLOWANCES (VOTED) DRAWN IN THE VARIOUS DEPARTMENTS—CONTINUED.**

Serial No.	Designation of Government servant.	Amount.	Classification.	Remarks explanatory of the allowance.	Recommendation of Committee.
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Rs.

**POLICE DEPARTMENT—CONTINUED.**

**DISTRICT EXECUTIVE FORCE—continued.**

27	Head Constables and Constables stationed at the headquarters of Rawalpindi.		4	Compensatory allowance.	This allowance has been sanctioned from 1922 and is given to compensate for the dearth of living at Rawalpindi.	Should be discontinued. See remarks against item 19 <i>supra</i> .
28	Police staff posted at Balun, Dunera and Chakki in the Gurdaspur district to control traffic on the Dalhousie-Peshankot Road during summer— Head Constables, Constables			Ditto ..	These allowances have been sanctioned from 1923 and are given to compensate for the dearth of living at these places.	May continue for Balun and Dunera as a hill allowance at the rates proposed by us for Dalhousie, but not for Chakki which is not in the hills.
						8
						5

	Probationers of Police undergoing instruction at Training School.	25	House-rent allowance.	These allowances have been sanctioned since 1908, but are now in abeyance.	It is understood these allowances have disappeared? In any case, we would not have supported them.
	Probationary Deputy Superintendents of Police while at a Police Training School.	To be fixed by the local Government, but not exceeding Rs. 25.	Ditto	Sanctioned in 1908, but is in abeyance	
31	All Prosecuting Deputy Superintendents.	75	Special pay	These allowances have been sanctioned from 1st April 1920, and are given on account of increased work and responsibility. A Prosecuting Inspector or a Prosecuting Sub-Inspector has to pass through a special training at Phillaur, and he must have the ability to represent Crown cases adequately where the accused are represented by legal advisers. So is the case with the Prosecuting Deputy Superintendents which appointments have been created since 1924. In order to attract suitable men for this service it has been found necessary to sanction these allowances.	The duties of these officials are not more arduous than those of ordinary Police officers. Their hours of work are limited to court hours. Their special training at Phillaur appears to be the same as given to other Police officers. They enjoy all court holidays. We see no reason for these allowances.
	All Prosecuting Inspectors.	50			
	All Prosecuting Sub-Inspectors.	30			
	POLICE TRAINING SCHOOL.				
32	Accountant, Police Training School, Phillaur.	20	Special pay..		In the absence of any reasons for its grant we think this special pay should cease.

RECOMMENDATIONS OF THE COMMITTEE IN REGARD TO ALLOWANCES (VOTED) DRAWN IN THE VARIOUS DEPARTMENTS—CONTINUED.

Serial No.	Designation of Government servant.	Amount.	Classification.	Remarks explanatory of the allowance.	Recommendation of Committee.
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Ra. POLICE DEPARTMENT—CONTINUED.					
33	4 Deputy Superintendents of the Railway Police.	50	Special pay..	These allowances (now called special pay) were sanctioned from 8th July, 1918, in connection with the reorganization of Railway Police. The Deputy Superintendents of Railway Police must be men of tact in their relation with the European and Indian Railway staffs and capable of efficiently administering their subdivisions without the detailed intervention of the Assistant Inspector-General. To attract such officers and to compensate them for the loss of the amenities of district life an allowance of Rs. 50 per mensem in each case is given.	The public expects all Deputy Superintendents of Police, whether in the Railway Police or the Districts, to be men of tact in their relations with the public, whether European or Indian, and whether belonging to the Railway staff or not, and capable of efficiently administering their respective charges. We do not consider there is any loss of amenities. We are strongly against this special pay.
34	7 Railway Police Inspectors.	25	Ditto ..	These allowances (now called special pay) were sanctioned in the first instance at the rate of Rs. 30 per mensem from 8th July, 1918. With the revision of pay of the Police Subordinate Service, sanctioned from 1st April, 1920, this allowance was reduced to Rs. 25. These allowances are given on account of the arduous duties of the Railway Inspectors, involving much night work.	The same remarks as above apply here. We see no reason for this special pay.
35	21 Sergeants serving in the Railway Police.	15	Ditto ..	These allowances were also sanctioned in the general reorganization of the Railway Police from 8th July, 1918, and are given for the same reasons as above.	Ditto.

4 Sub-Inspectors, Railway Police.	20	Ditto	These allowances were also sanctioned in the reorganisation of the Railway Police and are given to the 4 Sub-Inspectors employed in Central Investigation Agency where it is necessary to have picked men.	Ditto.
2 Assistant Sub-Inspectors.	10	Ditto	These allowances are given to the 2 Assistant Sub-Inspectors employed in the Central Investigation Agency.	Ditto.
35 Head Constables of the Railway Police.	5	Ditto	These allowances were sanctioned from 8th July, 1918, in the re-organization of the Railway Police, and are given to encourage "the acquisition and maintenance of a workable knowledge of English"—Railway Police correspondence being almost entirely conducted in English. The recipients of these allowances are Head Clerks at Police Stations and Sub-Divisional Officers' Readers who qualify by acquiring a working knowledge of English.	This is not an allowance for irksome duties, but for having a knowledge of English. Graduates are now forthcoming for the appointments not only of Head Constables, but also of Constables. There is no necessity for Government to have to encourage the acquisition and maintenance of a workable knowledge of English. We consider these special pays should be abolished as soon as possible.
39 200 Constables of the Railway Police.	3	Ditto	These allowances are also given to encourage knowledge of English, as it is considered desirable that every Railway Police officer of whatever rank should know some English and possess a knowledge of the rudiments of simple law and procedure. They have been sanctioned from the same date as above.	See remarks against item 38 above. A knowledge of English is not necessary. We would abolish this special pay.
40 All Constables of the Railway Police.	1 sub.	Compensatory allowance.	These allowances are given to compensate for the dearness of living at Railway Stations.	We see no necessity for this allowance and would abolish it.
41 Railway Police Post at Jogindar Nagar—				
1 Head Constable.	7	Ditto	These allowances have been sanctioned from 1931 and are given to compensate for the dearness of living at Jogindar Nagar which is a hilly place.	This may continue but for the Head Constable at the rate proposed by us for the Kulu Sub-Division
3 Foot Constables.	3			

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RECOMMENDATIONS OF THE COMMITTEE IN REGARD TO ALLOWANCES (VOTED) DRAWN IN THE VARIOUS DEPARTMENTS—CONTINUED.

Serial No.	Designation of Government servant.	Grade pay of the Government servant in receipt of the allowance.	Amount of allowance.	Classification.	Remarks explanatory of the allowance.	Recommendation of Committee.
1	2	3	4	5	6	7

Rs.

EDUCATION DEPARTMENT.

1	Deputy Directress of Public Instruction, Punjab.	In the Provincial Educational Service (Class I) (Women's Branch).	250 per mensem.	Special pay..	For added responsibility and arduous duty ..	We see no need for a special pay as high as Rs. 250 and would reduce this to Rs. 150 as drawn by the Assistant Director of Public Instruction.
2	Principal, Government College, Lyallpur.	In the Provincial Educational Service (Class I) (Men's Branch).	100 per mensem.	Ditto ..	Ditto ..	We understand that all Principals of Colleges get rent-free accommodation. They should get either rent-free accommodation or a special pay, but not both. We would retain the rent-free house concession but abolish the special pay.

3	Principal, Lady Macleagan Training College for Women, Lahore.	In the Provincial Educational Service (Class I), (Women's Branch).	Ditto	Ditto ..	Ditto ..	Ditto.
4	Principal, Lahore College for Women, Lahore.	Ditto	Ditto	Ditto ..	Ditto ..	Ditto.
5	Principal, Emerson College, Multan.	In the Provincial Educational Service (Class I), (Men's Branch).	Ditto	Ditto ..	For added responsibility and arduous duty. These posts have since been transferred to P. E. S. class I and the special pay has been raised to Rs. 100 per mensem from 1st May 1937.	Ditto.
6	Principal, deMontmorency College, Shabpur.	In the Provincial Educational Service (Class II), (Men's Branch).	Ditto	Ditto ..	Ditto ..	Ditto.
7	Superintendent, Boarding House, Central Training College, Lahore.	Provincial Educational Service, scale Rs. 250—25/500—25—600.	60	Ditto ..	This special pay is given to any member of the staff of the College belonging to the Provincial Educational Service who is selected to perform the duties of Superintendent in addition to his other duties, and is given in addition to free quarters. The special pay is justified on the ground of increased work and responsibility.	We see no reason for this special pay being given in addition to rent free quarters and would apply to this case the principle adopted in other cases of Superintendents of hostels or boarding houses, that is to say, allow rent free accommodation, but no special pay.

RECOMMENDATIONS OF THE COMMITTEE IN REGARD TO ALLOWANCES (VOTED) DRAWN IN THE VARIOUS DEPARTMENTS—CONTINUED.

Serial No.	Designation of Government servant.	Grade pay of the Government servant in receipt of the allowance.	Amount of allowance.	Classification.	Remarks explanatory of the allowance.	Recommendation of Committee.
1	2	3	4	5	6	7

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EDUCATION DEPARTMENT—CONCLUDED.

3	Superintendent of the boarding house attached to the Intermediate College at Lyallpur.	Ra. 250—25—500— 25—500.	30	Special pay	Given for the same reasons as No. 7. The Superintendent of the boarding house attached to the Ludhiana College is provided with free quarters at Government expense, and does not get any special pay.	It is understood a house rent allowance or rent free quarters are now given and no special pay is allowed. We agree with this arrangement.
4	Cashier, Office of the Director of Public Instruction.	Ra. 75—5—100/5— 150.	20	Ditto	This special pay has been sanctioned from 1st October, 1921, and is given in addition to grade pay. It is given on account of increased work and responsibility consequent on handling money.	We see no ground for this special pay. It should be abolished.

Persons employed locally for performing the clerical work of Normal Schools for girls at—						
(1) Multan	Rs. 100-6-160/8 -200	} each.	10	Special pay if the work is done by a Government servant, otherwise it is a pay.	These allowances (special pay) have been granted from 10th January, 1922, to relieve the Head Mistresses of the schools of the clerical work which they could not continue to undertake in addition to their supervision and teaching duties, and which could not be entrusted to the other teachers of the schools as they do not know English.	It is understood no special pay is now given. Honoraria are given to persons who actually do the work. We agree to this arrangement.
(2) Rawalpindi	Rs. 40-2-50/2-90					
(3) Jullundur	Rs. 100-6-160/8 -200.					
(4) Ludhiana	..					
(5) Lyallpur	Rs. 40-2-50/2-90					
11 Government servant who does the clerical work of the Hindu Widows Normal and Industrial School, Lahore.	Rs. 75-5-100/5-125.		~ 10	Special pay.	This special pay has been sanctioned from 1st October, 1922, for the clerical work of the school which cannot be trusted to the staff as none of the teachers know English. It is done by the Head Clerk of the office of the Deputy Director of Public Instruction, Lahore, in addition to his own duties.	Ditto ditto.
12 Sub-Assistant Surgeon, City Branch Dispensary, Jhelum.	..		80 per mensem.	Miscellaneous allowance.	For medical charge of the Government High School, Jhelum.	We understand this allowance is not now given.



RECOMMENDATIONS OF THE COMMITTEE IN REGARD TO ALLOWANCES (VOTED) DRAWN IN THE VARIOUS DEPARTMENTS—continued.

Serial No.	Designation of Government servant.	Amount.	Classification.	Remarks explanatory of the allowance.	Recommendation of Committee.
1	2	3	4	5	6
MEDICAL DEPARTMENT.					
(i) SUPERINTENDENCE—OFFICE OF INSPECTOR-GENERAL OF CIVIL HOSPITALS.					
1	Assistant Inspector-General of Civil Hospitals, Punjab.	150	Special pay ..	For added responsibility.	We would reduce the compensatory allowance to Rs. 100.
		150	Compensatory (non-practising) allowance.	The pay, special pay and compensatory allowance should in no case exceed Rs. 1,500.	
2	Record-keeper, Office of the Inspector-General of Civil Hospitals, Punjab.	30 per month	Special pay ..	For specially arduous nature of his duties	We consider this should be discontinued.
(ii) DISTRICT MEDICAL OFFICERS—CIVIL SURGEONS.					
3	Civil Surgeon, Lahore.	32 per lecture	Honorarium	For delivering a course of 64 lectures in Toxicology and Forensic Medicine to students of the King Edward Medical College, Lahore	See our remarks against item 3 under Medical Department of the list of non-voted allowances (Part I). We would reduce the rate per lecture to Rs. 18.
4	Civil Surgeon, Amritsar.	Ditto	Ditto	For delivering a course of 60 lectures in Midwifery and Forensic Medicine to students of the Medical School, Amritsar.	See remarks against item 4 under Medical Department of the list of non-voted allowances (Part I). We would reduce the rate per

	Lead Clerk, Office, of the Civil Surgeon, Simla West.	10 per mensem.	Special pay..	For carrying on the clerical work of the Civil Surgeon East.	pector Hospitals funds result to justify the allowances under present conditions. May be abolished.
<b>ASSISTANT SURGEONS.</b>					
	Assistant Surgeons for holding additional charge of Police Hospitals at— Pind Dadan Khan	10 per mensem	Special pay..	Punjab Government letter No. 778 (M. & S.), dated 20th October, 1908. For specific addition to work and for increased responsibility.	It has been recommended by Inspector-General of Civil Hospitals, that Police hospitals as such should be closed down. If this is carried out, these allowances will <i>ipso facto</i> be abolished.
	Montgomery ..	Ditto ..	Ditto ..	Government of India, Finance Department, letter No. 604-Ex., dated 5th February, 1904. For specific addition to work and for increased responsibility.	
	Rajampur ..	Ditto ..	Ditto ..	Punjab Government letter No. 200, dated 20th June, 1896. For specific addition to work and for increased responsibility.	
	Muzaffargarh ..	Ditto ..	Ditto ..	Punjab Government letter No. 480, dated 19th April 1901. For specific addition to work and for increased responsibility.	
	Karnal ..	Ditto ..	Ditto ..	Punjab Government letter No. 250 (H.—Jaila), dated 6th August 1911. For specific addition to work and for increased responsibility.	
7	Assistant Surgeon at Fort Munro.	25 per mensem (during the summer months.)	Compensatory allowance.	In consideration of the expensiveness of the place and the little scope for private practice.	May continue as a hill allowance only.
8	House Surgeon, Walker Hospital, Simla.	50 per mensem	Ditto		May be allowed hill allowance at the rates proposed by us for Simla, but no other allowance.
9	Assistant Surgeon, in charge Jubilee Hospital, Murree.	30 per mensem	Ditto		See item 8 above. May draw hill allowance at the rate proposed by us for Murree.

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**RECOMMENDATIONS OF THE COMMITTEE IN REGARD TO ALLOWANCES (VOTED) DRAWN IN THE VARIOUS DEPARTMENTS—CONTINUED.**

Serial No.	Designation of Government servant.	Amount.	Classification.	Remarks explanatory of the allowance.	Recommendation of committee.
1	2	3	4	5	6

Rs.

**MEDICAL DEPARTMENT—CONTINUED.**

(ii) DISTRICT MEDICAL OFFICERS—ASSISTANT SURGEONS—concluded.

10	Assistant Surgeons in Medical charge of the Boarding House attached to the Government and Central Training Colleges and other Government institutions at Lahore.	50	Compensatory allowance.	For loss of private practice from which he is debarred	We consider that this Assistant Surgeon should be allowed private practice and have no allowance.
		22-9-0	Conveyance Allowance.	For keeping a conveyance.	
11	Military Assistant Surgeon at Kulu.	Local allowance Rs. 40 per mensem. District Board allowance Rs. 20 per mensem.	Compensatory allowance.	For the high cost of living in Kulu and dearth of private practice	May continue as a hill allowance but at rates proposed by us for other establishments at Kulu.
<b>SUB-ASSISTANT SURGEONS.</b>					
13	Sub-Assistant Surgeons for holding additional charge	10 per mensem each.	Special pay..	Paragraph 198 of Punjab Medical Manual. For specific addition to work and for increased responsibility.	See remarks against item No. 6 above which apply here also.

13	Sub-Assistant Surgeons at— 1. Kotgarh (Simla). *2. Sakessar (Shahpur).  *For summer months only.	10 per mensem.	Compensatory allowance.	Punjab Government letters No. 3582 (Medl.) dated 3rd February, 1921, No. 4197-Medl. of 9th February, 1923 and No. 10623-Medl. of 31st March, 1932. To compensate for the loss of social amenities and dearth of private practice.	May continue as allowance only.
14	Sub-Assistant Surgeon in charge of Police Hospital, Hissar.	10 per mensem.	Special pay..	For work of the Police Hospital	See remark against item 12 above which applies here also.
15	Sub-Assistant Surgeon, Lalgarh (Dera Ghazi Khan).	15 per mensem.	Compensatory allowance.	Isolation and expensiveness of the locality	This should be discontinued.
16	Sub-Assistant Surgeon, Police Hospital, Dharmasala.	12½ per cent. of pay. Minimum, Rs. 10 per mensem. Maximum, Rs. 25 per mensem.	Hill allowance.		May continue at rates proposed by us for Dharmasala.
17	Sub-Assistant Surgeon serving at Kotkhai (Simla).	30 per cent. of pay with a minimum of Rs. 25.	Compensatory allowance.	Punjab Government letter No. 4497-M.—37/39388, dated 17th November, 1937. To compensate to some extent for the loss of social amenities and dearth of private practice.	Should be given hill allowance at rates proposed for Simla and nothing more. There is no loss of social amenities or dearth of private practice. Officers should be posted here by turn.

**RECOMMENDATIONS OF THE COMMITTEE IN REGARD TO ALLOWANCES (VOTED) DRAWN IN THE VARIOUS DEPARTMENTS—CONTINUED.**

Serial No.	Designation of Government servant.	Amount.	Classification.	Remarks explanatory of the allowance.	Recommendation of Committee.
1	2	3	4	5	6

Rs.

**MEDICAL DEPARTMENT—CONTINUED.**

*(ii) DISTRICT MEDICAL OFFICERS—SUB-ASSISTANT SURGEONS—concluded.*

18	Sub-Assistant Surgeon at Banjar (Kangra).	10 per mensem.	Compensatory allowance.	To compensate for the loss of social amenities and dearth of private practice.	Should be given hill allowance at rates proposed for Kangra.
19	Sub-Assistant Surgeon in charge of Jail Hospital, Rohtak.	Ditto ..	Special pay ..	For collateral charge of Police Hospital	May continue unless and until police hospitals disappear.

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**DISPENSERS.**

20	Dispensers attached to Fort Munro and Baluch Levy Hospitals.	3 per mensem each.	Compensatory allowance.	For dearness of provisions in these places	May continue as a hill allowance only.
21	Two Dispensers attached to the Lawrence School, Ghoragali.	5 per mensem each.	Special pay ..	For unpopularity of the appointments and to obviate frequent changes of dispensers, which are detrimental to the efficient working of a hospital.	May continue as a compensatory (hill) allowance.

22	Dispenser in the Phillaur Police Training School Hospital.	5	per mensem.	Compensatory allowance.	To compensate for the loss of private practice
23	Dispenser, Civil Hospital, Gurgaon.	10	per mensem.	Special pay..	..

.. It is stated that the justification for granting this allowance was that no efficient dispenser would be willing to stay on in this post if this allowance were abolished. Inspector-General of Civil Hospitals states that this is not the case now and the allowance might be abolished for future incumbents. We do not see any reason to continue the allowance and it may be abolished at once.

No reason has been given for this special pay and in the absence of any reason, we consider the special pay should be discontinued.

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(III) KING EDWARD MEDICAL COLLEGE, LAHORE.

24	Superintendent of Medical College Hostel at Lahore.	100	per mensem.	Special Pay..	He gets this allowance in addition to rent-free quarters
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.. In the present case the allowance can only be justified on personal grounds as the present incumbent was practically given a promise of its grant. The question should be re-examined when the present incumbent vacates the post. The allowance should then be abolished.

**RECOMMENDATIONS OF THE COMMITTEE IN REGARD TO ALLOWANCES (VOTED) DRAWN IN THE VARIOUS DEPARTMENTS—CONTINUED.**

Serial No.	Designation of Government servant.	Amount.	Classification.	Remarks explanatory of the allowances.	Recommendation of Committee.
1	2	3	4	5	6

Rs.

**MEDICAL DEPARTMENT—CONTINUED.**

**(iv) MEDICAL SCHOOL, AMRITSAR.**

25	Superintendent, Medical School, Amritsar.	50 mensm.	per Special pay..	For holding charge of the Boarding House in addition to his own duties as a Lecturer.	We would allow rent-free quarters or house rent allowance in lieu thereof, but no special pay.
26	The Medical Officer of Health, Amritsar.	39 lecture or clinic.	per or Honorarium..	For delivering lectures and demonstrations in Hygiene to students of the Medical School, Amritsar. For performing additional duties.	We would reduce the rate of honorarium to Rs. 16 per lecture which is the maximum allowance given in other Provinces.

**(v) MAYO HOSPITAL, LAHORE.**

27	Military Assistant Surgeon in charge of X-Ray and Electrical Departments, Mayo Hospital, Lahore.	100 mensm. 75 mensm.	per per Special pay.. House rent allowance.	On account of the onerous and important nature of duties	We would reduce the rate of special pay to Rs. 75. We understand no house-rent allowance is now drawn as this officer occupies rent free quarters.
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<p>Sub-Assistant Surgeon employed as Junior House Surgeon in the Private and Family Wards of the Mayo Hospital, Lahore.</p> <p>Store-keeper, Mayo Hospital, Lahore.</p>	<p>20 per mensem.</p> <p>5 per mensem.</p>	<p>Special pay</p> <p>Ditto ..</p>	<p>The appointment is a residential one and the allowance is given for the loss of private practice.</p>	<p>May continue, ... be described as a compensatory allowance.</p> <p>We see no reason for this special pay. It should be discontinued.</p>
<p>(vi) PUNJAB MENTAL HOSPITAL, LAHORE.</p>				
<p>30 Military or Civil Assistant Surgeons when appointed as Deputy Superintendent, Punjab Mental Hospital.</p> <p>Scale—</p> <p>For 1—3 years' service in the Punjab Mental Hospital.</p> <p>For 4—6 years' service in the Punjab Mental Hospital.</p> <p>For 7—9 years' service in the Punjab Mental Hospital.</p> <p>For 10—12 years' service in the Punjab Mental Hospital.</p> <p>For 13 years' service or over</p>	<p>75 per mensem.</p> <p>100 per mensem.</p> <p>125 per mensem.</p> <p>150 per mensem.</p> <p>200 per mensem.</p>	<p>Special pay..</p>	<p>For arduous nature of duties and loss of private practice</p>	<p>We would limit the allowance to Rs. 75. The extent of work does not vary with years of service.</p>



RECOMMENDATIONS OF THE COMMITTEE IN REGARD TO ALLOWANCES (VOTED) DRAWN IN THE VARIOUS DEPARTMENTS—CONTINUED.

Serial No.	Designation of Government servant.	Amount.	Classification.	Remarks explanatory of the allowance.	Recommendation of Committee.
1	2	3	4	5	6

Rs.

MEDICAL DEPARTMENT—CONCLUDED.

(vi) PUNJAB MENTAL HOSPITAL, LAHORE—concluded.

21	Military Assistant Surgeon appointed as Assistant Deputy Superintendent of Punjab Mental Hospital.		Special pay..	For arduous nature of duties and loss of private practice	We would limit the special pay to one fixed rate of Rs. 50. See remarks against item 30 above.
	Scale—				
	For 1—3 years' service in the Punjab Mental Hospital.	50			
	For 4—6 years' service.	75			
	For 7—9 years' service.	100			
	For 10—13 years' service.	125			
	13 years' and over.	150			

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2	Woman Assistant Surgeon, Punjab Mental Hospital, Lahore.	1-3 years' service Rs. 80 per mensem. 4-6 years' service Rs. 75 per mensem. 7-9 years' service Rs. 100 per mensem. 10-12 years' service Rs. 125 per mensem. 13 and over 12 years' service Rs. 150 per mensem.	Ditto	Arduous nature of duties	See remarks serial No. 31 above. We would limit the special pay to Rs. 50.
33	Sub-Assistant Surgeons attached to Punjab Mental Hospital.	40 per mensem	Ditto	On the analogy of similar allowances given to Sub-Assistant Surgeons attached to jails. For specially arduous nature of the duties performed.	May continue, but the amount should be reduced to Rs. 30.

PUBLIC HEALTH DEPARTMENT.

1	Director of Public Health, Punjab.	22 per lecture.	Honorarium	For delivering a course of lectures in Hygiene and Public Health to students of the King Edward Medical College, Lahore.	See remarks against item 3 above under Medical Department. We would reduce the rate of honorarium to Rs. 16 per lecture.
2	Superintendent, Punjab Vaccine Institute.	30 per mensem (for 5 months in each year).	Special pay	This allowance which was sanctioned in 1920 is given for a course of lectures on the technique of vaccination, preparation of vaccine lymphs, etc., to members of the District Vaccination staff. The extra work being outside the regular duties of the Superintendent, the allowance seems to be justified.	May continue, but should be described as honorarium.

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**RECOMMENDATIONS OF THE COMMITTEE IN REGARD TO ALLOWANCES (VOTED) DRAWN IN THE VARIOUS DEPARTMENTS—CONTINUED.**

Serial No.	Designation of Government servant.	Amount.	Classification.	Remarks explanatory of the allowance.	Recommendation of Committee.
1.	2.	3.	4.	5.	6.
<p>Rs. PUBLIC HEALTH DEPARTMENT—CONCLUDED.</p>					
3	Epidemiologist to Government, Punjab.	100 per mensem.	Special pay...	This allowance, which has been sanctioned from April 1929 is given to the Epidemiologist for holding independent charge of the Punjab Epidemiological Bureau, involving additional responsibility.	This allowance has, we understand, been discontinued as this separate post has disappeared.
4	Daftries (5) in the offices of Director of Public Health and Assistant Directors of Public Health.	2 per mensem each.	Compen satory allow-ance.	These allowances have been sanctioned from 1st of April 1921 on the analogy of local allowances admissible to clerks and menials of all departments in Lahore.	This allowance should be discontinued as proposed elsewhere for similar allowances.
5	Vaccinator, Dera Ghazi Khan.	3 per mensem.	Ditto	This allowance which has been sanctioned from 1st August 1921 is given in view of the hill area in which the work of vaccination is to be performed.	Should be abolished.
<p>DEPARTMENT OF AGRICULTURE.</p>					
1	Agricultural Assis-tant, A class.	(a) 100, sub-ject to the condi-tion that total pay and special pay do not exceed Rs. 350.	Special pay	These allowances (one of Rs. 100 and two of Rs. 75) are still given to the Agricultural Assistants and are in lieu of the three	We see no good reason to continue these special

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	Ditto	(b)75, subject to the condition that total pay and special pay do not exceed Rs. 325.	Ditto	selection grade posts which previously carried the rates of pay of Rs. 250 and Rs. 325, respectively.	posts and they should be abolished.
2	Punjab Agricultural Service, Class II, officers holding posts reserved for All-India Service.	50	Special pay	Officiating promotions from the Punjab Agricultural Service to the Indian Agricultural Service were stopped in 1924, and it was decided that pending the formation of the Superior Provincial Service the existing Punjab Agricultural Service officers who were entrusted with the duties of Indian Agricultural Service posts should be given their own grade pay in the Punjab Agricultural Service plus Rs. 50 per mensem. Two Punjab Agricultural Service officers, who are, respectively, in charge of the duties of a Deputy Director of Agriculture and Associate Professor of Agriculture, are thus in receipt of a special pay of Rs. 50 per mensem each at present. The Superior Provincial Service (Punjab Agricultural Service, Class I) has since been created, and these posts included in it. The question of filling these posts is under consideration.	We understand that this arrangement is not adopted now. Such posts go to the Class I Provincial Service men whose pay is fixed under the ordinary rules in the Fundamental Rules.
3	Sub-Assistant Surgeon at Punjab Agricultural College Dispensary, Lyallpur.	30	Compensatory allowance.	This allowance has been sanctioned with effect from 1st September 1921. It is given in order to compensate for the loss of private practice on account of the Sub-Assistant Surgeon's presence at all times in the Punjab Agricultural College, Lyallpur.	Colonel Mackenzie, a former Inspector General of Civil Hospitals, agreed to the abolition of this appointment. He thought that the staff and students could go to the Civil Hospital at Lyallpur. The appointment should therefore be abolished.
4	Veterinary Lecturer, Punjab Agricultural College, Lyallpur.	10	House rent allowance.	This allowance was sanctioned in 1921 in view of the fact that the Lecturer could not be given the privilege of rent-free quarters enjoyed by the Veterinary Assistant attached to the Veterinary Hospital, Lyallpur.	We understand this is given because Veterinary Assistants or Veterinary Assistant Surgeons in practice occupy rent-free quarters. If so, it may continue.

RECOMMENDATIONS OF THE COMMITTEE IN REGARD TO ALLOWANCES (VOTED) DRAWN IN THE VARIOUS DEPARTMENTS—CONTINUED.

Serial No.	Designation of Government servant.	Amount.	Classification.	Remarks explanatory of the allowance.	Recommendation of Committee.
1	2	3	4	5	6
DEPARTMENT OF AGRICULTURE—CONCLUDED.					
5	Clerk	Rs. 3 per mensem.	Compensatory allowance.	This allowance was granted to clerks at Lahore, Amritsar, Lyallpur, Sargodha and Rawalpindi whose pay is less than Rs. 100 per mensem. The grant of the allowance is subject to the condition that the total pay plus compensatory allowance does not exceed Rs. 100 per mensem, and that Government quarters are not provided. The allowance was sanctioned in the general revision of 1920 on account of the expensiveness of the localities concerned. The maximum allowance is now Rs. 3.	Cost of living has gone down. We would abolish this allowance. There is no reason for giving these five places special treatment.
6	Mukaddams	Up to Rs. 5 per mensem.	Compensatory (House-rent) allowance.	The Mukaddams are provided with rent-free quarters,—vide Subsidiary Rule 4-39 (6). In cases where Government quarters are not available and the Mukaddam takes a building on rent, a house-rent allowance not exceeding Rs. 5 per mensem or the actual rent paid by him, whichever is less, is granted under Serial No. 14 of paragraph 30* of Book of Financial Powers.	We would reduce the maximum limit again to Rs. 3. This seems reasonable, considering the status of Mukaddams.
7	Daftries at Lyallpur and Lahore.	2 per mensem.	Compensatory allowance.	If free quarters are not provided	We have proposed elsewhere that this allowance should disappear. It should also be abolished here.
8	Inferior and menial Government servants.	1 per mensem.	Compensatory allowance.	This allowance was sanctioned in 1921 for all inferior and menial Government servants at Lahore, and a similar allowance was granted in 1922 to those stationed at Lyallpur, Amritsar, Sargodha and Rawalpindi, who are not provided with rent-free quarters. Those provided with rent-free quarters at Lahore also get it.	May be continued for all departments in cases where rent-free quarters are not provided. It is understood that it has been discontinued in Lahore and elsewhere for any one who receives rent-free quarters.

VETERINARY DEPARTMENT.

1	Farm Overseer in-charge of the Home Farm, Government Cattle Farm, Hissar.	5 mensem. per	Special pay..		No reasons are given for this special pay. We think it should be stopped.	
2	Superintendent, Punjab Veterinary College Hostel.	50	Ditto	This allowance was sanctioned from 4th June, 1920, and given to an Assistant Professor of the College who acted as Superintendent in addition to his other duties. It was given for additional work and responsibility. The special pay was discontinued and the Superintendent now receives, under general orders applicable to all departments, rent-free accommodation or an allowance in lieu thereof.	We agree with this arrangement.	
3	Head Clerk, Office of Principal, Punjab Veterinary College, Lahore.	25	Ditto	This allowance was sanctioned from 1st April 1922 and is given to the Head Clerk in addition to his grade pay of Rs. 75-5-125 for increased work and responsibility due to abnormal expansion in the College.	There is no justification for this allowance and it should be abolished forthwith.	968
4	Compounder at the Punjab Veterinary College, Lahore.	10	Compensatory allowance.	This allowance is being given to a part-time Compounder working in the Punjab Veterinary College Hostel to provide medical aid to the resident students.	Ditto ditto.	
5	Veterinary Inspectors.	5 per mensem each.	Ditto		No reasons are given for this allowance and it should be abolished.	
6	Veterinary Assistants, Subathu and Kotgarh, Simla District.	10 (Subathu). 15 (Kotgarh).	Ditto	Two allowances of Rs. 10 per mensem each were sanctioned with effect from 1st April, 1912, to compensate for the extra expense of living at these places. But the allowance sanctioned for the Veterinary Assistant, in charge Veterinary Hospital, Kotgarh, was raised to Rs. 15 per mensem with effect from 1st April, 1930. This latter allowance has since been raised to 30 per cent of pay subject to a minimum of Rs. 25 and a maximum of Rs. 75.	Is a hill allowance, so may continue at the rates proposed by us for Simla.	

RECOMMENDATIONS OF THE COMMITTEE IN REGARD TO ALLOWANCES (VOTED) DRAWN IN THE VARIOUS DEPARTMENTS—CONTINUED.

Serial No.	Designation of Government servant.	Amount.	Classification.	Remarks explanatory of the allowance.	Recommendation of Committee.
1	2	3	4	5	6
Rs. VETERINARY DEPARTMENT—CONCLUDED.					
7	Veterinary Assistants or Veterinary Assistant Surgeons, in charge of Veterinary Hospitals, Kulu, Banjar and Nar-naund in the Kulu Sub-Division of the Kangra District.	10 per mensem each.	Compensatory allowance.	This allowance was sanctioned for Veterinary Assistant, Kulu, for 5 winter months each year. It was granted in order to compensate the Veterinary Assistant for the additional expense he is required to incur at this station. This concession was extended to such other Veterinary Assistants who may be posted to Kulu on reserve duty during the winter season. The winter allowance was later replaced by a compensatory allowance which is drawn all the year round.	May continue as a hill allowance at the rates proposed by us for this area.
8	Veterinary Assistant Surgeon, in charge Veterinary Hospital, Simla.	80 per cent. of pay subject to a minimum of Rs. 25 and a maximum of Rs. 75 per mensem.	Compensatory (hill) allowance.	These allowances were sanctioned from 1st October, 1922, in consideration of the high cost of living at Simla. The allowances are still being drawn by the officials.	May continue at the rates proposed by us for Simla.
9	Reserve Veterinary Assistant Surgeon, Veterinary Hospital, Simla (for summer season).				
10	1 Compounder, Veterinary Hospital, Simla.	10			

	Menials attached to Veterinary Hospital, Simla.	5 each	Compensatory (III) allowance.	These allowances are sanctioned for all non-gazetted establishments working in all departments of the Punjab Government at Simla.	May continue at the rate proposed by us for Simla.
	1 Menial (for six months) for Simla Veterinary Hospital.	5			
	Veterinary Assistant or Veterinary Assistant Surgeon, in charge Veterinary Hospital, Dharamsala, District Kangra.	12½ per cent. of pay subject to a minimum of Rs. 10 and a maximum of Rs. 25 per mensem.	Ditto		May continue at the rates proposed by us for Dharamsala.
14	Daftri, office of Director of Veterinary Services, Punjab, Lahore.	2	Compensatory allowance.		As proposed elsewhere, this allowance should disappear.

DEPARTMENT OF CO-OPERATIVE SOCIETIES.

1	Deputy Registrar, Co-operative Societies.	150	Special pay ..	This allowance was sanctioned by the Secretary of State on 26th June, 1922. The same allowances (non-voted) are enjoyed by the Registrar and Deputy Registrar who are members of the I. C. S. It is drawn in addition to the grade pay in the P. C. S., and is on account of extra work and responsibility. The Executive Council in 1931 decided that this special pay will be reduced to Rs. 100 for future incumbents. This has not been done so far.	The Retrenchment Committee of 1931 recommended that these allowances should be abolished. We agree with that Committee's view and strongly urge abolition of these allowances. It should further be noted that in the case of the Personal Assistant the present incumbent is not a Provincial Service Officer, but is drawing a rate of pay specifically sanctioned for him. In his case there is no ground whatever for a special pay.
2	Personal Assistant to the Registrar, Co-operative Societies.	50	Ditto ..	This allowance was sanctioned by the Finance Department in their letter No. 893-D, dated the 16th February, 1927. It is on account of the specially arduous nature of the duties of the post and has been sanctioned under Rule 9 (25) (c) of the Fundamental Rules. Its retention is considered essential, for otherwise it will be difficult, if not impossible, to get a man of the right type from the P. C. S. The recruitment of an officer from this Service has been an unqualified success and a great improvement upon the former system of appointing an Assistant Registrar. The Registrar has very heavy work, and it is essential that he should have as his Personal Assistant a man both capable and reliable to whom he can delegate duties with confidence. The allowance was reduced to Rs. 50 for future incumbents.	



RECOMMENDATIONS OF THE COMMITTEE IN REGARD TO ALLOWANCES (VOTED) DRAWN IN THE VARIOUS DEPARTMENTS—CONTINUED.

Serial No.	Designation of Government servant.	Amount.	Classification.	Remarks explanatory of the allowance.	Recommendation of Committee.
1	2	3	4	5	6

DEPARTMENT OF INDUSTRIES.

1	Staff of the Government Industrial School, Kulu.	Superior Establishment—12½ per cent. of pay subject to a maximum of Rs. 25 and a minimum of Rs. 10. Inferior Establishment—12½ per cent of pay.	Compensatory allowance.	This allowance is granted under Fundamental Rule 44 to the staff employed in the Government Industrial School, Kulu.	May continue at rates proposed by us for Kulu.
2	Carpenter Master, Government Wood Working Institute, Jullundur.	10 per mensem.	Special pay..	For doing polishing work .. .. .	We see no justification for this special pay. Polishing is really a part of a carpenter's work in furniture making. The special pay should be discontinued.

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Superintendents of boarding houses attached to Government Industrial Schools and Institutes—

When the number of boarders is less than 50  
From 50 to 90  
Over 90

10  
20  
30

Ditto

These allowances are given to teachers or clerks of schools or Institutes who are selected to perform the duties of superintendents of boarding houses in addition to their own duties and are granted in addition to free quarters. These allowances are paid according to the number of boarders residing in a hostel as shown in columns 2 and 3.

We would apply same principle as the Executive Council decided in 1931 to apply to all cases of Superintendents of boarding houses or hostels of educational institutions, that is to say, they get rent-free quarters or a house rent allowance in lieu thereof not exceeding 10 per cent. of pay, but no special pay.

DEPARTMENT OF FISHERIES.

1 Sub-Inspectors of Fisheries. 15 per mensem each.

Fisheries Allowance.

This allowance was sanctioned originally for the Naib-Tahsildars who were to be sanctioned in the Fisheries Department for work as Sub-Inspectors. This allowance is now allowed in lieu of carriage of records and peons' bedding, etc., which these officers would be entitled to charge for if they did not get the allowance.

We doubt if these officials have any heavy records to carry about on tour. The peons should carry their own bedding and this allowance be abolished at once.

2 Sub-Inspector of Fisheries at Kulu. 15

Compensatory allowance.

This allowance was sanctioned with effect from 1st April, 1921, for permanent non-gazetted establishment stationed at Dharamsala and Kulu Sub-Division (Kangra district) at the rate of 12½ per cent. of pay subject to a maximum of Rs. 25 and a minimum of Rs. 10 per mensem to meet the extra expenses incurred by living at these places plus Rs. 1 per mensem if free quarters are not provided.

3 1 Keeper at Kulu 2-2-0 per mensem.

Ditto

Ditto

ditto

May continue at rates proposed by us for Kuli.

4 1 Peon at Kulu 1-12-0 per mensem.

Ditto

Ditto

ditto

5 2 Watchers at Kulu. 2-4-0 per mensem (Rs. 1-10-0 each).

Ditto

Ditto

ditto

**RECOMMENDATIONS OF THE COMMITTEE IN REGARD TO ALLOWANCES (VOTED) DRAWN IN THE VARIOUS DEPARTMENTS—continued.**

Serial No.	Designation of Government servant.	Amount.	Classification.	Remarks explanatory of the allowance.	Recommendation of Committee.
1	2	3	4	5	6

**DEPARTMENT OF FISHERIES—concluded.**

6	1 Peon at Lahore	1 per mensem	Compensatory allowance.	This allowance was sanctioned in Punjab Government, Finance Department, No. 12318 (Finl.), dated the 19th April, 1921, in view of the expense of living in the city.	} If these are cost of living allowances, they should disappear as proposed by us elsewhere.
7	1 Peon at Rawalpindi.	Ditto	Ditto	Ditto ditto	
8	2 Chankidars at Rawalpindi.	1 per mensem each.	Ditto	Ditto ditto	

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**PUBLIC WORKS DEPARTMENT, BUILDINGS AND ROADS BRANCH.**

**(i) RASUL SCHOOL OF ENGINEERING.**

1	Lecturer in Surveying and Drawing.	50	Personal pay		We see no good ground for continuing this personal pay and it should disappear.
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2	Lecturer in Reinforced Concrete, Rasul School.	100	Special pay ..	The special pay sanctioned for this post was in consideration of the isolation and lack of amenities at a place like Rasul and also to make the post more attractive. This allowance is to cease on change of incumbency.	There is no lack of amenities at Rasul as alleged. Apart from this we do not recognise the lack of amenities as a ground for an allowance. There is no justification for continuing this allowance to the present incumbent and it should cease forthwith.
2	Assistant Drawing Instructor, Rasul School.	25	Ditto ..	This allowance was sanctioned by the Finance Department on 17th December, 1920. It is given to a member of the Subordinate Engineering Service to make the post attractive and also to compensate him for his being debarred from the possibility of drawing a sub-divisional allowance when placed in charge of a Sub-Division in the regular line. This allowance will cease on change of incumbency.	Ditto ditto.
4	Workshop Overseer.	40	Special pay ..		No reason is given for this special pay. Consequently we see no reason for its grant and would abolish it.
5	Head Tester ..	25	Ditto ..		Ditto ditto.
6	Assistant Clerk, Rasul School.	30	Ditto ..	The allowance sanctioned for this post is for carrying out the duties of a stenographer in addition to those of an Assistant Clerk. The Executive Council in 1931 directed that the pay plus allowance should not exceed the pay of a Stenographer in a Deputy Commissioner's office. The Department points out that the pay plus allowance is less than this limit, so no reduction is necessary.	The Principal of Rasul School is not entitled to and does not need a stenographer. Other officials of similar standing are not given stenographers. The allowance of Rs. 30 should cease forthwith.
7	Assistant Surgeon, Rasul School.	30	Ditto ..	This is given to an Assistant Surgeon attached whole time to the school.	The Committee understand this special pay has now ceased as an Assistant Surgeon is no longer attached to the school, a Sub-Assistant Surgeon having been appointed, without any allowance.

RECOMMENDATIONS OF THE COMMITTEE IN REGARD TO ALLOWANCES (VOTED) DRAWN IN THE VARIOUS DEPARTMENTS—CONTINUED.

Serial No.	Designation of Government servant.	Amount.	Classification.	Remarks explanatory of the allowance.	Recommendation of Committee.
1	2	3	4	5	6

PUBLIC WORKS DEPARTMENT, BUILDINGS AND ROADS BRANCH—CONCLUDED.

(ii) PUBLIC WORKS DEPARTMENT SECRETARIAT.

		Rs.			
8	Cashier, General Record-keeper and Head Routine Section.	25 each	Special pay..	These allowances (now called special pay) were sanctioned in the general revision of pay scheme for 3 Senior Clerks in the grade of Rs. 75—5—150 for the extra responsibility attached to their posts. Those for the General Record-keeper and Head Routine Section have ceased. The Cashier is drawing an allowance until he vacates the post.	We see no reason why this allowance should go on. The allowance should cease forthwith.
9	1 Assistant Engineer at Murree.	50	Compensatory allowance.	This allowance is paid to an Assistant Engineer stationed at Murree only when his pay does not exceed Rs. 500 per mensem.	Should be discontinued for the reasons recorded against item 8 under General Administration of Part III.
10	1 Overseer 1 Clerk 1 Peon	20 per cent. of pay subject to a maximum of Rs. 50 and minimum of Rs. 10.	Compensatory (Hill) allowance.	This allowance is paid owing to the dearness of the locality.	
	} working at Murree.				

11	1 Accountant	working at Simla	12½ per cent. of pay, subject to a minimum of Rs. 10 per mensem and a maximum of Rs. 25 per mensem in the case of superior establishment.	Ditto	Ditto	Ditto
	4 Subordinates					
	11 Clerks					
	3 Draftsmen					
12	7 Menials	employed at Simla	30 or 33½ per cent. of pay subject of a minimum of Rs. 25 and maximum of Rs. 75.	Compensatory (Hill) allowance.	Ditto	Ditto
	1 Assistant Engineer.					
	1 Sub-Engineer					
	1 Upper Subordinate.					
	1 Subordinate					
	1 Subordinate					
	1 Head Clerk					
	1 Accountant					
	1 Head Draftsman.					
	9 Clerks					
	1 Draftsman					
	1 Tracer					
	6 Peons at Rs. 4-11-0 each.					
	1 Ferro Khalasi					
	1 Office Chowkidar.					
	1 Office Sweeper.					
	1 Mail					
3 Store Godown Chowkidars at Rs. 4-5-0 per mensem each.						

May continue at rates proposed by us for these respective areas.

In the case of the Assistant Engineer and Sub-Engineer see remarks against serial Nos. 7 and 8 under "General Administration" of Part III. These should be discontinued. For others the allowances may continue at the rates proposed by us for Simla.

**RECOMMENDATIONS OF THE COMMITTEE IN REGARD TO ALLOWANCES (VOTED) DRAWN IN THE VARIOUS DEPARTMENTS—CONCLUDED.**

Serial No.	Designation of Government servant.	Amount.	Classification.	Remarks explanatory of the allowance.	Recommendation of Committee.
1	2	3	4	5	6
Rs. STATIONERY AND PRINTING.					
1	Works Manager, Central Jail Press, Lahore.	100	House rent allowance.		In the case of the Central Jail Press, unlike other Government Printing Presses, it is not necessary nor is it possible for the Superintendent to reside on the premises of the Press. For future incumbents this concession of a house rent allowance should be abolished.
2	Sardar Harnam Singh, Chadda, Assistant General Foreman.	90	House rent allowance.	In lieu of house-rent and other privileges that he enjoyed while at the Central Jail Press. Personal to the present incumbent.	The remarks against item 1 above apply here to a great extent. We see no reason for this allowance.
3	S. Hashmat Ali Shah, Forme Store Supervisor, Central Jail Press.	20	Compensatory allowance.	Sanctioned in Punjab Government Memo. No. 1903-L and L/37-18175, dated 27th April, 1937.	Ditto.

**APPENDIX D.**  
**The Punjab Resources and Retrenchment Committee.**

**QUESTIONNAIRE ON RESOURCES.**

I.—PRINCIPAL HEADS OF REVENUE.

*Water rates.*

1. Water rates are at present determined at some point between the cost of supplying water, and the value of the water supplied, according to the principles—

- (a) that the rates levied should be sufficient to repay the interest on the capital expenditure incurred in constructing irrigation works and the cost of maintaining those works ;
- (b) that Government as the owner of the water is also entitled to a share of the increased production of the land due to the application of water to it. (Letter No. 0166-I, dated Simla, the 10th July, 1924, from the Chief Engineer, Irrigation Works, Punjab, to the Secretary to Government, Punjab, Finance Department.)

Would you suggest any change in the present basis of the water charge so as to increase Government receipts ?

2. Would you advocate as alternatives to the present system of charging for water, the sale of water by volume with a view to increasing the revenues of the State ?

3. When land newly brought under irrigation, or guaranteed a supply of water for the first time increases largely in value, do you consider it proper that the State should take a part of such increase in value ? If so, what proportion ? In what form should the State appropriate such proportion to itself, in a lump sum, or betterment tax ?

*Stamps.*

4. The stamp duties are a means of collection of taxes upon transactions, which may be grouped into the following classes :—

<i>Nature of transactions.</i>	<i>Items of Schedule of the Indian Stamp Act.</i>
Free distribution of property ..	83, 53.
Transfer or lease of property ..	6, 7, 19, 22, 23, 31, 32, 35, 40, 41, 45, 54, 55, 57, 61, 62, 63, 64.
Inheritance ..	2, 3.
Legal transactions ..	4, 5, 7, 12, 24, 25, 26, 28, 29, 42, 44, 48, 50, 51, 52.
Commercial transactions ..	1, 8, 10, 13, 14, 15, 16, 18, 20, 21, 34, 36, 37, 38, 39, 43, 46, 47, 49, 53, 56, 59, 60, 65.
Entry into a profession or apprenticeship.	9, 11, 30.

Have you any suggestions to make for increasing the receipts from stamp duties generally or from any special class of them ?



5. Do you think that the fees for processes in court should be made to yield more than the cost of service rendered by the Courts? If so, on what principle should the additional charge be based?

6. Would you suggest any enhancement of the fees for (a) civil processes, (b) criminal processes?

7. In what types of transactions is evasion of payment of stamp duty more common? What means would you suggest for preventing such evasion?

*Registration.*

8. Could you suggest some acceptable means of increasing the receipts from registration?

*Excise.*

9. The general excise policy of the Punjab Government in relation to liquors is that of the Government of India, and has been stated as follows:—

“The Government have no desire to interfere with the habits of those who use alcohol in moderation, this is regarded by them as outside the duty of Government, and it is necessary in their opinion to make due provision (in their excise policy) for the needs of such persons. Their settled policy, however, is to minimise temptation to those who do not drink, and discourage excess among those who do, and to the furtherance of this policy all considerations of revenue must be absolutely subordinated.”

*(Punjab Excise Manual,  
Vol. III, page 2.)*

“Moreover, though it has not been laid down by the Government of India in this connection, it is a principle of excise policy, applicable to opium as well as to liquor, to obtain the greatest possible revenue from the least possible consumption.”

*(Punjab Excise Manual, Vol. III,  
Chapter 14, page 1.)*

Consistently with maintaining consumption at a minimum level, what means can be adopted to maximise the revenue from excise?

10. Do you think that illicit production of spirits has in the recent past varied with changes in the rates of tax?

11. With a view to increasing revenue, would you recommend the (a) raising or (b) lowering of the rates of direct duty on the following excise articles:—

- (a) Country liquor.
- (b) Opium—
  - (i) acreage tax;
  - (ii) transport duty;
  - (iii) duty on excise opium.
- (c) Charas.
- (d) Bhang?

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*Note.*—It is understood that the total (licit and illicit) consumption of these articles is not to increase as a result of any change or changes in duty recommended.

12. Can you suggest more effective measures than are adopted at present to keep down illicit consumption of—

- (a) spirits,
- (b) opium,
- (c) charas,
- (d) bhang?

With that end—

- (i) is it necessary to strengthen the existing excise establishment? If so, what part or parts of the establishment?
- (ii) is it desirable to suppress the production of opium in the Punjab Hill States?

13. Should the Indian made foreign spirits (*vis.*, whisky, brandy, gin, rum, etc., manufactured in the Punjab) be taxed at the rate of customs duty on imported foreign liquor?

14. Section 26 of the Excise Act (Act I of 1914) requires that no liquor shall be sold, except under a licence. The same section provides, however, that liquor lawfully procured by any person for his private use is exempt from this restriction. Under this latter provision, *bona fide* clubs and messes, which supply liquor for the private use of members who pay for it indirectly through membership subscriptions, and military canteens run regimentally on the club system, are exempted from taking out a licence. Would you advocate the removal of such exemption?

15. From the point of view of taxation, is the system of disposal of licenses for vend satisfactory, in the case of—

- (a) country liquor,
- (b) Indian made or imported foreign spirits,
- (c) opium,
- (d) charas,
- (e) bhang?

16. Have you any other criticism to make of the existing excise policy and practice on fiscal grounds?

#### *Forests.*

17. Can you suggest any means of increasing the revenue from State forests in the Punjab?

In particular, have you any comments to make on the fiscal aspect of the present agency and methods of extraction of timber?

18. Have you any suggestions to make for the better exploitation of the commercial and industrial possibilities of forest resources in the Punjab?

19. In view of the heavy Kashmir tariff on imported articles, would you recommend the taxation of timber floated down the rivers from the forests of Kashmir?

## II.—RECENT SOURCES OF REVENUE.

### *Motor Vehicles Taxation.*

20. Would you suggest any change in the rates of motor vehicles taxation with a view to increasing receipts?

*Entertainments Tax.*

21. As a means of increasing the receipts from the entertainment duty recently introduced, would you favour—

- (i) the removal of the exemption limit and taxation of tickets of four annas and less for admission to places of entertainment; if so, at what rate;
- (ii) the lowering of the exemption limit;
- (iii) the increase of rates of entertainment duty;
- (iv) the extension of the scope of application of the duty to any organised and conveniently taxable form of entertainment not subjected to duty at present?

*Tobacco Taxation.*

22. What comments have you to make on the statement of fact and opinion (respectively) contained in the following two quotations:—

“The suitability of distilled and malt liquors and tobacco for taxation is recognised by nearly every civilised country, and it is the uniform practice of European Governments to derive from them the largest possible revenue consistent with efficiency of administration.”

(D. A. Wells quoted in Bullock : Selected Readings in Public Finance, page 786.)

“As an object of taxation tobacco is, from a fiscal point of view, even more desirable than salt. It is widely used, and the amount used by any one person is never very large, yet the aggregate revenue is large. There is in favour of taxing tobacco the argument that it is not a necessity, and that if the tax leads to curtailment of consumption, so much the better from the social point of view.”

(J. P. Jensen : Problems of Public Finance, pages 304-05.)

23. The possible methods for taxing tobacco are:—

- (1) Prohibition of cultivation as so to secure that all tobacco consumed pays the import duty.
- (2) A monopoly of production, manufacture or vend or a combination of these.
- (3) An acreage duty on cultivation.
- (4) An excise duty on local production, or sales in stamped packages.
- (5) A licence fee for sale.

Further as regards regulation of wholesale and retail sale the following methods might be adopted:—

- (a) to give contracts for monopoly of retail vend for fixed areas;
- (b) to limit the number of licences and sell them by auction;
- (c) to issue licences to all applicants on payment of a moderate fixed fee.

The last of these methods is at present followed in the Punjab. Which of the possible alternatives given above would you suggest for the Punjab as a means of increasing the revenue from tobacco taxation?

*Note.*—In this connection it may be remembered that resort to alternatives (3) and (4) is precluded by the Government of India Act, and that the cultivation of tobacco in the Punjab is widely scattered.

24. Whatever the system adopted, should the cultivator be permitted to grow a fixed maximum quantity for his personal and domestic use ?

25. Do you think that the system adopted at various stages for regulation of the sale of intoxicant liquors may suitably be followed in the case of the sale of tobacco ? The various stages in the development of Indian Excise policy in respect of control of sales were :—

- (i) wholesale farming of monopoly of vend in fixed areas ;
- (ii) wholesale farming of monopoly of vend in fixed areas steadily diminishing in size ;
- (iii) sale by auction of wholesale and retail vend at fixed places ;
- (iv) regulation of times of sale, and quantity of sale to individual purchasers, and the limits of individual private possession.

26. Would the adoption of a system of sale by auction of the monopoly of vend be injurious to the interests of the cultivator ?

27. How far would the institution of such a system affect the consumer adversely ?

28. Are there prospects of raising an appreciable revenue by this means ?

29. In the event of a system involving more elaborate and complete control of sales than exists at present, being adopted, would you suggest any distinction in taxation of semi-manufactured country tobacco, manufactured indigenous tobacco (*biris*, cigarettes, cigars, snuff, etc., manufactured from Indian tobacco) and the various forms of foreign manufactured tobacco ?

### III.—INCIDENTAL SOURCES OF REVENUE.

#### *Receipts from Civil Administration.*

30. Could you suggest suitable means of increasing the receipts from the Administration of Justice, Jails and Police without incidentally entailing equivalent additional expenditure ?

31. What changes, if any, in the present system of appointment and remuneration of Official Receivers and Government auctioneers in the Punjab would you suggest as a means of increasing revenue ?

#### *Receipts from Beneficent Departments.*

32. Can you think of any methods for enlarging the revenue incidental to expenditure, derived from the beneficent departments, viz., education, agriculture, medical, public health and industries ?

33. Have you any suggestions to make for increasing the receipts from Government Civil Works, in particular the Mandi Hydro-Electric Scheme ?

### IV.—FRESH SOURCES OF REVENUE.

#### *Taxation of electricity.*

34. The taxation of consumption of electricity is common in many western countries. In India it is found in Bombay and Bengal. Would such a tax be a suitable means of increasing the resources of Government in the Punjab ?

35. What should be the scope of application of the tax? May it be levied only—

- (i) on consumers of energy for domestic purposes in residences, or also,
- (ii) on traders, and whether (a) all traders, large and small, or (b) only large traders, or (c) only small traders,
- (iii) on manufacturers, however they may be defined,
- (iv) on persons using it for large scale agricultural operations,
- (v) on any other class of users, except Government and local authorities, and probably all public utility concerns, including transport and communication services like railway, telephone, and telegraph administrations?

36. What should be the rate of the electricity tax for—

- (i) metered consumption,
- (ii) unmetered consumption?

37. What should be the limit of exemption, if any, for ordinary consumers?

38. Should there be exemption for small generating plants? If so, of what capacity?

39. Should there be exemption for newly-formed undertakings for some period of time? If so, for what period?

40. Should the electricity tax be levied on the consumption of energy supplied by the Mandi Hydro-Electric Scheme?

What would be the reactions of such imposition on the financial prospects of that scheme?

#### *Sales Tax.*

41. Do you consider a sales tax a feasible method of raising revenue in the Province? What objections, if any, have you against such a tax?

42. What scope would you prescribe for a sales tax? In particular, should the tax be limited to sales of material commodities, or should it extend to services as well?

43. If it should extend to services, should it be imposed on the sale of the services of—

- (i) private individuals, like doctors, lawyers, etc.,
- (ii) public utility concerns, like water and electric supply, etc.,
- (iii) commercial corporations, like transport companies, besides concerns providing amusement, sport, entertainment, etc.,
- (iv) State monopoly services, such as telegraph, and railways?

44. If it should not extend to services and should be limited to sales of material commodities, should it be imposed on—

- (i) wholesale sales,
- (ii) retail sales,
- (iii) both,
- (iv) each and every sale, i.e., turnover?

45. Should the tax be imposed on sales of—

- (i) all commodities,
- (ii) specified commodities,
- (iii) all commodities except those specifically exempt?

46. Would you include all sales in the provinces? Or would you include only sales in the towns and exclude sales in the villages from the operation of the tax? How would you define a 'village' or a 'town'?

47. If the tax should be levied on retail sales, would you extend it to all retailers, large and small, inside a given area? Or, would you exempt from taxation sales by retailers with an aggregate retail turnover below a certain minimum?

48. In some western countries which have a sales tax, statutory accountancy is a great help for obtaining accurate returns. Is it practicable and desirable to make returns of—

- (a) all transactions,
  - (b) total daily takings or sales,
- compulsory for—

- (i) large retailers,
- (ii) small retailers?

49. The small retailer generally keeps no accounts. There are two possible methods of assessing him—

- (i) accepting the retailer's declaration about aggregate sales, as in France,
- (ii) making an official estimate of total turnover based on such general indices as may be available.

Which would you prefer?

*Taxation of betting and gambling.*

50. Do you agree generally that betting and gambling are suitable objects of taxation?

51. What would be the best form of levying a tax on betting and gambling in this province? In particular do you favour taxation of race-course betting in the Punjab? In what form? At what rate? Could you give some idea as to the probable yield of such a tax?

Do you think the taxation of lottery tickets is (a) desirable, (b) practicable? Which of the other forms of organised betting could suitably be included within the scope of betting taxation? Newspaper competitions? Gaming at carnivals? Any other?

52. Public gambling (except lotteries and race-course betting) is prohibited under existing law. Illicit gambling is, however, probably rife. Would you advocate the removal of prohibition and a system of licensing of gambling by means of a heavy licence fee, as a means of adding to Government revenues?

53. Would you favour the running of a public lottery by the Government to replace the numerous private lotteries, in order to finance its programme of beneficent nation-building activity?

*Taxation of Inheritance or succession.*

54. Taxation of property transferred at death is a feature of tax systems in most modern communities. Would you favour the adoption of some system of death duties in the Punjab at the present moment?

55. Do you anticipate that the operation of death duties in the Punjab would seriously affect savings?

56. Taxes of this kind may be graduated on any of three principles; they may vary with the size of the estate left, with the degree of relationship of those who inherit the property to the testator or with the amount inherited by each individual heir. Would any or all these methods be practicable in this province? If not, could you suggest any other method?

57. The following ways have been suggested for meeting the difficulties arising out of the joint family system:—

- (a) to apply the tax to the share of the deceased;
- (b) to tax the whole property of the family on the demise of each managing member;
- (c) to make an annual or periodical levy similar to that made in Europe, in the case of continuing corporations, *e.g.*, by the English Corporation Duty, or the now repealed Increment Value Duty.

Do you consider any of these to be appropriate, or can you suggest any other?

*Note.*—The Indian Taxation Enquiry Commission favoured the first method.

58. In England the duty is levied on all estates in excess of £100. Where would you fix the exemption limit in the case of the Punjab?

59. What difficulties in practical working of the tax do you anticipate from the fixation of an exemption limit?

60. Would you collect a succession duty by making the grant of probate conditional upon the payment of the succession duty, and at the time of such grant; or would you collect such duty without reference to the procedure for probate?

61. Under the Government of India Act duties on succession to agricultural land are assigned to, and shall be levied and collected by, the Provincial Governments, while duties on succession to property other than agricultural land, also assigned to the provinces, shall be levied and collected by the Federation. In view of the latter provision, would you have the taxation of succession to agricultural land by the Provincial Government postponed until such time as the Government of India decide, either of their own will or on request by provincial Governments, to impose a tax on succession to non-agricultural property?

*Taxation of increment of land values.*

62. Would you advocate a provincial tax on the increment of land values in urban areas? In view of the opinion of the Taxation Enquiry Committee that such a tax could not be made retrospective, *i. e.*, could not equitably be imposed on past increments of value, which past and not present owners may have enjoyed, would you favour a tax on future increments of value?

*Registration of marriages.*

63. Would you favour the institution of a system of compulsory registration of marriages on payment of a fee ?

64. Would you levy the fee at a flat rate or on some roughly graduated scale ? What fee or scale of fees would you suggest ?

*Taxation of professions.*

65. Would you recommend the levy of a tax on any trade, occupation, calling, or profession by the Provincial Government ?

*Taxation of consumption.*

66. In case a general sales tax were not imposed, would you recommend the levy of a consumption tax on any of the following articles :—

Aerated waters.	Ice.
Bicycles and Tricycles.	Jewellery.
Cartridges, firearms or gun-powder.	Patent medicines.
Cigarettes.	Perfumery.
Chocolates.	Photographic apparatus.
Coffee.	Playing cards.
Cotton goods, mill-made ; all or above a certain price per yard.	Radio equipment.
Crude oil.	Soap.
Electric power.	Silk goods.
Electric goods.	Sports goods.
Gramophone records.	Tea.
	Toilet articles.
	Vegetable ghee.

*Miscellaneous.*

67. What other suggestions for improving the resources of the province have you to offer ?



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**APPENDIX E.**

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APPEN  
Ex

## STATEMENT SHOWING THE RATES OF EXCISE DUTY ON V.

Name of province.	Beer per gallon.	Country spirit per L. P. gallon.
1	2	3
	Rs. A. P.	Rs. A. P.
Punjab .. .. .	0 12 0	6 4 0
Madras .. .. .	0 10 0	Country 0-5-0 to 12-14-0 per proof gallon. Spiced; 0-18-0 to 12-14-0 per proof gallon.
Bombay .. .. .	0 10 0	2-4-0 to 8-7-0 per 25° U. P. .. 2-8-0 to 7-14-0 per 30° U. P. 1-11-0 to 7-12-0 per 40° U. P. 1-0-0 to 5-0-0 per 60° U. P.
Sind .. .. .	0 10 0	6-4-0 per 40° U. P. 8-0-0 per 25° U. P. 9-0-0 per 15° U. P. ..
Bengal .. .. .	0 12 0 to 1 0 0	0-3-3 to 10-9-3 per Imperial gallon ..
United Provinces .. .. .	0 12 0	Spiced spirit 11-4-0 per 28° U. P. .. 1-8-0 to 8-13-0 per 36° U. P. 2-7-0 to 5-12-0 per 50° U. P.
Bihar .. .. .	0 8 0	..
Orissa .. .. .	0 8 0	1-4-0 to 8-0-0 ..
Central Provinces .. .. .	0 12 0 to 1 0 0	1-6-0 to 7-3-6 per 45° U. P. .. 1-6-0 to 5-4-0 per 60° U. P.
Assam .. .. .	..	4-8-0 ..
North-West Frontier Province .. .. .	0 12 0	Ncl manufactured in the province, the duty is levied at the rates prevailing in the province.

(a) Issue

(b) Duty.

(c) Cost (throughout)

Duty.

## DUS ARTICLES IN THE DIFFERENT PROVINCES.

Indian made Foreign spirit per L. F. gallon.	Opium per seer.	Charea per seer.	Bhang per seer.	Ganja per seer.
4	5	6.	7	8
Rs. A. P.	Rs. A. P.	Rs. A. P.	Rs. A. P.	Rs. A. P.
17 8 0	(a)80 0 0 (b)60 12 0 (c)19 4 0	40 0 0	10 0 0 per maund.	--
21 14 0	(a)85 0 0 (b)65 12 0	55 0 0	13 8 0	27 8 0
25 10 0	(a)75 0 0 (b)55 12 0	45 0 0	4 0 0	30 0 0
--	(a)79 4 0 (b)59 4 0 (c)40 0 0	40 0 0	1 8 0	25 0 0
21 14 0	(a)91 0 0 (b)71 13 0	62 0 0 and 63 0 0	3 8 0	42 10 0
21 14 0	(a)110 0 0 (b) 90 13 0	76 8 0 to 77 13 0	3 0 0 to 2 4 0	55 0 0 to 55 4 0
21 14 0	(a)90 0 0 (b)70 13 0	--	2 0 0 to 3 0 0	30 0 0 to 40 0 0
21 14 0	(a)80 0 0 (b)70 13 0	--	3 0 0 to 12 8 0	39 0 0 to 40 0 0
--	(a)90 0 0 (b)70 13 0 (c) 0 0 0	56 0 0	(b)7 0 0 (c) 2 0 0	(b)37 8 0 (c) 2 8 0 3 0 0
24 6 0	(a)85 5 0 (b)76 1 0	Not in use	0 8 0	22 6 0
--	(a)70 0 0 (b)59 13 0	40 0 0	10 0 0 per maund.	--

Price.

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**APPENDIX F.**

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## APPENDIX F.

### Stamp Duties.

COMPARATIVE STATEMENT SHOWING RATES OF STAMP DUTIES LEVIED ON VARIOUS KINDS OF INSTRUMENTS  
IN DIFFERENT PROVINCES OF INDIA.

Serial No. of articles according to Schedule I of the Stamp Act.	Description of instrument.	RATES OF DUTIES.							REMARKS.
		Bombay.	Bengal.	Madras.	United Provinces.	Central Provinces.	Bihar.	Punjab.	
1	2	3							4
		Rs. A. P.	Rs. A. P.	Rs. A. P.	Rs. A. P.	Rs. A. P.	Rs. A. P.	Rs. A. P.	
3	Adoption-deed, that is to say, any instrument (other than a will) recording an adoption or conferring or purporting to confer an authority to adopt.	20 0 0	20 0 0	15 0 0	20 0 0	20 0 0	20 0 0	20 0 0	In the rest of British India, except Assam, the duty is Rs. 10.
4	Affidavit, including an affirmation or declaration in the case of persons by law allowed to affirm or declare instead of swearing.	2 0 0	2 0 0	2 0 0	2 0 0	2 0 0	2 0 0	2 0 0	In the rest of British India, except Assam, the duty is Rs. 1.
5	Agreement or memorandum of an agreement—								

CCS

(a) if relating to the sale of a bill of exchange.	0 4 0	0 3 0	0 3 0	0 3 0	0 3 0	0 3 0	0 4 0	In the rest of British India, except Assam, the duty is Re. 0-2-0.
(b) if relating to the sale of Government security or share in an incorporated company or other body corporate.	Subject to a maximum of Rs. 20, two annas for every 10,000 or part thereof of the value of the security or share.	Subject to a maximum of Rs. 15, one and a half annas for every Re. 10,000 or part thereof of the value of the security or share.					Subject to a maximum of Rs. 15, two annas for every 10,000 or part thereof of the value of the security or share.	In the rest of British India, except Assam, the duty is subject to a maximum of ten rupees, one anna for every 10,000 or part thereof of the value of the security or share.
(c) Not otherwise provided for.	1 0 0	0 12 0	0 12 0	0 12 0	0 12 0	0 12 0	1 0 0	In the rest of British India, except Assam, the duty is Re. 0-8-0.
6 Agreement relating to deposit of title deeds, pawn or pledge, that is to say, any instrument evidencing an agreement relating to—								
(1) the deposit of title deeds or instruments constituting or being evidence of the title to any property whatever (other than a marketable security); or	--	--	--	--	--	--	--	

APPENDIX F—CONTINUED.

Stamp Duties—continued.

COMPARATIVE STATEMENT SHOWING RATES OF STAMP DUTIES LEVIED ON VARIOUS KINDS OF INSTRUMENTS IN DIFFERENT PROVINCES OF INDIA—CONTINUED.

Serial No. of articles according to Schedule I of the Stamp Act.	Description of instrument.	RATES OF DUTIES.							REMARKS.	
		Bombay.	Bengal.	Madras.	United Provinces.	Central Provinces.	Bihar.	Punjab.		
1	2	3							4	
		Rs. A. P.	Rs. A. P.	Rs. A. P.	Rs. A. P.	Rs. A. P.	Rs. A. P.	Rs. A. P.		
6— contd.	(2) the pawn or pledge of movable property, where such deposit, pawn or pledge has been made by way of security for the payment of money advanced or to be advanced by way of loan or an existing or future debt—  (a) if such loan or debt is repayable on demand or more than 3 months from the date of the instrument evidencing the agreement:—	The same duty as a bill of exchange No. 13 (b) for the amount secured.	If drawn singly.  Each part of set of two.	Each part of set of three.	If drawn singly.  Each part of set of two.	Each part of set of three.	The same duty as a bill of exchange No. 13 (b) for the amount secured.	..	The same duty as in Bengal and Madras.	In the rest of British India, except Assam, the same duty as a bill of exchange (No. 13) (b) for the amount secured.





APPENDIX F—CONTINUED.

Stamp Duties—continued.

COMPARATIVE STATEMENT SHOWING RATES OF STAMP DUTIES LEVIED ON VARIOUS KINDS OF INSTRUMENTS  
IN DIFFERENT PROVINCES OF INDIA—CONTINUED.

Serial No. of articles according to Schedule I of the Stamp Act.	Description of instrument.	RATES OF DUTIES.							REMARKS.
		Bombay.	Bengal.	Madras.	United Provinces.	Central Provinces.	Bihar.	Punjab.	
1	2	3							4
		Rs. A. P.	Rs. A. P.	Rs. A. P.	Rs. A. P.	Rs. A. P.	Rs. A. P.	Rs. A. P.	
4— concl'd.	When it exceeds Ra. 7,500 but does not exceed Ra. 10,000.	..	13 8 0   6 12 0	4 8 0   12 0 0	6 0 0   4 0 0	Bengal.	..	..	
	When it exceeds Ra. 10,000 but does not exceed Ra. 15,000.	..	20 4 0   10 2 0	6 12 0   18 0 0	9 0 0   6 0 0	Bengal.	..	..	
	When it exceeds Ra. 15,000 but does not exceed Ra. 20,000.	..	27 0 0   13 8 0	9 0 0   24 0 0	12 0 0   8 0 0	in	..	..	
	When it exceeds Ra. 20,000 but does not exceed Ra. 25,000.	..	33 12 0   18 14 0	11 4 0   30 0 0	15 0 0   10 0 0		..	..	
	When it exceeds Ra. 25,000 but does not exceed Ra. 30,000.	..	40 8 0   20 4 0	13 8 0   36 0 0	18 0 0   12 0 0	As	..	..	

for every additional Rs. 10,000 or part thereof in excess of Rs. 20,000.	13	8	0	6	12	0	4	8	0	12	0	0	6	0	0	4	0	0																																																																																																																														
(b) if such loan or debt is re-payable not more than 3 months from the date of such instrument.	Half the duty payable on a bill of exchange No. 13 (b) for the amount secured.																		Half the duty on a loan or debt under clause (a) (i) or (a) (ii) for the whole amount secured.																		Half the duty payable on a loan or debt not exceeding Rs. 100, under clause (a) (i) or clause (a) (ii) for the amount secured.																		The same duty as in Bombay.																		Half the duty payable on a loan or debt not exceeding Rs. 100, under clause (a) (i) or clause (a) (ii) for the amount secured.																		The same duty as in Bengal, Madras and United Provinces.																		In the rest of the British India, except Assam, half the duty payable on a bill of exchange No. 13 (a) for the amount secured.																																			
Apprenticeship deed, including every writing relating to the service or tuition of any apprentice, clerk or servant, placed with any master to learn any profession, trade or employment, not being articles of clerkship (No. 11).	10																		7 8 0																		7 8 0																		7 8 0																		7 8 0																		7 8 0																		5 0 0																		In the rest of British India, except Assam, Rs. 5.																	
Articles of Association of a Company.	(a) Where the company has no share capital or the nominal share capital does not exceed Rs. 2,500, Rs. 25.																		50 0 0																		50 0 0																		50 0 0																		50 0 0																		50 0 0																		(a) Where the authorised share capital does not exceed Rs. 1,00,000, Rs. 25.																		In the rest of British India, except Assam, Rs. 25.																	

**APPENDIX F—CONTINUED.**

**Stamp Duties—continued.**

COMPARATIVE STATEMENT SHOWING RATES OF STAMP DUTIES LEVIED ON VARIOUS KINDS OF INSTRUMENTS  
IN DIFFERENT PROVINCES OF INDIA—CONTINUED.

Serial No. of articles according to Schedule I of the Stamp Act.	Description of instrument.	RATES OF DUTIES.						REMARKS.
		Bombay.	Bengal.	Madras.	United Provinces.	Central Provinces.	Bihar.	
1	2	3						4
		Rs. A. P.	Rs. A. P.	Rs. A. P.	Rs. A. P.	Rs. A. P.	Rs. A. P.	Rs. A. P.
10— omitted.		(b) Where the nominal share capital exceeds Rs. 2,500 but does not exceed Rs. 1,00,000, Rs. 50. (c) Where the nominal share capital exceeds Rs. 1,00,000, Rs. 100.						(5) In any other case, Rs. 50.
12	Award, that is to say, any decision in writing by an arbitrator or umpire not being an award directing a partition, on a refer-							

<p>once made otherwise than by an order of the court in the course of a suit—</p> <p>(c) when the amount or value of the property to which the award relates as set forth in such award does not exceed Ra. 1,000.</p>	<p>(a) and (b) The same duty as a bond (No. 18) for the amount or value of the property to which the award relates as set forth in such award subject to a maximum of Ra. 20.</p>	<p>The same duty as a bond (No. 16) for such amount.</p>	<p>The same duty as a Bottomry Bond (No. 16) for such amount.</p>	<p>The same duty as a bond (No. 16) for such amount.</p>				<p>In the rest of British India the same duty as a Bond (No. 16) for such amount.</p>
<p>(b) in any other case</p>		<p>If it exceeds Ra. 1,000 but does not exceed Ra. 5,000, Ra. 0-7-8. And for every additional Ra. 1,000 or part thereof in excess of Ra. 5,000, 8 annas, subject to a maximum of Ra. 50.</p>	<p>If it exceeds Ra. 1,000 but does not exceed Ra. 5,000, Ra. 10. And for every additional Ra. 1,000 or part thereof in excess of Ra. 5,000, 8 annas, subject to a maximum of Ra. 50.</p>	<p>If it exceeds Ra. 1,000 but does not exceed Ra. 5,000, Ra. 6-7-8. In any other case Ra. 10.</p>	<p>7 8 0 and for every additional Ra. 1,000 or part thereof in excess of Ra. 5,000, Ra. 0-8-0 subject to a maximum of Ra. 50-2-0.</p>	<p>As in Punjab.</p>	<p>If it exceeds Ra. 1,000 but does not exceed Ra. 5,000, Ra. 7-8-0. And for every additional Ra. 1,000 or part thereof in excess of Ra. 5,000, Ra. 0-8-0 subject to a maximum of Ra. 50.</p>	<p>In rest of British India, except Assam, Ra. 5.</p>

APPENDIX F—continued.

Stamp Duties—continued.

COMPARATIVE STATEMENT SHOWING RATES OF STAMP DUTIES LEVIED ON VARIOUS KINDS OF INSTRUMENTS IN DIFFERENT PROVINCES OF INDIA—CONTINUED.

Serial No. of articles according to Schedule I of the Stamp Act.	Description of instrument.	RATES OF DUTIES.							REMARKS.
		Bombay.	Bengal.	Madras.	United Provinces.	Central Provinces.	Bihar.	Punjab.	
1	2	3							4
12— concl.	(c) if it exceeds Ra. 5,000 for every additional Ra. 1,000 or part thereof in excess of Ra. 5,000.	Rs. A. P. ..	Rs. A. P. ..	Rs. A. P. ..	Rs. A. P. 0 8 0	Rs. A. P. ..	Rs. A. P. ..	Rs. A. P. ..	
16	Bond as defined by section 2 (5) not being a debenture No. (27) and not being otherwise provided for by this Act, or by the Court Fees Act, 1870— When the amount or value secured does not exceed Ra. 10	0 2 0	0 2 0	0 2 0	0 2 0	0 2 0	0 2 0	0 2 0	In rest of British India— Rs. A. P. 0 2 0 0 4 0
	When it exceeds Ra. 10 but does not exceed Ra. 50.	0 4 0	0 4 0	0 4 0	0 4 0	0 4 0	0 4 0	0 4 0	
	When it exceeds Ra. 50 but does not exceed Ra. 100.	0 8 0	0 8 0	0 8 0	0 8 0	0 8 0	0 10 0	0 8 0	

When it exceeds Rs. 100 but does not exceed Rs. 200.	1 0 0	1 0 0	1 4 0	1 10 0	1 4 0	1 4 0	1 0 0	1 0 0
When it exceeds Rs. 200 but does not exceed Rs. 300.	2 4 0	1 14 0	1 14 0	2 14 0	2 4 0	2 4 0	1 14 0	In rest of British India, except Assam— Rs. A. P. 1 8 0
When it exceeds Rs. 300 but does not exceed Rs. 400.	3 0 0	2 8 0	2 8 0	2 14 0	3 0 0	3 0 0	2 8 0	2 0 0
When it exceeds Rs. 400 but does not exceed Rs. 500.	3 1 0	3 2 0	3 2 0	4 8 0	3 12 0	3 12 0	3 2 0	2 8 0
When it exceeds Rs. 500 but does not exceed Rs. 600.	4 8 0	4 8 0	4 8 0	5 4 0	4 8 0	4 8 0	4 8 0	3 0 0
When it exceeds Rs. 600 but does not exceed Rs. 700.	5 4 0	5 4 0	5 4 0	6 0 0	5 4 0	5 4 0	5 4 0	3 8 0
When it exceeds Rs. 700 but does not exceed Rs. 800.	6 0 0	6 0 0	6 0 0	6 12 0	6 0 0	6 0 0	6 0 0	4 0 0
When it exceeds Rs. 800 but does not exceed Rs. 900.	6 12 0	6 12 0	6 12 0	7 8 0	6 12 0	6 12 0	6 12 0	4 8 0
When it exceeds Rs. 900 but does not exceed Rs. 1,000.	7 8 0	7 8 0	7 8 0	7 8 0	7 8 0	7 8 0	7 8 0	5 0 0
and for every Rs. 500 or part thereof in excess of Rs. 1,000.	8 12 0	3 12 0	3 12 0	3 4 0	3 12 0	3 12 0	3 12 0	2 8 0

**APPENDIX F—continued.**

**Stamp Duties—continued.**

**COMPARATIVE STATEMENT SHOWING RATES OF STAMP DUTIES LEVIED ON VARIOUS KINDS OF INSTRUMENTS  
IN DIFFERENT PROVINCES OF INDIA—continued.**

Serial No. of act, as according to Schedule I of the Stamp Act.	Description of instrument.	RATES OF DUTIES.						REMARKS.	
		Bombay.	Bengal.	Madras.	United Provinces.	Central Provinces.	Bihar.		Punjab.
1	2	3						4	
		Rs. A. P.	Rs. A. P.	Rs. A. P.	Rs. A. P.	Rs. A. P.	Rs. A. P.		
16	Bottomry Bond, that is to say, any instrument whereby the master of a sea-going ship borrows money on the security of the ship to enable him to preserve the ship or prosecute her voyage.	The same duty as a bond (No. 15) for the same amount.	When the amount or value secured does not exceed Rs. 10.  Where it exceeds Rs. 10 and does not exceed Rs. 50. Where it exceeds Rs. 50 and does not exceed Rs. 100. Where it exceeds Rs. 100 and does not exceed Rs. 200. Where it exceeds Rs. 200 and does not exceed Rs. 300. Where it exceeds Rs. 300 and does not exceed Rs. 400.	0 3 0  0 6 0 0 12 0 1 8 0 2 4 0 3 0 0	The same duty as a Bond No. (15) for the same amount.			The same duty as in Bengal and Madras.	In the rest of British India except Assam, the same duty as on a bond (No. 15) for the same amount.

18 Certificate of sale (in respect of each property put up as a separate lot and sold) granted to the purchaser of any property sold by public auction by a civil or revenue court, or Collector or other Revenue Officer :—

- (a) Where the purchase money does not exceed Rs. 10.  
 (b) Where the purchase money exceeds Rs. 10 but does not exceed Rs. 25.  
 (c) In any other case

The same duty as a conveyance (No. 23) for a consideration equal to the amount of the purchase money.

Where it exceeds Rs. 400 3 12 0  
 and does not exceed  
 Rs. 500.  
 Where it exceeds Rs. 500 4 8 0  
 and does not exceed  
 Rs. 600.  
 Where it exceeds Rs. 600 5 4 0  
 and does not exceed  
 Rs. 700.  
 Where it exceeds Rs. 700 6 0 0  
 and does not exceed  
 Rs. 800.  
 Where it exceeds Rs. 800 6 12 0  
 and does not exceed  
 Rs. 900.  
 Where it exceeds Rs. 900 7 8 0  
 and does not exceed  
 Rs. 1,000.  
 And for every Rs. 500 3 12 0  
 or part thereof in excess  
 of Rs. 1,000.

0 4 0	0 8 0	0 3 0	0 2 0	0 3 0	0 3 0	0 3 0	0 2 0
0 8 0	0 6 0	0 6 0	0 4 0	0 6 0	0 6 0	0 6 0	0 4 0

In the rest of  
 British India  
 except Assam.—

Rs. A. P.



APPENDIX F—continued.

Stamp Duties—continued.

COMPARATIVE STATEMENT SHOWING RATES OF STAMP DUTIES LEVIED ON VARIOUS KINDS OF INSTRUMENTS  
IN DIFFERENT PROVINCES OF INDIA—CONTINUED.

Serial No. of articles according to Schedule I of the Stamp Act.	Description of instrument.	RATES OF DUTIES.							REMARKS.
		Bombay.	Bengal.	Madras.	United Provinces.	Central Provinces.	Bihar.	Ponjab.	
1	2	3							4
		Rs. A. P.	Rs. A. P.	Rs. A. P.	Rs. A. P.	Rs. A. P.	Rs. A. P.	Rs. A. P.	
22	Composition-Deed, that is to say, any instrument executed by a debtor whereby he conveys his property for the benefit of his creditors, or whereby payment of a Composition or dividend on their debts is secured to the creditors, or whereby provision is made for the continuance of the debtor's business, under the supervision of Inspectors or under letters of license, for the benefit of his creditors.	20 0 0.	12 8 0	15 0 0	12 8 0	15 0 0	15 0 0	12 8 0	In the rest of British India except Assam.— Rs. A. P. 10 0 0

Conveyance, as defined by section 2 (10), not being a transfer charged or exempted under No. 62—									In the rest of British India—
									except Assam— Rs. A. P.
Where the amount or value of the consideration for such conveyance as set forth therein does not exceed Rs. 50.	0 8 0	0 12 0	0 12 0	0 8 0	0 12 0	0 12 0	0 12 0	0 12 0	0 8 0
Where it exceeds Rs. 50 but does not exceed Rs. 100.	1 0 0	1 8 0	1 8 0	1 0 0	1 8 0	1 8 0	1 8 0	1 8 0	1 0 0
Where it exceeds Rs. 100 but does not exceed Rs. 200.	2 0 0	3 0 0	3 0 0	3 4 0	3 0 0	3 0 0	3 0 0	3 0 0	2 0 0
Where it exceeds Rs. 200 but does not exceed Rs. 300.	4 8 0	4 8 0	4 8 0	4 8 0	4 8 0	4 8 0	4 8 0	4 8 0	3 0 0
Where it exceeds Rs. 300 but does not exceed Rs. 400.	6 0 0	6 0 0	6 0 0	5 12 0	6 0 0	6 0 0	6 0 0	6 0 0	4 0 0
Where it exceeds Rs. 400 but does not exceed Rs. 500.	7 8 0	7 8 0	7 8 0	9 0 0	7 8 0	7 8 0	7 8 0	7 8 0	5 0 0
Where it exceeds Rs. 500 but does not exceed Rs. 600.	9 0 0	9 0 0	9 0 0	10 8 0	9 0 0	9 0 0	9 0 0	9 0 0	6 0 0
Where it exceeds Rs. 600 but does not exceed Rs. 700.	10 8 0	10 8 0	10 8 0	12 0 0	10 8 0	10 8 0	10 8 0	10 8 0	7 0 0
Where it exceeds Rs. 700 but does not exceed Rs. 800.	12 0 0	12 0 0	12 0 0	13 8 0	12 0 0	12 0 0	12 0 0	12 0 0	8 0 0
Where it exceeds Rs. 800 but does not exceed Rs. 900.	13 8 0	13 8 0	13 8 0	15 0 0	13 8 0	13 8 0	13 8 0	13 8 0	9 0 0
Where it exceeds Rs. 900 but does not exceed Rs. 1,000.	15 0 0	15 0 0	15 0 0	15 0 0	..	15 0 0	15 0 0	15 0 0	10 0 0
and for every Rs. 500 or part thereof in excess of Rs. 1,000.	7 8 0	7 8 0	7 8 0	6 8 0	7 8 0	7 8 0	7 8 0	7 8 0	5 0 0

APPENDIX F—continued.

Stamp Duties—continued.

COMPARATIVE STATEMENT SHOWING RATES OF STAMP DUTIES LEVIED ON VARIOUS KINDS OF INSTRUMENTS  
IN DIFFERENT PROVINCES OF INDIA—CONTINUED.

Serial No. of articles according to Schedule I of the Stamp Act.	Description of instrument.	RATES OF DUTIES.							REMARKS.
		Bombay.	Bengal.	Madras.	United Provinces.	Central Provinces.	Bihar.	Punjab.	
1	2	3							4
		Rs. A. P.	Rs. A. P.	Rs. A. P.	Rs. A. P.	Rs. A. P.	Rs. A. P.	Rs. A. P.	
25	Counter-part or duplicate of any instrument chargeable with duty and in respect of which the proper duty has been paid— (a) if the duty with which the original instrument is chargeable does not exceed one rupee. (b) in any other case not falling within the provisions of section 8-A.								
		The same duty as is payable on the original.							
32	Further charge—instrument of, that is to say, any instrument imposing a further charge on mortgaged property—	2 0 0	1 8 0	1 8 0	1 8 0	1 8 0	1 8 0	1 8 0	In the rest of British India, except Assam, Rs. 1.

(a) When the original mortgage is one of the description referred to in clause (a) of the Article No. 40 (that is, with possession);

The same duty as a conveyance (No. 23) for a consideration equal to the amount of such instrument.

(b) when such mortgage is one of the description referred to in clause (b) of Article No. 40 (that is, without possession)—

(i) if at the time of execution of the instrument of further charge possession of the property is given or agreed to be given under such instrument.

The same duty as a conveyance (No. 23) for a consideration equal to the total amount of the charge (including the original mortgage and any further charge already made) less the duty already paid on such original mortgage and further charge.

(ii) if possession is not so given.

The same duty as a Bond (No. 15) for the amount of the further charge secured by such instrument.

The same duty as a Bottomry Bond (No. 16) for the amount of further charge secured by such instrument.

The same duty as a Bond (No. 15) for the amount of further charge secured by such instrument.

of con- was raised by the Punjab Stamp Act, VIII of 1922, the duty on further charge (Article 32) is still charged at the old rates given in Schedule I of the Stamp Act.

In the rest of British India the same duty as given in the previous column opposite.

APPENDIX F—continued.

Stamp Duties—continued.

COMPARATIVE STATEMENT SHOWING RATES OF STAMP DUTIES LEVIED ON VARIOUS KINDS OF INSTRUMENTS  
IN DIFFERENT PROVINCES OF INDIA—CONTINUED.

Serial No. of articles according to Schedule I of the Stamp Act.	Description of instrument.	RATES OF DUTIES.							REMARKS.
		Bombay.	Bengal.	Madras.	United Provinces.	Central Provinces.	Bihar.	Punjab.	
1	2	3							4
		Rs. A. P.	Rs. A. P.	Rs. A. P.	Rs. A. P.	Rs. A. P.	Rs. A. P.	Rs. A. P.	
35	<p>Lease, including an under lease or sub-lease and any agreement to let or sub-let—</p> <p>(a) whereby such lease the rent is fixed and no premium is paid or delivered—</p> <p>(i) where the lease purports to be for a term of less than one year.</p>	<p>The same duty as a bond (No. 15) for the whole amount payable or deliverable under such lease.</p>	<p>The same duty as a Bottomry Bond No. 16 for the whole amount payable or deliverable under such case.</p>		<p>The duty same as in Bombay shown in column 3 opposite.</p>		<p>The same duty as in Bombay.</p>	<p>The same as in Bengal and Madras shown in column 4 opposite.</p>	<p>In the rest of British India, except Assam, the same as in Bombay shown in column 3 opposite.</p>

(ii) where the lease purports to be for a term of not less than one year, but not more than three years.	The same duty as a bond (No. 15) for the amount or value of the average annual rent reserved.	..	..	..	The same duty as in Bombay shown in column 3.	..	..	In the rest of India the same duty as in Bombay shown in column 3.
(iii) where the lease purports to be for a term of not less than one year, but not more than five years.	..	The same duty as a Bottomry Bond (No. 16) for the amount or value of the average annual rent reserved.	..	The same duty as a Bond (No. 15) for the amount or value of average annual rent reserved.	..	The same duty as in the United Provinces.	The same duty as in Bengal and Madras.	In the rest of India the same duty as in Bombay shown in column 3.
(iv) where the lease purports to be for the term in excess of three years.	The same duty as a conveyance (No. 23) for a consideration equal to the amount or value of the average annual rent reserved.	..	..	..	The same duty as in Bombay shown in column 3.	..	..	In the rest of India the same duty as in Bombay shown in column 3.
(v) where the lease purports to be for a term exceeding five and not exceeding ten years.	..	The same duty as a conveyance (No. 23) for a consideration equal to the amount or value of the average annual rent reserved.	..	..	..	The same duty as in conveyance (23) for a consideration equal to the amount or value of one and a half times the average annual rent reserved.	The same duty as in Bengal, Madras and United Provinces.	..

APPENDIX F—continued.

Stamp Duties—continued.

COMPARATIVE STATEMENT SHOWING RATES OF STAMP DUTIES LEVIED ON VARIOUS KINDS OF INSTRUMENTS IN DIFFERENT PROVINCES OF INDIA—CONTINUED.

Serial No. of articles according to Schedule I of the Stamp Act.	Description of instrument.	RATES OF DUTIES.							REMARKS.
		Bombay.	Bengal.	Madras.	United Provinces.	Central Provinces.	Bihar.	Punjab.	
1	2	3							4
35— contd.		Rs. A. P.	Rs. A. P.	Rs. A. P.	Rs. A. P.	Rs. A. P.	Rs. A. P.	Rs. A. P.	
	(vi) Where the lease purports to be for a term exceeding ten years but not exceeding 20 years.	..	The same duty as a conveyance (No. 23) for consideration equal to twice the amount or value of the average annual rent reserved.				..	The same duty as a conveyance (No. 23) for consideration equal to three times the amount or value of the average annual rent reserved.	The same duty as in Bengal, Madras and United Provinces.
	(vii) Where the lease purports to be for a term exceeding 20 years but not 30 years.	..	The same duty as a conveyance (No. 23) for consideration equal to three times the amount or value of the average annual rent reserved.				..	The same duty as a conveyance (No. 23) for consideration equal to five times the	Ditto.

<p>(viii) Where the lease purports to be for a term exceeding 80 years but not exceeding 100 years.</p>	<p>..</p>	<p>The same duty as a conveyance (No. 23) for consideration equal to four times the amount or value of the average annual rent reserved.</p>	<p>..</p>	<p>..</p>	<p>..</p>	<p>amount or value of the average annual rent reserved.</p>	<p>Ditto.</p>
<p>(ix) Where the lease purports to be for a term exceeding 100 years or in perpetuity.</p>	<p>..</p>	<p>The same duty as a conveyance No. 23 for a consideration equal in the case of a lease granted only for agricultural purposes to one-tenth and in any other case to one-sixth of the whole amount of the rents which would be paid or delivered in respect of the first fifty years of the lease.</p>	<p>The same duty as a conveyance No. 23 for a consideration equal to one-sixth of the whole amount of the rents, which would be paid or delivered in respect of the first fifty years of the lease.</p>	<p>The same duty as in Bengal.</p>	<p>..</p>	<p>The same as a conveyance (No. 23) for a consideration equal to one-fourth of the whole amount of rent which would be paid or delivered in respect of the first fifty years of the lease.</p>	<p>The same duty as in Bengal.</p>



APPENDIX F—CONTINUED.

Stamp Duties—continued.

COMPARATIVE STATEMENT SHOWING RATES OF STAMP DUTIES LEVIED ON VARIOUS KINDS OF INSTRUMENTS  
IN DIFFERENT PROVINCES OF INDIA—CONTINUED.

Serial No. of articles according to Schedule I of the Stamp Act.	Description of instrument.	RATES OF DUTIES.							REMARKS.
		Bombay.	Bengal.	Madras.	United Provinces.	Central Provinces.	Bihar.	Punjab.	
1	2	3							4
		Rs. A. P.	Rs. A. P.	Rs. A. P.	Rs. A. P.	Rs. A. P.	Rs. A. P.	Rs. A. P.	
38— contd.	(r) Where the lease does not purport to be for any definite term.	The same duty as a conveyance (No. 23) for a consideration equal to the amount or the value of the average annual rent which would be paid or delivered for the first ten years if the lease continued so long.	The same duty as a conveyance (No. 23) for a consideration equal to three times the amount or value of the average rent which would be paid or delivered for the first ten years if the lease continued so long.			The same duty as in Bombay.	The same duty as in Madras, Bengal, United Provinces, and Punjab.	The same duty as in Bengal, Madras and United Provinces.	In the rest of British India, except Assam, the same duty as in Bombay.

<p>(r) Where the lease purports to be in perpetuity.</p>	<p>The same duty as a conveyance (No. 23) for a consideration equal to one-fifth of the whole amount of rent which would be paid or delivered in respect of the first fifty years of the lease.</p>				<p>The same duty as in Bombay.</p>		<p>In the rest of British India, except Assam, the same duty as in Bombay.</p>
<p>(b) Where the lease is granted for a fine or premium or for money advanced and where no rent is reserved.</p>	<p>The same duty as a conveyance (No. 23) for a consideration equal to the amount or value of such fine or premium or advance as set forth in the lease.</p>	<p>The same duty as in Bombay shown in column opposite.</p>					<p>Ditto.</p>



	or - ad- vance had been paid or deliver- ed: Pro- vided that in any case when an agreement to lease is stamped with the <i>ad valorem</i> stamp re- quired for a lease and a lease in pursuance of such ag- reement is subsequent- ly execut- ed, the duty on such lease shall not exceed one rupee.									
29	Memorandum of asso- ciation of company— (a) If accompanied by articles of associa- tion under section 37 of the Indian Companies Act, 1882 (now Act VII of 1913).	30 0 0	30 0 0	30 0 0	30 0 0	30 0 0	30 0 0	30 0 0	30 0 0	In rest of British India, except Assam, North-West Frontier and Delhi Pro- vinces, Rs. 15.
	(b) If not so accom- panied.	30 0 0	30 0 0	30 0 0	30 0 0	30 0 0	30 0 0	30 0 0	30 0 0	In rest of British India, except Assam, North-West Frontier and Delhi Pro- vinces, Rs. 40.

**APPENDIX F—CONTINUED.**

**Stamp Duties—continued.**

**COMPARATIVE STATEMENT SHOWING RATES OF STAMP DUTIES LEVIED ON VARIOUS KINDS OF INSTRUMENTS.  
IN DIFFERENT PROVINCES OF INDIA.**

Serial No. of article according to Schedule I of the Stamp Act.	Description of instrument.	RATES OF DUTIES.							REMARKS.
		Bombay.	Bengal.	Madras.	United Provinces.	Central Provinces.	Bihar.	Punjab.	
1	2	3							4
		Rs. A. P.	Rs. A. P.	Rs. A. P.	Rs. A. P.	Rs. A. P.	Rs. A. P.	Rs. A. P.	
40	<p>Mortgage deed, not being an agreement relating to deposits of title-deeds, pawn or Pledge (No. 6) Bottomry Bond (No. 16), mortgage of a crop (No. 41), Respondentia Bond (No. 50), or Security Bond (No. 57)—</p> <p>(a) When possession of the property or any part of the property comprised in such deed is given by the mortgagor or agreed to be given.</p>								<p>Though in the Punjab the duty on deeds of conveyance was raised by the Punjab Stamp Act, VIII of 1922, the duty on mortgage-</p>
		The same duty as a conveyance (No. 23) for a consideration equal to the amount secured by such deed.							
		deeds (Article 40 (a)) is still charged at the old rates given in Schedule I of the Stamp Act. The question of raising duty on the mortgage-deeds (Article 40 (a)) is being considered separately.							

(b) When possession is not given and agreed to be given as aforesaid.	The same duty as a Bond (No. 15) for the amount secured by such deed.		The same duty as a Bottomry Bond (No. 16) for the amount secured by such deed.	The same duty as a Bond (No. 15) for the amount secured by such deed.				In the rest of British India, except Assam, the same duty as in United Provinces, Central Provinces and Punjab.
(c) When a collateral or auxiliary or additional or substituted security, or by way of further assurance for the above-mentioned purpose where the principal or primary security is duly stamped:								In the rest of British India, except Assam, the same duty as in United Provinces, Central Provinces and Punjab, Re. 0-8-0.
For every sum secured not exceeding Rs. 1,000.	1 0 0	0 12 0	0 12 0	0 12 0	0 12 0	0 12 0	0 12 0	
And for every 1,000 or part thereof secured in excess of Rs. 1,000.	1 0 0 (subject to a maximum of Rs. 20).	0 12 0 (subject to a maximum of Rs. 10).	0 12 0 (subject to a maximum of Rs. 15).	0 12 0	0 12 0	0 12 0	0 12 0 (subject to a maximum of Rs. 15).	In the rest of British India, except Assam, 8 annas.
46 Partnership—								
A—Instrument of—								
(a) Where the capital of the partnership does not exceed Rs. 500.	5 0 0	5 0 0	5 0 0	3 12 0	5 0 0	5 0 0	2 8 0	In the rest of British India, except Assam, Rs. 2-8-0

**APPENDIX F—CONTINUED.**  
**Stamp Duties—continued.**

COMPARATIVE STATEMENT SHOWING RATES OF STAMP DUTIES LEVIED ON VARIOUS KINDS OF INSTRUMENTS  
IN DIFFERENT PROVINCES OF INDIA—CONTINUED.

Serial No. of articles according to Schedule I of the Stamp Act.	Description of instrument.	RATES OF DUTIES.							REMARKS.
		Bombay.	Bengal.	Madras.	United Provinces.	Central Provinces.	Bihar.	Punjab.	
1	2	3							4
		Rs. A. P.	Rs. A. P.	Rs. A. P.	Rs. A. P.	Rs. A. P.	Rs. A. P.	Rs. A. P.	
46— contd.	(b) In any other case	20 0 0	20 0 0	20 0 0	(b) Where the capital exceeds Rs. 500, but does not exceed Rs. 1,000, Rs. 7-8-0. (c) In any other case, Rs. 15.	20 0 0	20 0 0	10 0 0	In the rest of British India, except Assam, Rs. 10.
48	Power of Attorney (as defined by section 2 (21)), not being a proxy (No. 52)— (a) When executed for the sole purpose of procuring the registration of one or more documents in relation to a single transaction or for admitting execution of one or more	1 0 0	0 12 0	0 12 0	0 8 0	0 12 0	0 12 0	1 0 0	In the rest of British India, except Assam, Rs. 0-8-0.

(b) When required in suits or proceedings under the Presidency Small Causes Courts Act, 1882.	1 0 0	1 0 0	0 12 0	0 8 0	0 12 0	0 12 0	1 0 0	In the rest of British India, except Assam, Re. 0-8-0
(c) When authorising one person or more to act in a single transaction other than the case mentioned in clause (a).	2 0 0	1 8 0	1 8 0	1 0 0	1 8 0	1 8 0	2 0 0	In the rest of British India, except Assam, Re. 1.
(d) When authorising not more than five persons to act jointly and severally in more than one transaction or generally.	10 0 0	7 8 0	7 8 0	5 0 0	7 8 0	7 8 0	10 0 0	In the rest of British India, except Assam, Rs. 5.
(e) When authorising more than five but not more than ten persons to act jointly and severally in more than one transaction or generally.	20 0 0	15 0 0	15 0 0	10 0 0	15 0 0	15 0 0	20 0 0	In the rest of British India, except Assam, Re. 10.
(f) When given for consideration and authorising the attorney to sell any immovable property.	The same duty as a conveyance (No. 23) for the amount of the consideration conveyance.							
(g) In any other case	2 0 0 for each person authorised.	1 8 0 for each person authorised.	1 8 0 for each person authorised.	1 0 0 for each person authorised.	1 8 0 for each person authorised.	1 8 0	2 0 0 for each person authorised.	Re. 1 for each person authorised.



**APPENDIX F—CONTINUED.**

**Stamp Duties—continued.**

COMPARATIVE STATEMENT SHOWING RATES OF STAMP DUTIES LEVIED ON VARIOUS KINDS OF INSTRUMENTS  
IN DIFFERENT PROVINCES OF INDIA—CONTINUED.

Serial No. of acts, etc. according to Schedule I of the Stamp Act.	Description of instrument.	RATES OF DUTIES.							REMARKS.
		Bombay.	Bengal.	Madras.	United Provinces.	Central Provinces.	Bihar.	Punjab.	
1	2	3							4
		Rs. A. P.	Rs. A. P.	Rs. A. P.	Rs. A. P.	Rs. A. P.	Rs. A. P.	Rs. A. P.	
58	Settlement—  A—Instrument of— (including a deed of dower).	The same duty as a bond (No. 16) for a sum equal to the amount or value of the prop- erty set- tled as set forth in such settle- ment. Provided that, where an agree- ment to settle is stamped with the	The same duty as a Bottomry Bond (No. 16) for a sum equal to the amount or value of the property settled as set forth in such settle- ment:  <i>Proviso</i> —The same as in the pre- vious sub-column opposite, sub- stituting "Rs. 0-8-0" for "Re. 1."		The same duty as in Bombay substituting Rs. 0-12-0 for Re. 1 in the last line of the pro- viso.	The same duty as in Bombay substitu- ting 8 annas for one rupee in the last line of the proviso.	The same duty as in Bom- bay substituting 12 an- nas for one rupee in the last line of the proviso.		In the rest of British India, except As- sam, the same duty as in Central Pro- vinces.

<p>B--Revocation of--</p>	<p>stamp required for an instrument of settlement and an instrument in pursuance of such agreement is subsequently executed, the duty on such instrument shall not exceed Rs. 1.</p>			<p>The same duty as a Bond (No. 15) for a sum equal to the amount or value of the property concerned, as set forth in the Instrument of Revocation, but not exceeding Rs. 15.</p>	<p>The same duty as in Bombay.</p>	<p>The same duty as in United Provinces.</p>	<p>The same duty as in Bengal and Madras.</p>	<p>In the rest of British India, except Assam, the same duty as in Bombay.</p>
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**APPENDIX F--CONCLUDED.**

**Stamp Duties--concluded.**

**COMPARATIVE STATEMENT SHOWING RATES OF STAMP DUTIES LEVIED ON VARIOUS KINDS OF INSTRUMENTS  
IN DIFFERENT PROVINCES OF INDIA--CONCLUDED.**

Serial No. of articles according to Schedule I of the Stamp Act.	Description of instrument.	RATES OF DUTIES.							REMARKS.
		Bombay.	Bengal.	Madras.	United Provinces.	Central Provinces.	Bihar.	Punjab.	
1	2	3							4
		Rs. A. P.	Rs. A. P.	Rs. A. P.	Rs. A. P.	Rs. A. P.	Rs. A. P.	Rs. A. P.	
64	Trust--  A--Declaration of -- of, or concerning, any property when made by any writing not being a Will.	The same duty as a Bond (No. 15) for a sum equal to the amount or value of the property concerned, as set forth in the instrument, but not exceeding Rs. 15.	The same duty as a Bottomry Bond (No. 16) for a sum equal to the amount or value of the property concerned, as set forth in the instrument, but not exceeding Rs. 22-8-0.		The same duty as a Bond (No. 15) for a sum equal to the amount or value of the property concerned, as set forth in the instrument, but not exceeding Rs. 22-8-0.	Ditto ..	Ditto ..	Ditto ..	Ditto.

-Revocation of — of, or concerning, any property.	As in A above, substitut- ing Rs. 10 for Rs. 15.	As in A above, substituting Rs. 15 for Rs. 22-8-0.	As in A above, substituting Rs. 15 for Rs. 22-8-0.	The same duty as in Bombay.	The same duties as in United Provinces.	The same duty as in Bengal and Madras.	British Assam, except Assam, the same duty as in Bombay.
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*Note*.—The Governments of Sind and Orissa have effected no change in the rates in force before their separation from Bombay and Bihar. The rates of duty contained in the above statement are based on the Indian Stamp Act, 1899, as modified in its application to the various provinces by the Acts noted below:—

(i) passed before 1936 —

- (a) The Indian Stamp (Madras Amendment) Act, 1922.
- (b) The Indian Stamp (Bombay Amendment) Acts, 1922, 1926 and 1932.
- (c) The Indian Stamp (Bengal Amendment) Acts, 1922 and 1935.
- (d) The Indian Stamp (United Provinces Amendment) Acts, 1923 and 1932.
- (e) The Indian Stamp (Punjab Amendment) Acts, 1922, 1924 and 1935.
- (f) The Indian Stamp (Bihar and Orissa Amendment) Act, 1921.
- (g) The Indian Stamp (Central Provinces Amendment) Act, 1923.
- (h) The Indian Stamp (Assam Amendment) Acts, 1922 and 1935.
- (i) The Indian Stamp (North-West Frontier Province Amendment) Acts, 1923 and 1932.

(ii) passed in 1936 or since—

- (a) The Bombay Finance Amendment Act, 1935.
- (b) The United Provinces Stamp (Amendment) Acts, 1936 and 1938.
- (c) The Central Provinces and Berar Indian Stamp (Amendment) Act, 1939.
- (d) The Bihar Stamp (Amendment) Act, 1937.
- (e) The Assam Stamp (Amendment) Act, 1937.

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**APPENDIX G.**

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## APPEND.

## SCHEDULE

## COMPARATIVE STATEMENT SHOWING RATES OF COURT-FEES LEVIABLE

No. of article according to Subordinate I of Court-fees Act.	Description of instrument.	Rates		
		Bombay.	Bengal.	Madras.
		Rs. A. P.	Rs. A. P.	Rs. A. P.
1	Plaint, written statement pleading a set-off or counter-claim or memorandum of appeal (not otherwise provided for in this Act) or of cross objection presented to any civil or revenue court except those mentioned in Section 3—			
	When the amount or value of the subject-matter in dispute does not exceed five rupees.	0 6 0	0 6 0	0 8 0
	When such amount or value does not exceed Rs. 75, for every five rupees or part of such amount or value.	..	0 6 0	..
	When such amount or value exceeds five rupees but does not exceed Rs. 100 for every five rupees or part thereof, in excess of five rupees up to one hundred rupees.	0 6 0	..	0 9 0
	When such amount or value exceeds seventy-five rupees, for every five rupees, or part thereof, in excess of seventy-five rupees up to one hundred rupees.	..	0 8 0	..
	When the amount or value of the subject-matter in dispute does not exceed Rs. 100.	..	..	..
	When such amount or value exceeds Rs. 100 but does not exceed Rs. 500, for every ten rupees or part thereof in excess of Rs. 100 up to Rs. 500.	..	..	..

## VARIOUS KINDS OF INSTRUMENTS IN DIFFERENT PROVINCES OF INDIA.

DUTIES.				REMARKS.
United Provinces.	Bihar (and Orissa.)	Central Provinces.	Punjab	
Rs. A. P.	Rs. A. P.	Rs. A. P.	Rs. A. P.	
0 6 0	0 6 0	0 6 0	0 6 0	In the rest of British India, Rs. 0-6-0.
..	..	..	..	
0 6 0	..	0 6 0	0 6 0	In the rest of British India, Rs. 0-6-0.
..	..	..	..	
..	..	..	..	
1 0 0	..	..	0 12 0	

APPENDIX  
SCHEDULE

COMPARATIVE STATEMENT SHOWING RATES OF COURT-FEES LEVIABLE

No. of article according to Schedule I of Court-fees Act.	Description of instrument.	RATES		
		Bombay.	Bengal.	Madras.
		Rs. A. P.	Rs. A. P.	Rs. A. P.
1 <i>contd.</i>	Plaint, written statement pleading a set-off or counter-claim or memorandum of appeal (not otherwise provided for in this Act) or of cross objection presented to any civil or revenue court except those mentioned in Section 3— <i>contd.</i>			
	When such amount or value exceeds Rs. 100, for every ten rupees or part thereof, in excess of Rs. 100 up to Rs. 150.	..	1 10 0	..
	When amount or value exceeds Rs. 100, for every ten rupees or part thereof, up to Rs. 200.	..	..	..
	When such amount or value exceeds Rs. 100, for every ten rupees or part thereof, in excess of Rs. 100 up to one thousand rupees.	0 12 0	..	1 2 0
	When such amount or value exceeds Rs. 150, for every ten rupees or part thereof, up to one thousand rupees.	..	1 2 0	..
	When such amount or value exceeds Rs. 500, for every ten rupees or part thereof, up to one thousand rupees.	..	..	..
	When such amount or value exceeds one thousand rupees, for every one hundred rupees or part thereof in excess of one thousand rupees, up to five thousand rupees.	5 0 0	7 8 0	7 8 0



CONTINUED.

*continued.*

## VARIOUS KINDS OF INSTRUMENTS IN DIFFERENT PROVINCES OF INDIA.

DUTIES.				REMARKS.
United Provinces.	Bihar and Orissa.	Central Provinces.	Punjab.	
Rs. A. P.	Rs. A. P.	Rs. A. P.	Rs. A. P.	
..	..	..	..	
0 12 0	..	..	..	
..	1 0 0	0 12 0	..	
..	..	..	..	
1 4 0	..	..	1 2 0	
6 4 0	7 8 0	8 0 0	7 8 0	In the rest of British India, except Assam, &c.

**APPEAL  
SCHEDULE**

**COMPARATIVE STATEMENT SHOWING RATES OF COURT-FEES LEVIED.**

No. of articles according to Schedule I of Court-fees Act.	Description of instrument.	Rs.		
		Bombay.	Bengal.	Madras.
		Rs. A. P.	Rs. A. P.	Rs. A. P.
1— <i>contd.</i>	Plaint, written statement pleading a set-off or counter-claim or memorandum of appeal (not otherwise provided for in this Act) or of cross objection presented to any civil or revenue court except those mentioned in Section 5— <i>contd.</i>			
	When such amount or value exceeds Rs. 1,000 for every one hundred rupees or part thereof, in excess of Rs. 1,000 up to Rs. 7,500.	..	7 8 0	..
	When such amount or value exceeds Rs. 5,000, for every two hundred rupees or part thereof, in excess of Rs. 5,000 up to Rs. 10,000.	..	..	..
	When such amount or value exceeds Rs. 5,000, for every two hundred and fifty rupees or part thereof in excess of Rs. 5,000, up to Rs. 10,000.	15 0 0	..	15 0 0
	When such amount or value exceeds Rs. 7,500, for every Rs. 250 or part thereof, up to Rs. 10,000.	..	15 0 0	..
	When such amount or value exceeds Rs. 10,000, for every five hundred rupees or part thereof in excess of Rs. 10,000, up to Rs. 20,000.	22 8 0	22 8 0	22 8 0
	When such amount or value exceeds Rs. 20,000, for every one thousand rupees or part thereof in excess of twenty thousand rupees, up to thirty thousand rupees.	30 0 0	..	30 0 0

CONTINUED.

*continued.*

## VARIOUS KINDS OF INSTRUMENTS IN DIFFERENT PROVINCES OF INDIA.

DUTIES.				REMARKS.
United Provinces.	Bihar and Orissa.	Central Provinces.	Punjab.	
Rs. A. P.	Rs. A. P.	Rs. A. P.	Rs. A. P.	
..	..	..	..	
..	..	10 0 0	..	
12 8 0	15 0 0	..	15 0 0	
..	..	..	..	
18 12 0	22 8 0	20 0 0	22 8 0	
25 0 0	30 0 0	30 0 0	30 0 0	

**APPENDIX**  
**SCHEDULE**

COMPARATIVE STATEMENT SHOWING RATES OF COURT-FEES LEVIABLE

No. of articles according to Schedule I of Court-fees Act.	Description of instrument.	Rates		
		Bombay.	Bengal.	Madras.
1— <i>concl'd.</i>	<p>Plaint, written statement pleading a set-off or counter-claim or memorandum of appeal (not otherwise provided for in this Act) or of cross objection presented to any civil or revenue court except those mentioned in Section 3—<i>concl'd.</i></p> <p>When such amount or value exceeds Rs. 20,000, for every one thousand rupees or part thereof in excess of Rs. 20,000, up to Rs. 50,000.</p> <p>When such amount or value exceeds Rs. 30,000, for every two thousand rupees or part thereof, in excess of thirty thousand rupees up to Rs. 60,000.</p> <p>When such amount or value exceeds Rs. 50,000, for every five thousand rupees or part thereof, in excess of Rs. 50,000.</p> <p>When such amount or value exceeds Rs. 50,000 but does not exceed Rs. 1 lakh.</p> <p>When such amount or value exceeds Rs. one lakh.</p>	<p>Rs. A. P.</p> <p>..</p> <p>30 0 0</p> <p>30 0 0</p> <p>30 0 0</p> <p>(Provided that the maximum fee leviable on a plaint or memorandum of appeal shall be ten thousand rupees).</p> <p>..</p> <p>..</p>	<p>Rs. A. P.</p> <p>30 0 0</p> <p>..</p> <p>37 8 0</p> <p>(Provided that the maximum fee leviable on a plaint or memorandum of appeal shall be ten thousand rupees).</p> <p>..</p> <p>..</p>	<p>Rs. A. P.</p> <p>..</p> <p>30 0 0</p> <p>30 0 0</p> <p>..</p> <p>..</p>
2	Plaint in a suit for possession under the Special Relief Act, 1877, section 9.	The fee is one-half the amount payable.		

CONTINUED.

*continued.*

## VARIOUS KINDS OF INSTRUMENTS IN DIFFERENT PROVINCES OF INDIA.

DUTIES.				REMARKS.
United Provinces.	Bihar and Orissa.	Central Provinces.	Punjab.	
Rs. A. P.	Rs. A. P.	Rs. A. P.	Rs. A. P.	
..	..	..	..	
25 0 0	30 0 0	30 0 0	30 0 0	
31 4 0 (Provided that the maximum fee leviable on a plaint or memorandum of appeal shall be four thousand and five hundred rupees).	37 8 0	30 0 0	30 0 0	
..	..	Rs. 2,050 plus 2 per cent of the amount or value in excess of Rs. 50,000.	..	
..	..	Rs. 3,050 plus 1 per cent of the amount or value in excess of Rs. one lakh subject to the maximum of Rs. 5,000.	..	

in the scale under Art. I, Schedule I.

## APPEN

## SCHEDU

## COMPARATIVE STATEMENT SHOWING RATES OF COURT-FEES LEVIAB

No. of article according to Schedule I of Court-fees Act.	Description of instrument.	Rs.		
		Bombay.	Bengal.	Madras.
2— <i>concl.</i>	(Madras)— <i>concl.</i> Plaint or written statements pleading a set-off or counter-claim, presented to a Court outside the Presidency Town in any suit of the nature cognizable by courts of small causes when the amount or value of the subject-matter does not exceed Rs. 500—  When the amount or value of the subject-matter in dispute does not exceed Rs. 5.  When such amount or value exceeds Rs. 5, for every Rs. 5 or part thereof in excess of Rs. 5, up to Rs. 100.  When such amount or value exceeds Rs. 100, for every ten rupees, or part thereof in excess of Rs. 100, up to Rs. 500.  Application or written statement by a defendant in a suit for partition praying for partition of his share in the property sought to be partitioned.	Rs. A. P.	Rs. A. P.	Rs. A. P.
3	Repealed by Act VIII of 1871.			
4	Application for review of judgment, if presented on or after the ninetieth day from the date of the decree.			The fee leviable on the plaint
5	Application for review of judgment, if presented before the ninetieth day from the day of the decree.			One-half of the fee leviable on the

G—CONTINUED.

I—continued.

ON VARIOUS KINDS OF INSTRUMENTS IN DIFFERENT PROVINCES OF INDIA.

OF DUTIES.				REMARKS.
United Provinces.	Bihar and Orissa.	Central Provinces.	Punjab.	
Rs. A. P.	Rs. A. P.	Rs. A. P.	Rs. A. P.	
..	..	..	..	There is no such article in the schedule applicable to other provinces.
..	..	..	..	
..	..	..	..	
..	..	..	..	
The same for which would have been payable on a plaint if such defendant instituted a suit for partition.				

memorandum of appeal.

or memorandum of appeal.

APPEN  
SCHEDU

COMPARATIVE STATEMENT SHOWING RATES OF COURT-FEES LEVIABL

No. of article accord- ing to schedule I of Court-fees Act.	Description of instrument.	Rate		
		Bombay.	Bengal.	Madras.
		Rs. A. P.	Rs. A. P.	Rs. A. P.
6	Copy or translation of a judgment or order not being or having the force of a decree :—			
	(i) When such judgment or order is passed by any Civil Court, other than a High Court, or by the presiding officer of any Revenue Court or office or by any other Judicial or Executive authority—			
	(a) If the amount or value of the subject matter is fifty or less than fifty rupees.	0 4 0	0 6 0	0 8 0
	(b) If such amount or value exceeds fifty rupees.	0 8 0	0 12 0	0 12 0
	(ii) When such judgment or order is passed by a High Court.	1 0 0	1 8 0	1 8 0
7	Copy of a decree or order having the force of a decree :—			
	When such decree or order is made by any Civil Court other than a High Court or by any Revenue Court—			
	(a) If the amount or value of the subject-matter of the suit wherein such decree or order is made is fifty or less than fifty rupees.	0 8 0	0 8 0	0 8 0
	(b) If such amount or value exceeds fifty rupees.	1 0 0	1 0 0	1 0 0
	When such decree or order is made by a High Court.	4 0 0	4 0 0	4 0 0



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-continued.

## ON VARIOUS KINDS OF INSTRUMENTS IN DIFFERENT PROVINCES OF INDIA.

DUTIES.				REMARKS.
United Provinces.	Bihar and Orissa.	Central Provinces.	Punjab.	
Rs. A. P.	Rs. A. P.	Rs. A. P.	Rs. A. P.	
0 6 0	0 6 0	0 6 0	0 4 0	
0 12 0	0 12 0	0 12 0	0 8 0	
1 8 0	1 8 0	1 8 0	1 0 0	
0 12 0	0 12 0	0 8 0	0 8 0	
1 8 0	1 8 0	1 0 0	1 0 0	
	6 0 0	4 0 0	4 0 0	

**APPEL**  
**SCHED**

**COMPARATIVE STATEMENT SHOWING RATES OF COURT-FEES LEVEL**

No. of articles according to Schedule I of Court-fees Act.	Description of instrument.	Rs.		
		Bombay.	Bengal.	Madras.
8	Copy of any document liable to stamp duty under the Indian Stamp Act, 1879, when left by any party to a suit or proceeding in place of the original withdrawn ---  (a) When the stamp duty chargeable on the original does not exceed eight annas.  (b) In any other case ..	Rs. A. P.	Rs. A. P.	Rs. A. P.
			The amount of the duty chargeable-	
		1 0 0	0 8 0	0 8 0
9	Copy of any revenue or judicial proceeding or order not otherwise provided for by this Act, or copy of any account, statement, report or of the like taken out by any Civil or Criminal or Revenue Court or office, or from the office of any chief officer, charged with the executive administration of a Division---  For every three hundred and sixty words or fraction of three hundred and sixty words.	0 8 0	0 8 0	0 8 0
10	Repealed by the Guardians and Wards Act (VIII of 1890).	..	..	-
11	Probate of a will or letters of administration with or without will annexed---  When such amount or value of the property in respect of which the grant of a probate or letter is made, exceeds one thousand, but does not exceed five thousand rupees.	..	-	2%

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-continued.

## VARIOUS KINDS OF INSTRUMENTS IN DIFFERENT PROVINCES OF INDIA.

DUTIES.				REMARKS.
United Provinces.	Bihar and Orissa.	Central Provinces.	Punjab.	
Rs. A. P.	Rs. A. P.	Rs. A. P.	Rs. A. P.	
on the original.	(One and-a-half times the amount of the duty chargeable on the original).	The amount of duty chargeable on the original.	..	
0 12 0	0 12 0	0 8 0	0 8 0	
..	0 12 0	0 8 0	0 8 0	
..	..	..	..	
..	..	2%	..	

APPENDIX  
SCHEDULE I

## COMPARATIVE STATEMENT SHOWING RATES OF COURT-FEES LEVIABLE

No. of articles according to Schedule I of Court-fees Act.	Description of instrument.	RATE		
		Bombay.	Bengal.	Madras.
11- contd.	Probate of a will or letters of administration with or without will annexed—contd.			
	When such amount or value exceeds one thousand rupees but does not exceed ten thousand rupees, on the part of the amount or value in excess of one thousand rupees.	2%	2%	..
	When such amount or value exceeds five thousand rupees but does not exceed ten thousand rupees.	..	..	..
	When such amount or value exceeds five thousand rupees.	..	..	3%
	When such amount or value exceeds ten thousand rupees.	..	..	..
	When such amount or value exceeds ten thousand rupees but does not exceed fifty thousand rupees, on the part of the amount or value in excess of ten thousand rupees.	3%	3%	..
	When such amount or value exceeds fifty thousand rupees, but does not exceed one lakh, on the part which exceeds rupees fifty thousand.	4%	4%	..
	When such amount or value exceeds 1 lakh but does not exceed 2 lakhs, on the part which exceeds 1 lakh.	4%	..	..

CONTINUED.

continued.

## VARIOUS KINDS OF INSTRUMENTS IN DIFFERENT PROVINCES OF INDIA-

DUTIES.				REMARKS.
United Provinces.	Bihar and Orissa.	Central Provinces.	Punjab.	
2%	2%	--	2%	
..	..	Rs. 100 plus 2½% of the amount or value in excess of Rs. 5,000.	..	
..	..	..	..	
..	..	Rs. 250 plus 3% of the amount or value in excess of Rs. 10,000.	..	
2½% on the whole of such amount.	2%	..	2½%	
3% On the whole of such amount.	4%	..	3%	
..	..	..	..	

## APPENDIX

## SCHEDULE

## COMPARATIVE STATEMENT SHOWING RATES OF COURT-FEES LEVIABLE

No. of of ording to Schedule 1 of Court-fees Act.	Description of instrument.	Rates		
		Bombay.	Bengal.	Madras.
11. consolid.	Probate of a will or letters of administration with or without will annexed—consolid.			
	When such amount or value exceeds one lakh but does not exceed 2½ lakhs on the part which exceeds one lakh.	..	5%	..
	When such amount or value exceeds 2 lakhs but does not exceed 2½ lakhs, on the part which exceeds 2 lakhs.	5%	..	..
	When such amount or value exceeds 2½ lakhs but does not exceed 3 lakhs, on the part which exceeds 2½ lakhs.	5½%	5½%	..
	When such amount or value exceeds 3 lakhs but does not exceed 4 lakhs, on the part which exceeds 3 lakhs.	6%	6%	..
	When such amount or value exceeds 4 lakhs but does not exceed 5 lakhs, on the part which exceeds 4 lakhs.	6½%	6½%	..
	When such amount or value exceeds 5 lakhs, on the part which exceeds 5 lakhs.	7%	7%	..
	When such amount or value exceeds one lakh (for the portion of such amount which is in excess of one lakh).	..	5%	..
12	Certificate under the Indian Succession Act, 1925.	The fee leviable is generally the same as in the case of a Section 374 of the Act, and one and-a-half times under Section 376 of the Act.		

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-concluded.

N VARIOUS KINDS OF INSTRUMENTS IN DIFFERENT PROVINCES OF INDIA.

OF DUTIES.

United Provinces.	Bihar and Oriasa.	Central Provinces.	Punjab.	REMARKS.
..	..	..	..	
..	..	..	..	
..	..	..	..	
..	..	..	..	
..	..	..	..	
..	..	..	..	
4%	5%	..	3%	

probate (Article 11) on the amount or value of any debt or security specified in the certificate this fee on the amount or value of any debt or security to which the certificate is

**APPEAL  
SCHEDULE**

**COMPARATIVE STATEMENT SHOWING RATES OF COURT-FEES LEVIED**

No. of article according to Schedule II of Court-fees Act.	Description of instrument.	Rs.		
		Bombay.	Bengal.	Madras.
1	Application or petition—	Rs. A. P.	Rs. A. P.	Rs. A. P.
	(a) (i) When presented to any officer of the Customs or Excise Department or to any Magistrate by any person having dealings with the Government, and when the subject-matter of such application relates exclusively to those dealings.	0 2 0	0 2 0	0 1 0
	(ii) When presented to any officer of land revenue by any person holding temporarily-settled land under direct engagement with Government, and when the subject-matter of the application or petition relates exclusively to such engagement.	0 2 0	0 2 0	0 2 0
	(iii) When presented to any Municipal Commissioner, under any Act for the time being in force for the conservancy or improvement of any place, if the application or petition relates solely to such conservancy or improvement.	0 2 0	0 2 0	0 1 0
	(iv) When presented to any Civil Court other than a principal Civil Court of original jurisdiction, or to any Court of Small Causes constituted under Act No. XI of 1865 or under Act No. XVI of 1869, Section 20, or to a Collector or other officer of revenue in relation to any suit or case in which the amount or value of the subject-matter is less than fifty rupees.	0 2 0	0 2 0	0 2 0



G—CONTINUED.

II.

## ON VARIOUS KINDS OF INSTRUMENTS IN DIFFERENT PROVINCES OF INDIA.

OF DUTIES.				REMARKS.
United Provinces.	Bihar and Orissa.	Central Provinces.	Punjab.	
Rs. A. P. 0 2 0	Rs. A. P. 0 2 0	Rs. A. P. 0 2 0	Rs. A. P. 0 2 0	
0 2 0	0 2 0	0 2 0	0 2 0	
0 2 0	0 2 0	0 2 0	0 2 0	*Duty remitted in the Punjab,—vide Punjab Government notification No. 26425 F.—G., dated 11th September, 1930.
0 2 0	0 2 0	0 2 0	0 2 0	

**APPENDIX**  
**SCHEDULE**

**COMPARATIVE STATEMENT SHOWING RATES OF COURT-FEES LEVIABLE**

Number of articles according to schedule II of Court-fees Act.	Description of instrument.	RATES		
		Bombay.	Bengal.	Madras.
1— contd.	Application or petition— <i>contd.</i>	Rs. A. P.	Rs. A. P.	Rs. A. P.
	(v) When presented to any Civil, Criminal or Revenue Court, or to any Board or executive officers for the purpose of obtaining a copy or translation of any judgment, decree or order passed by such Court, Board or officer, or of any other document on record in such Court or office.	0 2 0	0 2 0	0 2 0
	(vi) When presented to a Collector or other officer of revenue for assistance under section 86 of the Bombay Land Revenue Code, 1879.	0 4 0	..	..
	(b) (i) When containing a complaint or charge of any offence other than an offence for which police officers may, under the Criminal Procedure Code, arrest without warrant, and presented to any Criminal Court.	0 8 0	1 0 0 Complaint or charge of an offence presented to a Criminal Court— 1 0 0 In other cases— 0 12 0 0 12 0	Criminal complaint— 1 0 0 In other cases— 0 12 0
	(ii) When presented to a Civil, Criminal or Revenue Court, or to a Collector, or any Revenue officer having jurisdiction equal or subordinate to a Collector, or to any Magistrate in his executive capacity, and not otherwise provided for by this Act.	0 8 0	0 12 0 0 12 0	0 12 0
	(iii) To deposit in Court revenue or rent ...			
	(iv) For determination by a Court of the amount of compensation to be paid by landlord to his tenant.	0 8 0	0 12 0	0 8

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## VARIOUS KINDS OF INSTRUMENTS IN DIFFERENT PROVINCES OF INDIA--contd.

DUTIES.				REMARKS.
United Provinces.	Bihar and Orissa.	Central Provinces.	Punjab	
Rs. A. P. 0 2 0	Rs. A. P. 0 2 0	Rs. A. P. 0 2 0	Rs. A. P. 0 2 0	
0 12 0	0 12 0	Criminal complaint-- 1 0 0 In other cases-- 0 12 0		
0 12 0	0 12 0	0 12 0	1 0 0	
0 12 0	0 12 0	0 12 0	1 0 0	

APPENDIX  
SCHEDULE

COMPARATIVE STATEMENT SHOWING RATES OF COURT-FEES LEVIABLE

Number of articles according to schedule II of Court-fees Act.	Description of instrument.	RATES		
		Bombay.	Bengal.	Madras.
1— concl'd	Application or petition— <i>concl'd.</i>	Rs. A. P.	Rs. A. P.	Rs. A. P.
	(c) When presented to a Chief Commissioner, or other Chief Controlling Revenue or Executive Authority, or to a Commissioner of Revenue or Circuit, or to any Chief Officer charged with the executive administration of a division and not otherwise provided for by this Act.	2 0 0	1 8 0	1 8 0
	(d) When presented to the Board of Revenue for revision of a judgment or order.	..	..	..
	When presented to the High Court—			
	(i) under the Indian Companies Act, 1913, for winding up a company.	4 0 0	..	..
	(ii) under the same Act for taking some other judicial action.	..	..	..
	(iii) in all other cases	..	..	..
	Under Section 115, Criminal Procedure Code, 1908, for revision of an order—			
	When the value of the suit to which the order relates does not exceed Rs. 1,000.	..	5 0 0	5 0
	When the value of the suit exceeds Rs. 1,000.	..	10 0 0	10 0
	When presented to the High Court otherwise than under that section.	..	2 0 0	2 0

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-CONTINUED.

## VARIOUS KINDS OF INSTRUMENTS IN DIFFERENT PROVINCES OF INDIA—CONTD.

DUTIES.				REMARKS.
United Provinces.	Bihar and Orissa.	Central Provinces.	Punjab.	
Rs. A. P.	Rs. A. P.	Rs. A. P.	Rs. A. P.	*Rupees 2 when presented to a Chief Controlling Revenue authority or Executive authority and not otherwise provided for by this Act.
1 8 0	1 8 0	*1 8 0	1 0 0	
..	3 0 0	..	..	
50 0 0	3 0 0	..	100 0 0	
4 0 0	..	..	5 0 0	
3 0 0	..	..	2 0 0	
..	..	..	..	
..	..	..	..	
..	..	..	..	
..	..	..	..	

**APPEL  
SCHED**

**COMPARATIVE STATEMENT SHOWING RATES OF COURT-FEES LEVIA**

Number of articles according to schedule II of Court-fees Act.	Description of instrument.	B.		
		Bombay.	Bengal.	Madras.
		Rs. A. P.	Rs. A. P.	Rs. A. P.
1.A	Application to any Civil Court that records may be called for from another Court—When the Court grants the application and is of opinion that the transmission of such records involves the use of the post.	0 12 0*	0 12 0*	0 12 0*
2	Application for leave to sue as a pauper.	0 8 0	0 8 0	0 8 0
3	Application for leave to appeal as a pauper—			
	(a) When presented to a District Court or a Sub-Court in the case of Bombay.	1 0 0	1 0 0	1 0 0
	(b) When presented to a Commissioner or a High Court.	2 0 0	2 0 0	2 0 0
4	Plaint or memorandum of appeal in a suit to obtain possession under Act No. XVI of 1838, or the Mamlatdara Court Act, 1876.	0 8 0	0 8 0	..
5	Plaint or memorandum of appeal in suit to establish or disprove a right of occupancy.	0 8 0	0 8 0	0 8 0
6	Bail bond or other instrument or obligation given in pursuance of an order made by a Court or Magistrate under any section of the Code of Criminal Procedure, 1882 (now Act V of 1898) or the Code of Civil Procedure (now Act V of 1908).	1 0 0	0 8 0	0 8 0

CONTINUED.

CONTINUED.

## VARIOUS KINDS OF INSTRUMENTS IN DIFFERENT PROVINCES OF INDIA—CONTD.

DUTIES.				REMARKS.
United Provinces.	Bihar and Orissa.	Central Provinces.	Punjab.	
Rs. A. P.	Rs. A. P.	Rs. A. P.	Rs. A. P.	*In addition to any fee levied on the application under clause (a), (b) or (d) of Article 1 of this Schedule.
1 2 0*	1 0 0*	0 12 0*	0 12 0*	
0 8 0	0 8 0	0 8 0	0 8 0	
1 0 0	1 0 0	1 0 0	1 0 0	
2 0 0	2 0 0	2 0 0	2 0 0	
..	0 8 0	0 8 0	1 0 0	
0 12 0	0 8 0	0 8 0	1 0 0	
0 12 0	0 8 0	0 8 0	0 8 0	

**APPENDIX**  
**SCHEDULE**

**COMPARATIVE STATEMENT SHOWING RATES OF COURT-FEES LEVIABLE**

Number of article according to schedule II of Court-fees Act.	Description of instrument.	RATES		
		Bombay.	Bengal.	Madras.
		Rs. A. P.	Rs. A. P.	Rs. A. P.
7	Undertaking under Section 49 of the Indian Divorce Act, 1869.	1 0 0	0 8 0	0 8 0
8	Repealed by Act XII of 1891 ..	..	..	..
9	Ditto ..	..	..	..
10	Mukhtarnama or Wakalatnama when presented for the conduct of any one case—			
	(a) To any Civil or Criminal Court other than a High Court, or to any Revenue Court or to any Collector or Magistrate, or other Executive Officer, except such as are mentioned in clauses (b) and (c) of the number.	0 8 0	1 0 0	1 0 0
	(b) To a Commissioner of Revenue, Circuit, or Customs, or to any officer charged with the executive administration of a division, not being the Chief Controlling Revenue or Executive Authority.	1 0 0	1 8 0	1 8 0
	(c) to a High Court, Chief Commissioner, Board of Revenue, or other Chief Controlling Revenue or Executive Authority.	2 0 0	2 0 0	3 0 0



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CONTINUED.

## VARIOUS KINDS OF INSTRUMENTS IN DIFFERENT PROVINCES OF INDIA—CONTD.

DUTIES.				REMARKS.
United Provinces.	Bihar and Orissa.	Central Provinces.	Punjab.	
Rs. A. P.	Rs. A. P.	Rs. A. P.	Rs. A. P.	
0 12 0	0 8 0	0 8 0	1 0 0	
..	..	..	..	
..	..	..	..	
0 12 0	1 0 0	0 12 0	1 0 0	
1 8 0	2 0 0	1 8 0	1 0 0	
3 0 0	3 0 0	2 8 0	2 0 0	

**APPE  
SCHEM**

**COMPARATIVE STATEMENT SHOWING RATES OF COURT-FEES LEVI**

Number of article ac- cording to subclause II of Court-fees Act.	Description of instrument.	R		
		Bombay.	Bengal.	Madras.
11	Memorandum of appeal when the appeal is not from a decree or an order having the force of a decree and is presented—	Rs. A. P.	Rs. A. P.	Rs. A. P.
	(a) To any Civil Court other than a High Court or to any Revenue Court or Executive Officer other than the High Court or Chief Controlling Revenue or Executive Authority.	0 8 0	(i) 8 annas when presented to any Revenue Court or Executive Officer other than the High Court or Chief Controlling Revenue or Executive Authority.  (ii) Rupee 1 when presented to any Court other than a High Court.  (iii) Rupees 2 when presented to a Chief Controlling Executive or Revenue Authority.	1 0 0
	(b) To a Commissioner of a division.	..	..	..
	(c) To a High Court or Chief Commissioner or other Chief Controlling Executive or Revenue Authority.	2 0 0	Rupees 5 when to a High Court.	2 0 0

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—CONTINUED.

N VARIOUS KINDS OF INSTRUMENTS IN DIFFERENT PROVINCES OF INDIA—*contd.*

OF DUTIES.				REMARKS.
United Provinces.	Bihar and Orissa.	Central Provinces.	Punjab.	
Rs. A. P.	Rs. A. P.	Rs. A. P.	Rs. A. P.	
0 12 0	1 0 0	1 0 0	1 0 0	
2 0 0	..	4 0 0	..	
3 0 0	4 0 0	4 0 0	4 0 0	

**APPENDIX  
SCHEDULE**

**COMPARATIVE STATEMENT SHOWING RATES OF COURT-FEES LEVIABLE**

Number of articles according to subclause II of Court-fees Act.	Description of instrument.	RATES		
		Bombay.	Bengal.	Madras.
		Rs. A. P.	Rs. A. P.	Rs. A. P.
12	Caveat .. .. .	When the amount or value of the property does not exceed Rs. 2,000 = Rs. 5, When the amount or value of the property involved exceeds Rs. 2,000 = Rs. 10.	10 0 0	10 0 0
13	Application under Act No. X of 1859, section 26, or Bengal Act No. VI of 1862, section 9, or Bengal Act No. VIII of 1869, section 37.	5 0 0	5 0 0	Omitted.
14	Petition in a suit under the Native Converts' Marriage Dissolution Act, 1869.	10 0 0	5 0 0	5 0 0
15	(Repealed by Act V of 1908) ..	..	..	--
16	(Repealed by Act VI of 1889, section 18 (1)).	..	..	--
17	Plaint or memorandum of appeal in each of the following suits :-  (i) to alter or set aside a summary decision or order of any of the Civil Courts not established by Letters Patent or of any Revenue Court.  (ii) to alter or cancel any entry in a register of the names of proprietors of revenue paying estates.	When the amount or value of the property involved does not exceed Rs. 500. 10 0 0  When the amount or value of the property involved exceeds Rs. 500. 15 0 0	15 0 0	15 0 0 (Provided that in a suit filed before a High Court under its original jurisdiction the fee under this article shall be one hundred rupees). 15 0 0

I--CONTINUED.

II--CONTINUED.

ON VARIOUS KINDS OF INSTRUMENTS IN DIFFERENT PROVINCES OF INDIA--CONTD.

OF DUTIES.				REMARKS.
United Provinces.	Bihar and Orissa.	Central Provinces.	Punjab.	
Rs. A. P.	Rs. A. P.	Rs. A. P.	Rs. A. P.	
When the amount or value of the property--	10 0 0	5 0 0	5 0 0	
(i) does not exceed 5 thousand rupees. 5 0 0				
(ii) exceeds 5 thousand rupees. 10 0 0				
5 0 0	5 0 0	5 0 0	5 0 0	
7 8 0	10 0 0	5 0 0	5 0 0	
..	--	--	--	
..	--	--	--	
15 0 0	15 0 0	15 0 0	10 0 0	
15 0 0	15 0 0	15 0 0	10 0 0	

**APPENDIX**  
**SCHEDULE**

**COMPARATIVE STATEMENT SHOWING RATES OF COURT-FEES LEVIABLE**

Number of articles according to schedule II of Court-fees Act.	Description of instrument.	RATES				
		Bombay.	Bengal.	Madras.		
		Rs. A. P.	Rs. A. P.	Rs. A. P.		
17— <i>cond.</i>	Pleint or memorandum of appeal in each of the following suits— <i>concluded</i> — (iii) to obtain a declaratory decree when no consequential relief is prayed.  (iv) for relief under section 14 of the Religious Endowments Act, 1863, or under section 91 or section 92 of the Code of Civil Procedure, 1908, in Madras.	15 0 0  ..	20 0 0  ..	15 0 0  50 0 0		
17-A.	Pleint or memorandum of appeal in a suit—  (i) to obtain a declaratory decree when no consequential relief is prayed. <table style="display: inline-table; vertical-align: middle; border: none;"> <tr> <td style="font-size: 2em; vertical-align: middle;">}</td> <td style="padding-left: 5px;">When the plaint is presented to or the memorandum of appeal is against the decree of a District Munsiff's Court or the City Civil Court, a District Court or a Sub-Court.</td> </tr> </table> (ii) to set aside an award.  (iii) to obtain a declaration that an alleged adoption is invalid or never in fact took place or to obtain a declaration that an adoption is valid in Madras.	}	When the plaint is presented to or the memorandum of appeal is against the decree of a District Munsiff's Court or the City Civil Court, a District Court or a Sub-Court.	..	..	15 0 0          Rupees 100 if value for purposes jurisdiction less than thousand pces; Rs. such value ten the rupees or
}	When the plaint is presented to or the memorandum of appeal is against the decree of a District Munsiff's Court or the City Civil Court, a District Court or a Sub-Court.					

G—CONTINUED.

II—CONTINUED.

ON VARIOUS KINDS OF INSTRUMENTS IN DIFFERENT PROVINCES OF INDIA—CON

OF DUTIES.

United Provinces.	Bihar and Orissa.	Central Provinces.	Panjab.	REMARKS.
Rs. A. P.	Rs. A. P.	Rs. A. P.	Rs. A. P.	
15 0 0	15 0 0	15 0 0	10 0 0	
..	..	..	..	
..	..	..	..	
..	..	..	..	
..	..	..	..	
..	..	..	..	
..	..	..	..	
..	..	..	..	
..	..	..	..	
..	..	..	..	
..	..	..	..	
..	..	..	..	
..	..	..	..	
..	..	..	..	
..	..	..	..	
..	..	..	..	

## APPENDIX

## SCHEDULE

## COMPARATIVE STATEMENT SHOWING RATES OF COURT-FEES LEVIABLE

Number of articles set out in schedule II of Court-fees Act.	Description of instrument.	RAT.		
		Bombay.	Bengal.	Madras.
17-A. concl'd.	Plaint or memorandum of appeal in a suit— <i>concl'd.</i> —	Rs. A. P.	Rs. A. P.	Rs. A. P.
	(iv) to set aside an award ..	..	15 0 0	..
	(v) to set aside alienation ..	15 0 0	..	..
	(vi) to set aside a decree or award—			
	when the amount or value of the property does not exceed Rs. 500.	10 0 0	..	..
	when the amount or value of the property exceeds Rs. 500.	15 0 0	..	..
	(vii) to set aside an adoption ..	15 0 0	20 0 0	..
	(viii) any other suit where it is not possible to estimate at a money value the sub- ject-matter in dispute, and which is not otherwise provided for by this Act.	15 0 0	15 0 0	..
	When the plaint is presented to a—			
	(a) Revenue Court ..	..	..	10 0 0
	(b) District Munsiff's Court or the City Civil Court.	..	..	15 0 0
	(c) District Court or a Sub- Court.	..	..	100 0 0
18	Application— (a) under schedule II, para- graph 17 or 20 of the Code of Civil Procedure, 1908.	10 0 0	10 0 0 (under paragraph 17).	Rs. 15 when pre- sented to a District Mun- siff's Court or the City Civil Court, Rs. 100 when presented to a District Court or a Sub- Court.



C—CONTINUED.

II—CONTINUED.

## ON VARIOUS KINDS OF INSTRUMENTS IN DIFFERENT PROVINCES OF INDIA—CONTD.

OF DUTIES.				REMARKS.
United Provinces.	Bihar and Orissa.	Central Provinces.	Punjab.	
Rs. A. P.	Rs. A. P.	Rs. A. P.	Rs. A. P.	
15 0 0	15 0 0	15 0 0	10 0 0	
..	..	..	..	
..	..	..	..	
..	..	..	..	
25 0 0	15 0 0	10 0 0	10 0 0	
15 0 0	15 0 0	15 0 0	10 0 0	
..	..	..	..	
..	..	..	..	
..	..	..	..	
15 0 0	15 0 0	11 0 0	10 0 0	

**APPENDIX**  
**SCHEDULE**

**COMPARATIVE STATEMENT SHOWING RATES OF COURT-FEES LEVIABLE**

Number of article according to schedule II of Court-fees Act.	Description of instrument.	RATES.		
		Bombay.	Bengal.	Madras.
		Rs. A. P.	Rs. A. P.	Rs. A. P.
18— <i>concl'd.</i>	Application— <i>concl'd.</i> (b) for probate or letters of administration or for revocation thereof under the Indian Succession Act, 1925.	..	..	..
	(c) for a certificate under Part X of the Indian Succession Act, 1925, or Bombay Regulation VIII of 1927—  when the amount or value of the estate does not exceed two thousand rupees.	2 0 0	..	..
	when it exceeds Rs. 2,000 but does not exceed Rs. 5,000.	5 0 0	..	..
	(d) for opinion or advice or for discharge from a trust, or for appointment of new Trustees, under sections 34, 72, 73 or 74 of the Indian Trusts Act, 1882.	10 0 0	..	..
	(e) for the winding up of a company under section 168 of the Indian Companies Act, 1913.	10 0 0	..	..
	(f) for the appointment or declaration of a person as guardian of the person or property, or both, of minors under the Guardians and Wards Act, 1890.	..	..	..
	(g) Under rule 58 of order XXI of the Code of Civil Procedure, 1908, regarding a claim to attached property when the amount or value of the property exceeds Rs. 500.	10 0 0	..	..

CONTINUED.

CONTINUED.

## VARIOUS KINDS OF INSTRUMENTS IN DIFFERENT PROVINCES OF INDIA—CONTD.

DUTIES.				REMARKS.
United Provinces.	Bihar and Orissa.	Central Provinces.	Punjab.	
Rs. A. P.	Rs. A. P.	Rs. A. P.	Rs. A. P.	
..	..	..	..	
..	..	..	..	
..	..	..	..	
..	..	10 0 0	..	
..	..	10 0 0	..	
..	..	2 0 0	..	
..	..	..	..	

## APPENDIX

## SCHEDULE

## COMPARATIVE STATEMENT SHOWING RATES OF COURT-FEES LEVIABLE

Number of article according to schedule II of Court-fees Act.	Description of instrument.	RATES		
		Bombay.	Bengal.	Madras.
A.	Application under paragraph 20 of the Second Schedule to the Civil Procedure Code, 1908 to file an arbitration award, and memorandum of appeal from a decree passed under paragraph 21 of the Second Schedule.	Rs. A. P. ..	Rs. A. P. 15 0 0	Rs. A. P. ..
19	Agreement in writing stating a question for opinion of the Court under the Code of Civil Procedure, 1908.	20 0 0	10 0 0	Rs. 100 when presented to District Court or a Sub-Court, Rs. 15 when presented to a District Munsif's Court or the City Civil Court.
	Every petition under the Indian Divorce Act, except petitions under section 44 of the same Act, and every memorandum of appeal under section 55 of the same Act.	30 0 0	20 0 0	20 0 0
21	Plaint or memorandum of appeal under the Parsi Marriage and Divorce Act, 1865.	30 0 0	20 0 0	20 0 0
22	Plaint or memorandum of appeal in a suit by a reversioner under the Punjab Customary Law for a declaration in respect of an alienation of ancestral land.	20 0 0	20 0 0	20 0 0

NOTE.—The Governments of Sind and Orissa have effected no change in the rates in force before the same as those in force in the Punjab. The rates of fees contained in this statement are as follow

- (a) The Indian Court-fees (Madras Amendment) Act, 1922.
- (b) The Indian Court-fees (Bombay Amendment) Act, 1922.
- (c) The Indian Court-fees (Bengal Amendment) Act, 1922.
- (d) The Indian Court-fees (Punjab Amendment) Act,
- (e) The Indian Court-fees (Bihar and Orissa) Act, 1922.
- (f) The Indian Court-fees (Central Provinces Amendment)
- (g) The Indian Court-fees (Assam Amendment) Act, 19
- (h) The Indian Court-fees (United Provinces Amendment)
- (i) Government of Bihar, Judicial Department, notification and notification No. 1435-J., dated 25th May, 1938.
- (j) The Court-fees (Bengal Second Amendment) Act, 1935

--CONCLUDED.

--CONCLUDED.

## N VARIOUS KINDS OF INSTRUMENTS IN DIFFERENT PROVINCES OF INDIA--GOLD

OF DUTIES.				REMARKS.
United Provinces.	Bihar and Orissa.	Central Provinces.	Punjab.	
Rs. A. P.	Rs. A. P.	Rs. A. P.	Rs. A. P.	
..	..	..	..	
15 0 0	15 0 0	15 0 0	10 0 0	
30 0 0	30 0 0	20 0 0	20 0 0	
20 0 0	30 0 0	20 0 0	20 0 0	
30 0 0	20 0 0	20 0 0	20 0 0	

their separation from Bombay and Bihar. The rates of court-fee in the North-West Frontier Provi on the Indian Court-fee Act, 1870, as modified in its application to the various provinces by Act:--

and 1933.  
and 1933.  
and 1935.  
and 1936.

1923, 1926, 1933, 1935 and the Central Provinces and Bihar Court-fee (Amendment) Act, 193 1936.

1934, 1933, 1936 and the United Provinces Court-fee (Amendment) Act, 1933.

1703-J., dated the 25th August, 1937 as amended by notification No. 2318-J., dated 7th Octob of Court-fee for certain applications under the Bihar Tenancy Act.

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**APPENDIX H.**

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## APPENDIX

Description of the deed.	SCALE OF REGISTRATION		
	Punjab.	Bombay.	Bengal.
ARTICLE II.	RS. A. P.	RS. A. P.	RS. A. P.
(1) For inspection or searches of a single entry or document:—			
(a) For the first year in the books of which search is made for each entry or document.	1 0 0	2 0 0	1 0 0
(b) For every other year in the books of which search is continued for each entry or document.	0 4 0	0 8 0	0 8 0
(2) General search for or inspection of any number of entries or documents relating to one and the same property or executed by or in favour of one and the same individual:—			
(a) For the first year in the books of which search is made.	2 0 0	2 0 0	1 0 0 for inspection of copy of each document in Register Book 1, 3 or 4, or for inspection of any other Book or Register or of a document or paper in a file relating to one year.
(b) For every other year in the books of which search is continued.	0 8 0	0 8 0	..
ARTICLE III.			
<i>Copying fees—</i>			
one Rs. 1 of granting copies of reasons, of entries, or of documents, before, on or after registration.	0 8 0 when the number of words does not exceed 400.	0 3 0 for every 100 words.	0 2 0 for every 100 words in Vernacular.

## IN THE PROVINCES OF—

Madras.	Central Provinces and Berar.	Assam.	United Provinces.	Bihar.
Rs. A. P.	Rs. A. P.	Rs. A. P.	Rs. A. P.	Rs. A. P.
1 0 0	1 0 0 for the first entry or document for the first year.	1 0 0	1 0 0	1 0 0
0 4 0	0 6 0 for each of every other entry or document, whether in the first or a subsequent year.	0 8 0	0 8 0	0 8 0
2 0 0	..	1 0 0 for each Register Book I and II and for each index to book I, inspected.	1 4 0	1 0 0 for inspection of copy of each document in Register Book, I, S, or 4 or for inspection of any other Book or Register or of a document or paper in a file relating to one year.
0 8 0 (in addition a fixed fee of 2 annas for every application to make a search, a copy, or extract.)	..	..	0 10 0	..
(a) 0 3 0 for every 100 words in English or in the Vernacular of the sub-district.	..	0 2 0 for every 100 words in Vernacular.	0 12 0 where the number of words in Vernacular does not exceed 500.	0 2 0 for every 100 words in Vernacular.
(b) 0 1 0 in any other vernacular except English or Vernacular.	0 2 6 for every 100 words.	0 4 0 for every 100 words in English.	0 15 0 where the number of words in English does not exceed 500.	0 4 0 for every words in English.



## APPEN

Description of the deed.	SCALE OF REGISTRA		
	Punjab.	Bombay.	Bengal.
<p>ARTICLE III—<i>concl.</i></p> <p><i>Copying fees—concl.</i></p> <p>For making or granting copies of reasons, of entries, or of documents, before, on or after registration—<i>concl.</i></p> <p><i>Expedition fee.</i>—If the applicant requires copies to be furnished on the day of application, or in preference to other applications on which ordinary copying fee has been paid.</p> <p>ARTICLE IV.</p> <p>For discretionary registration under section 30—</p> <p>(1) By the Registrar of the District under clause (1), an extra fee.</p> <p>(2) By the Registrar of the Capital district of the province.</p>	<p>Rs. A. P. 0 2 0 for every 100 words or part thereof in excess of 400.</p> <p>..</p> <p>4 0 0</p> <p>10 0 0</p>	<p>Rs. A. P. ..</p> <p>..</p> <p>4 0 0</p> <p>In addition to the ordinary fee—</p> <p>(a) If the document relates to property wholly situated in the Bombay Presidency but beyond the limits of the Bombay Registration District, Ra. 5-0-0.</p> <p>(b) If the document relates to property wholly or partly situated beyond the limits of the Bombay Presidency— Ra. 10-0-0.</p>	<p>Rs. A. P. 0 4 0 for every 100 words in English.</p> <p>2 0 0 or if the copies exceed four pages of 300 words 0 8 0 for each page of copy.</p> <p>10 0 0</p> <p>20 0 0</p>

## H—CONTINUED.

## FEES IN THE PROVINCES OF—

Madras.	Central Provinces and Berar.	Assam.	United Provinces.	Bihar.
Rs. A. P.	Rs. A. P. 0 4 0 for each folio or fraction of a folio of 100 words.	Rs. A. P.	Rs. A. P. 0 6 0 for every 300 words in Vernacular or part thereof in excess of 300. 0 7 6 for every 300 words in English or part thereof in excess of 300.	Rs. A. P. 0 8 0 for every 300 or part of 300 words in excess of the first 600 words if the copy is of a document relating to immovable property situated in more than one district. 2 0 0 or if the copies exceed four pages of 300 words 0 8 0 for each page of copy.
..	..	1 8 0 or if the copies exceed four pages of 300 words 0 6 0 for each page of copy.	...	..
5 0 0				
10 0 0				
	4 0 0	7 8 0 or equal to ordinary registration fee whichever is less.	6 12 0	10 0 0 or ordinary fee whichever is less.

## APPENDI

Description of the deed.	SCALE OF REGISTRATION FEES		
	Punjab.	Bombay.	Bengal.
<b>ARTICLE V.</b>	Rs. A. P.	Rs. A. P.	Rs. A. P.
In the issue of Commissions and for attending at private residence—			
(1) When a satisfactory certificate is produced as to sickness or infirmity or when the person to be examined is in Jail.	5 0 6	5 0 0	5 0 0
(2) When the person to be examined is exempted from personal appearance.	..	..	..
(3) in all other cases - ..	10 0 0	25 0 0 in the district of Bombay; 20 0 0 in the City of Ahmedabad; 15 0 0 in all other district headquarter towns; 10 0 0 at all other places.	20 0 0
<b>ARTICLE VI.</b>			
For filing translations .. ..	1 0 0	2 0 0	..
<b>ARTICLE VII.</b>			
For deposit, withdrawal and opening of sealed wills—			
(1) when deposited in sealed cover under section 42;	4 0 0	2 0 0	4 0 0
(2) when withdrawn under section 44;	2 0 0	2 0 0	4 0 0
(3) when opened under section 45;	4 0 0	2 0 0	4 0 0
(4) registration of wills .. ..	..	2 0 0	8 0 0
<b>ARTICLE VIII.</b>			
For the authentication of a power of attorney under section 33—			
(a) if such power is general .. ..	3 0 0	2 0 0	4 0 0
(b) if special .. ..	2 0 0	1 0 0	2 0 0

CONTINUED.

PROVINCE OF—

Madras.	Central Provinces and Berar.	Assam.	United Provinces.	Bihar.
Rs. A. P.	Rs. A. P.	Rs. A. P.	Rs. A. P.	Rs. A. P.
5 0 0	when in Jail = 5 0 0 when physically unable to attend = 7 8 0	5 0 0	5 10 0	10 0 0
..	..	..	13 0 0	20 0 0
15 0 0 if the executant is Male ; 10 0 0 if the executant is female.	15 0 0	15 0 0	11 4 0	20 0 0
..	2 0 0	..	1 2 0	..
2 0 0	4 0 0	3 0 0	4 8 0	4 0 0
2 0 0	3 0 0	3 0 0	4 8 0	4 0 0
2 0 0	3 0 0	3 0 0	4 8 0	4 0 0
10 0 0	5 0 0	4 0 0	4 8 0	3 0 0
1 0 0	2 0 0	4 0 0	3 6 0	4 0 0
	1 0 0	3 0 0	2 4 0	2 0 0

## APPEL

Description of the deed.	SCALE OF REGISTRATION FEE		
	Punjab.	Bombay.	Bengal.
	RS. A. P.	RS. A. P.	RS. A. P.
ARTICLE IX. For issue of summons .. ..	Civil Court Rules	Civil Court Rules	Revenue Court Rules.
ARTICLE X. For the safe custody of documents remaining unclaimed after completion or refusal of registration—			
	0 4 0 for more than one week but not more than 2 weeks.	0 1 0 for every day in the second month.	0 8 0 for every month or part thereof beyond the first month.
	0 4 0 for each week or fraction beyond two weeks.	0 2 0 for every day in the 3rd month.	
Maximum .. .. .	5 0 0	5 0 0	10 0 0

H—CONCLUDED.

THE PROVINCE OF—

Madras.	Central Provinces and Berar.	Assam.	United Provinces.	Bihar.
Rs. A. P.	Rs. A. P.	Rs. A. P.	Rs. A. P.	Rs. A. P.
Civil Court Rules	Civil Court Rules	Revenue Court Rules.	Civil Court Rules	
0 4 0 for every 15 days or part thereof after the first 15 days.	2 0 0 for one month or part thereof after the first month, from the date on which it was en- dorsed registra- ed or registra- tion refused.	0 8 0 for every month or part of a month beyond the first month.	0 9 0 for every 15 days or part thereof.	0 8 0 for every month or part thereof beyond the first month.
2 0 0	7 8 0	10 0 0 (in case of refusal of registration).	5 10 0	10 0 0

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**APPENDIX I**

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## Appendix I.

### MOTOR VEHICLES TAX.

Name of Province and class of Motor Vehicle.	Punjab. Annual rate of tax.	BOMBAY. MAXIMUM ANNUAL RATE OF TAX.		MADRAS. MAXIMUM QUARTERLY TAX.		BENGAL. RATE OF TAX PAYABLE FOR THE YEAR.		Annual rate of tax. Central Provinces.	Annual rate of tax. United Provinces.	BINAR. ANNUAL TAX.		SIND. ANNUAL TAX.	
		A.	B.	A.	B.	A.	B.			A.	B.	A.	B.
		Vehicles fitted solely with pneumatic tyres.	Other Vehicles.	Vehicles fitted solely with pneumatic tyres.	Other vehicles.	Vehicles fitted solely with pneumatic tyres.	Other vehicles.			Vehicles fitted solely with pneumatic tyres.	Other vehicles.	Vehicles fitted solely with pneumatic tyres.	Other vehicles.
1	2	3	4	5	6	7	8	9	10	11	12	13	14
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.		Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
<b>I.—BICYCLES AND TRICYCLES</b>													
Cycles (including motor-scooters and cycles with attachment for propelling the same by mechanical power) not exceeding 8 cwt. in weight unladen—													
(a) Cycles:—													
(i) Not exceeding 200 lbs. in weight unladen.	15	18	50 per cent. in addition.	..	..	15		5	9	15	..	10	
(ii) Exceeding 200 lbs. in weight unladen.	30	24	Ditto	..	..	30		10	18	20	..	15	



(44) If used for drawing a trailer or side-car, in addition to the tax payable under (4) and (41).	10	3	Ditto	..	..	10	5	3	5	..	3
(45) Bicycles below 3½ horse-power if not used for drawing a trailer or side-car.	..	..	..	7½	10	..	..	..	..	..	..
(46) Bicycles below 3½ horse-power if used for drawing a trailer or side-car and bicycles of and above 3½ horse-power whether used for drawing a trailer or side-car or not.	..	..	..	10	12½	..	..	..	..	..	..
(47) Tricycles .. ..	40	24	50 per cent. in addition.	10	12½	30	..	21	25	..	15
(48) Vehicles not exceeding 3 cwt. in weight unladen adapted and used for invalids.	5	5	Ditto	7	10	..	..	..	5	5	5
II—VEHICLES USED FOR TRANSPORT OF GOODS.											
(49) Electrically propelled, but not exceeding 25 cwt. in weight unladen.	35	..	..	..	..	..	..	..	..	..	..
(50) Other than 49 electrically propelled, not exceeding 12 cwt. in weight unladen.	25	..	..	..	..	50	75	..	..	100	125

The rates shown in class A plus 50 per cent.

MOTOR VEHICLES TAX—CONTINUED.

Name of Province and class of Motor Vehicle.	Punjab. Annual rate of tax.	BOMBAY. MAXIMUM ANNUAL RATE OF TAX.		MADRAS. MAXIMUM QUARTERLY TAX.		BENGAL. RATE OF TAX PAYABLE FOR THE YEAR.		Central Provinces. Annual rate of tax.	United Provinces. Annual rate of tax.	BIHAR. ANNUAL TAX.		SIND. ANNUAL TAX.	
		A.	B.	A.	B.	A.	B.			A.	B.	A.	B.
		Vehicles fitted solely with pneumatic tyres.	Other vehicles.	Vehicles fitted solely with pneumatic tyres.	Other vehicles.	Vehicles fitted solely with pneumatic tyres.	Other vehicles.			Vehicles fitted solely with pneumatic tyres.	Other vehicles.	Vehicles fitted solely with pneumatic tyres.	Other vehicles.
1	2	3	4	5	6	7	8	9	10	11	12	13	14
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
<b>II—VEHICLES USED FOR TRANSPORT OF GOODS—contd.</b>													
(c) Exceeding 12 cwt. but not exceeding one ton in weight unladen.	37½	..	..	..	..	100	160	..	..	125	17	..	..
(d) Exceeding one ton but not exceeding 2 tons in weight unladen.	75	..	..	..	..	125	175	..	..	250	35	..	..
(e) Exceeding 2 tons but not exceeding 3 tons in weight unladen.	200	..	..	..	..	150	200	..	..	300	400	..	..



MOTOR VEHICLES TAX—CONTINUED.

Name of Province and class of Motor Vehicle.	Punjab. Annual rate of tax.	BOMBAY. MAXIMUM ANNUAL RATE OF TAX.		MADRAS. MAXIMUM QUARTERLY TAX.		BENGAL. RATE OF TAX PAYABLE FOR THE YEAR.		Central Provinces. Annual rate of tax.	United Provinces. Annual rate of tax.	BIHAR. ANNUAL TAX.		Sind. Annual rate of tax.
		A.	B.	A.	B.	A.	B.			A.	B.	
		Vehicles fitted solely with pneumatic tyres.	Other vehicles.	Vehicles fitted solely with pneumatic tyres.	Other vehicles.	Vehicles fitted solely with pneumatic tyres.	Other vehicles.			Vehicles fitted solely with pneumatic tyres.	Other vehicles.	
1	2	3	4	5	6	7	8	9	10	11	12	13
II—VEHICLES USED FOR TRANSPORT OF GOODS— <i>concl'd.</i>												
(f) Exceeding 4 tons in weight and under—	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
(i) Exceeding 4 tons but not exceeding 5 tons.	400	..	..	..	..	300	350	..	..	500	700	..
(ii) Exceeding 5 tons	..	..	..	..	..	400	500	..	..	..	..	..
Exceeding five tons but not exceeding six tons.	..	..	..	..	..	..	..	..	..	..	..	..
Exceeding six tons for every additional ton (including fractions of a ton) an additional.	..	..	..	..	..	..	..	..	..	..	..	..
(a) Not exceeding 15 cwt...	25	150	50 per cent. in addition.	75	110	..	..	..	..	..	..	..

b) Exceeding 15 cwt. but not exceeding 30 cwt.	87½	300	Ditto	125	185	..	..	..	..	..	..	..	..
(c) Exceeding 30 cwt. but not exceeding 50 cwt.	75	400	Ditto	200	300	..	..	..	..	..	..	..	..
(d) Exceeding 50 cwt. but not exceeding 70 cwt.	200	450	Ditto	225	335	..	..	..	..	..	..	..	..
(e) Exceeding 70 cwt. ..	300	500	Ditto	..	..	..	..	..	..	..	..	..	..
(i) Exceeding 70 cwt. but not exceeding 100 cwt.	..	..	..	250	375	..	..	..	..	..	..	..	..
(#) Exceeding 100 cwt...	..	..	..	275	425	..	..	..	..	..	..	..	..
<b>III—MOTOR VEHICLES PLACING FOR HIRE AND USED FOR TRANSPORT OF PASSENGERS.</b>													
<b>BOMBAY.</b>													
(a) Vehicles licensed to carry in all not more than two persons (including the driver of the vehicle).	..	88											
(b) Vehicles licensed to carry more than two persons (excluding the driver of the vehicle)—for every additional person which the vehicle is so licensed to carry.	..	10											
<b>MADRAS.</b>													
(a) Vehicles licensed under the Madras Motor Vehicles Rules, 1923, to carry in all not more than four persons.				40	60								
(b) Vehicles licensed under the Madras Motor Vehicles Rules 1923, to carry more than four persons—for every person which the vehicle is so licensed to carry.				10	15								

MOTOR VEHICLE TAX--CONTINUED.

Name of Province and class of Motor Vehicle.	Punjab. Annual rate of tax.	BOMBAY. MAXIMUM ANNUAL RATE OF TAX.		MADRAS. MAXIMUM QUARTERLY TAX.		BENGAL. RATE OF TAX PAYABLE FOR THE YEAR.		Central Provinces. Annual rate of tax.	United Provinces. Annual rate of tax.	BIHAR. ANNUAL TAX.		Sind. Annual rate of tax.
		A.	B.	A.	B.	A.	B.			A.	B.	
		Vehicles fitted solely with pneumatic tyres.	Other vehicles.	Vehicles fitted solely with pneumatic tyres.	Other vehicles.	Vehicles fitted solely with pneumatic tyres.	Other vehicles.			Vehicles fitted solely with pneumatic tyres.	Other vehicles.	
1	2	3	4	5	6	7	8	9	10	11	12	13
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
<b>III—MOTOR VEHICLES FLYING FOR HIRE AND USED FOR TRANSPORT OF PASSENGERS.—<i>contd.</i></b> <b>BENGAL.</b> (a) Seating not more than eight persons. (b) Seating more than eight persons in addition to the tax payable under (a), for every additional person that can thus be seated up to thirty. (c) Seating more than thirty persons, in addition to the tax payable under (a) and (b) for every additional person that can thus be seated.												
						75	100					
						3	4					
					2	2	4					

**BIHAR.**

- (i) Seating not more than seven persons.
- (ii) Seating more than seven but not more than nine.
- (iii) Seating more than nine persons, for every additional person that can thus be seated up to 19, in addition.
- (iv) Seating more than 19 persons, for every additional person that can thus be seated up to 22, in addition.
- (v) Seating more than 22 persons, for every additional person that can thus be seated up to 26, in addition.
- (vi) Seating more than 26 persons, for every additional person that can thus be seated.

**SIND.**

- (a) Seating not more than two persons excluding driver.
- (b) Seating more than two but not more than four excluding driver—

For every additional person which the vehicle is so licensed to carry.

- (c) Seating more than four persons excluding driver—

For every additional person which the vehicle is so licensed to carry.

A  
A  
A

130	170
206	250
12	15
16	20
26	32
36	45

40

3

4

481

MOTOR VEHICLES TAX—CONTINUED.

Name of Province and class of Motor Vehicle.	Punjab. Annual rate of tax.	Bombay. Maximum annual rate of tax.	Madras. Maximum quarterly tax.	Bengal. Rate of tax payable for the year.	Central Provinces. Annual rate of tax.	United Provinces. Annual rate of tax.
1	2	3	4	5	6	7
UNJAB.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
(i) <i>Vehicles plying for hire within the limits of a municipality or cantonment—</i>						
(a) Tramoars .. ..	15					
(b) Other vehicles seating not more than four persons.	50					
(c) Other vehicles seating more than four persons but not more than six persons.	75					
(d) Other vehicles seating more than six persons, for every additional person, that can thus be seated up to 32 in addition.	6					
(e) Other vehicles seating more than 32 persons.	700					
(ii) <i>Vehicles plying for hire outside or across the limits of a municipality or cantonment—</i>						
(a) Tramoars .. ..	15					



per vehicles seating of more than 4 per- sons.	30					
Other vehicles seating more than four persons but not more than six persons.	40					
Other vehicles seating more than six persons but not more than 20 persons.	50					
(d) Other vehicles seating more than 20 persons for every additional person that can thus be seated up to 32 in addi- tion.	6					
(f) Other vehicles seating more than 32 persons.	700					
IV.—VEHICLES FOR CARRYING PASSENGERS NOT FLYING FOR HIRE.						
BENGAL.						
(a) Vehicles not measuring more than fifty square feet over-all.				40		
(b) Vehicles measuring more than fifty square feet but not measuring eighty square feet over-all.				50		
(c) Vehicles measuring eighty square feet and more than eighty square feet over-all.				75		
(Area to be measured by wheel track).						

MOTOR VEHICLES TAX—CONTINUED.

Name of Province, and class of Motor Vehicle.	Punjab. Annual rate of tax.	BOMBAY. MAXIMUM ANNUAL RATE OF TAX.		MADRAS. MAXIMUM QUARTERLY TAX.		BENGAL. RATE OF TAX PAYABLE FOR THE YEAR.		Central Provinces. Annual rate of tax.	United Provinces. Annual rate of tax.	Bihar. ANNUAL TAX.		Sind. Annual rate of tax.
		A.	B.	A.	B.	A.	B.			A.	B.	
		Vehicles fitted solely with pneumatic tyres.	Other vehicles.	Vehicles fitted solely with pneumatic tyres.	Other vehicles.	Vehicles fitted solely with pneumatic tyres.	Other vehicles.			Vehicles fitted solely with pneumatic tyres.	Other vehicles.	
1	2	3	4	5	6	7	8	9	10	11	12	13
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
<i>Motor-vehicles other than those liable to tax under the foregoing provisions of this schedule.</i>												
(a) Seating not more than 1 person.	40									15	15	
(b) Seating not more than 3 persons.	60									30	30	
(c) Seating not more than four persons.	80									50	65	

(d) Seating more than <sup>four</sup> seven persons, for every additional person that can be seated.

BOMBAY.

(a) Vehicles not exceeding 15 cwt. in weight, unladen.

40 50 per cent. in addition.

(b) Vehicles exceeding 15 cwt. but not exceeding 30 cwt. in weight, unladen.

60 Ditto.

(c) Vehicles exceeding 30 cwt. but not exceeding 45 cwt. in weight, unladen.

80 Ditto.

(d) Vehicles exceeding 45 cwt. in weight, unladen.

110 Ditto.

(e) Additional tax payable in respect of such vehicles used for drawing trailers—

(1) for each trailer not exceeding 1 ton in weight, unladen.

25 Ditto.

(2) for each trailer, exceeding 1 ton in weight, unladen.

50 Ditto.

20

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20

21

MOTOR VEHICLES TAX—CONTINUED.

Name of Province and class of Motor Vehicle.	Punjab. Annual rate of tax.	BOMBAY. MAXIMUM ANNUAL RATE OF TAX.		MADRAS. MAXIMUM QUARTERLY TAX.		BENGAL. RATE OF TAX PAYABLE FOR THE YEAR.		Central Provinces. Annual rate of tax.	United Provinces. Annual rate of tax.	BIHAR. ANNUAL TAX.		Sind. Annual rate of tax.
		A.	B.	A.	B.	A.	B.			A.	B.	
		Vehicles fitted solely with pneumatic tyres.	Other vehicles.	Vehicles fitted solely with pneumatic tyres.	Other vehicles.	Vehicles fitted solely with pneumatic tyres.	Other vehicles.			Vehicles fitted solely with pneumatic tyres.	Other vehicles.	
1	2	3	4	5	6	7	8	9	10	11	12	13
<b>MADRAS.</b>	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
(a) Weighing not more than 15 cwt., unladen.				17½	25							
(b) Weighing more than 15 cwt., but not more than 30 cwt., unladen.				25	37½							
(c) Weighing more than 30 cwt., but not more than 45 cwt., unladen.				32½	50							
(d) Weighing more than 45 cwt., but not more than 60 cwt., unladen.				40	60							
(e) Weighing more than 60 cwt., unladen.				50	75							

(f) Additional tax payable in respect of such vehicles used for drawing trailers—

(i) for each trailer not exceeding 1 ton in weight, unladen. 10 15

(ii) for each trailer exceeding 1 ton in weight, unladen. 20 30

**SIND.**

(a) Vehicles not exceeding 15 cwt. in weight, unladen. 40

(b) Vehicles exceeding 15 cwt., but not exceeding 30 cwt. in weight, unladen. 42

(c) Vehicles exceeding 30 cwt., but not exceeding 45 cwt. in weight unladen. 60

(d) Vehicles exceeding 45 cwt. in weight, unladen. 80

(e) Additional tax payable in respect of such vehicle used for drawing trailers—

(1) for each trailer not exceeding 1 ton in weight, unladen. 20

(2) for each trailer exceeding 1 ton in weight, unladen. 40

Provided that two or more vehicles shall not be chargeable under this clause in respect of the same trailer.

MOTOR VEHICLES TAX—CONTINUED.

Name of Province and class of Motor Vehicle.	Punjab. Annual rate of tax.	Bombay. Maximum annual rate of tax.	Madras. Maximum quarterly tax.	Bengal. Rate of tax payable for the year.	CENTRAL PROVINCES. ANNUAL RATES OF TAX.		United Provinces. Annual rate of tax.
					A. Vehicles fitted solely with pneumatic tyres.	B. Other vehicles.	
1	2	3	4	5	6	7	8
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
<b>CENTRAL PROVINCES.</b>							
<i>Private Vehicles.</i>							
<b>Motor Cycles—</b>							
Not exceeding 200 lbs. in weight, unladen.					5	50 % in addition.	
Exceeding 200 lbs. in weight, unladen.					10	Ditto.	
Additional tax for side-car or trailer.					5	Ditto.	
<b>Other motor vehicles, excepting lorries—</b>							
Not exceeding 15 cwt. in weight, unladen.					15	Ditto.	
Exceeding 15 cwt., but not exceeding 1½ tons in weight, unladen.					25	Ditto.	
Exceeding 1½ tons but not exceeding 2 tons in weight, unladen.					35	Ditto.	
Exceeding 2 tons but not exceeding 3 tons in weight, unladen.					100	Ditto.	
Additional tax for each trailer.					10	Ditto.	

**V.—MOTOR VEHICLES TAXATION  
IN CENTRAL PROVINCES.**

*Motor Vehicles for hire.*

*Motor Cycles—*

Not exceeding 200 lbs. in weight, unladen.  
Exceeding 200 lbs. in weight, unladen.  
Additional tax for side-car or trailer.

*Motor cabs and Motor omnibuses—*

Seating capacity for passengers not more than 25.  
And thereafter for each additional seat.  
Additional tax for each trailer.

*Motor Lorries, whether private or for hire—*

Not exceeding 15 cwt. in weight, unladen.  
Exceeding 15 cwt. but not exceeding 1½ tons in weight, unladen.  
Exceeding 1½ tons but not exceeding 2 tons in weight, unladen.  
Exceeding 2 tons but not exceeding 3 tons in weight, unladen.  
Exceeding 3 tons but not exceeding 4 tons in weight, unladen.  
Additional tax for each trailer.

15	50% in addition.
30	Ditto.
10	Ditto.
8 per seat.	50% in addition.
50	Ditto.
20	Ditto.
50	50% in addition.
100	Ditto.
150	Ditto.
250	Ditto.
350	Ditto.
50	Ditto.

MOTOR VEHICLES TAX--CONTINUED.

Name of Province and class of Motor Vehicle.	Punjab. Annual rate of tax.	Bombay. Maximum annual rate of tax.	Madras. Maximum quarterly tax.	Bengal. Rate of tax payable for the year.	CENTRAL PROVINCES. ANNUAL RATE OF TAX.		United Provinces. Annual rate of tax.	Sind.
					A. Vehicles fitted solely with pneumatic tyres.	B. Other vehicles.		
1	2	3	4	5	6	7	8	9
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
<b>VI.—DEALERS IN OR MANUFACTURERS OF MOTOR VEHICLES.</b>								
<i>For a general licence—</i>								
(1) In respect of any seven or less number of motor vehicles.		300						250
(2) In respect of any additional seven or less number of motor vehicles.		300						250
<b>VII.—MOTOR VEHICLES TAXATION IN THE UNITED PROVINCES.</b>								
<b>VEHICLES OTHER THAN PUBLIC SERVICE VEHICLES.</b>								
<i>I.—Cycles.</i>								
<i>II.—Vehicles constructed and used solely for the conveyance of passengers and light personal luggage with seating accommodation for not more than six persons exclusive of the driver (including cycles and tricycles)</i>							SEE ABOVE I.—BICYCLES AND TRICYCLES.	



<i>weighing more than 8 cwt., unladen—</i>						
(i)	(a) not exceeding 20 cwt. in weight, unladen.					30
	(b) exceeding 20 cwt., but not exceeding 35 cwt., in weight unladen.					45
	(c) exceeding 35 cwt., but not exceeding 40 cwt. in weight unladen.					60
(ii)	trailer drawn by vehicles covered by this article.					12
(iii)	in the case of vehicles specified in (i), where two or more are owned by the same person—					
	(a) for that one of such vehicles on which the highest tax is leviable.					
	(b) for each other of such vehicles.					
<b>III.—Other vehicles, including cycles and tricycles weighing more than 8 cwt., unladen, and all vehicles constructed or adapted for use for the transport of goods or for the conveyance of more than 8 persons (exclusive of the driver)—</b>						
(i)	If fitted wholly with pneumatic tyres, and—					
	(a) not exceeding 20 cwt. in weight, unladen.					60
	(b) exceeding 20 cwt., but not exceeding 35 cwt. in weight, unladen.					100
	(c) exceeding 35 cwt., but not exceeding 60 cwt. in weight, unladen.					182
	(d) exceeding 60 cwt., but not exceeding 70 cwt. in weight, unladen.					195
<b>The full tax.</b>						
<b>Three quarters of the tax leviable on such vehicles.</b>						

MOTOR VEHICLES TAX—CONTINUED.

Class of Motor Vehicle.	Punjab. Annual rate of tax.	Bombay. Maximum annual rate of tax.	Madras. Maximum quarter- ly tax.	Bengal. Rate of tax pay- able for the year.	Central Provinces. Annual rate of tax.	United Province Annual rate of tax.
1	2	3	4	5	6	7
<p>(e) exceeding 70 cwt. but not exceeding 5 tons in weight, unladen.</p> <p>(f) exceeding 5 tons in weight unladen for every ton or part of a ton in excess of five tons.</p> <p>(g) trailers drawn by vehicles covered by this Article—</p> <p>(a) to carry load not exceeding one ton.</p> <p>(b) to carry load exceeding one ton.</p> <p>(ii) if fitted with resilient tyres.</p> <p>(iii) if fitted with non-resilient tyres.</p>	<p>Rs.</p>	<p>Rs.</p>	<p>Rs.</p>	<p>Rs.</p>	<p>Rs.</p>	<p>Rs. 250</p> <p>105</p> <p>70</p> <p>132</p> <p>The appropriate tax payable for a vehicle of the same unladen weight with pneumatic tyres together with an addition of 33½ per cent. thereon.</p> <p>The appropriate tax payable for a vehicle of the same unladen weight with pneumatic tyres together with --</p>

**PUBLIC SERVICE  
VEHICLES.**

*IV.—Vehicles plying for hire  
for the convenience of passen-  
gers and light personal lug-  
gage of passengers—*

- (1) with seating capacity for not more than three persons (exclusive of the driver).
- (2) with seating capacity for four persons, exclusive of the driver.
- (3) with seating capacity for more than four but not more than six persons, exclusive of the driver.
- (4) with seating capacity for more than six persons but not more than 20 persons, exclusive of the driver, for the first six seats.

With an addition for every seat in excess of six and up to 20, of—

- (a) If intended for use on an A Class route.
- (b) If intended for use on a B Class route.
- (c) If intended for use on a C Class route.

45

75

115

115

.9

64

4

MOTOR VEHICLES TAX—CONTINUED.

Class of Motor Vehicle.	Punjab. Annual rate of tax.	Bombay. Maximum annual rate of tax.	Madras. Maximum quarter- ly tax.	Bengal. Rate of tax pay- able for the year.	Central Provinces. Annual rate of tax.	United Provinces. Annual rate of tax.	
1	2	3	4	5	6	7	
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	
(b) With seating capacity for more than 20 but not more than 32 persons, exclusive of the driver—  (a) if intended for use on an A Class route—  for the first 20 seats ..  for every additional seat.  (b) if intended for use on a B Class route—  for the first 20 seats ..  for every additional seat.  (c) if intended for use on a C Class route—  for the first 20 seats ..  for every additional seat.							
						255	
							10½
							210
							9
							180
						6½	

th seating capacity for  
ore than 32 persons,  
exclusive of the driver—

tax payable under the  
foregoing clause for the  
first 32 seats with an  
addition, for every seat  
in excess of 32—

- (a) if intended for use on  
an A Class route.
- (b) if intended for use on  
a B Class route.
- (c) if intended for use on  
a C Class route.

*1.—Vehicles plying for hire for  
the conveyance of a limited  
number of passengers and the  
transport of a limited quantity  
of goods—*

The tax payable under Arti-  
cle 4 in respect of the  
authorised number of  
passenger seats, together  
with an additional tax for  
every hundredweight of  
authorised load of goods—

- (a) if intended for use on  
an A Class route.
- (b) if intended for use on a  
B Class route.
- (c) if intended for use on a  
C Class route.

21  
18  
10

6½  
4  
2½

43

MOTOR VEHICLES TAX—CONTINUED.

Class of Motor Vehicle.	Punjab. Annual rate of tax.	Bombay. Maximum annual rate of tax.	[Madras. Maximum quar- terly tax.	Bengal. Rate of tax pay- able for the year.	Central Provinces. Annual rate of tax.	United Provinces. Annual rate of tax.
1	2	3	4	5	6	7
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
<i>VI.—Vehicles plying for hire for the transport of goods only—</i>						
(A) if fitted entirely with pneu- matic tyres, and—						
(a) if intended for use on an A Class route—						
(i) for the first 15 cwt. of authorized load.						100
for every additional cwt. of au-						5½

(b) if intended for use on a B Class route—						
(i) for the first 15 cwt. of authorized load.						144
(ii) for every additional hundredweight of authorized load.						4
(c) if intended for use on a C Class route—						
(i) for the first 15 cwt. of authorized load.						129
(ii) for every additional hundredweight of authorized load.						3
(B) if fitted with resilient tyres.						The tax payable under this Article for a vehicle of the same authorized load capacity, if fitted with pneumatic tyres, together with an addition of 33½ per cent. thereon.
(C) if fitted with non-resilient tyres.						The tax payable under this Article for a vehicle of the same authorized load capacity, if fitted with pneumatic tyres, together with an addition of 66½ per cent. thereon.

MOTOR VEHICLES TAX--CONCLUDED.

Class of Motor Vehicle.	Punjab. Annual rate of tax.	Bombay. Maximum annual rate of tax.	Madras. Maximum quar- terly tax.	Bengal. Rate of tax pay- able for the year.	Central Provinces. Annual rate of tax.	United Provinces. Annual rate of tax.
1	2	3	4	5	6	7
<p><i>VII.—Vehicles plying for hire and intended for use on a special route.</i></p>	<p>Rs.</p>	<p>Rs.</p>	<p>Rs.</p>	<p>Rs.</p>	<p>Rs.</p>	<p>The appropriate tax payable under Articles 4, 5 or 6 in respect of an A Class route, together with such additional tax not exceeding 50 per cent. of such appropriate tax as may be prescribed by the Local Government.</p> <p>In addition to any tax paid under any of the foregoing Articles, a tax at such weekly rate not exceeding Rs. 23 as the Local Government may prescribe for every week or part of a week during which it is intended to use any such vehicles on special</p>



VIII.—Vehicles plying for hire in respect of which a tax has been paid under either of Articles 4, 5, 6 or 7 when intended for use in special or temporary circumstances and for a limited period on a route or routes other than those over which they otherwise ply.

Provided that nothing in this Article shall apply to a motor vehicle which is temporarily the subject of a private hiring agreement for the purpose of a specific journey :

Provided further that no additional tax shall be payable if a motor vehicle does not use the road or roads for which it is permanently licensed during the period it is temporarily allowed to ply on a route or routes other than those in respect of which it is permanently licensed.

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Note.—The rates of tax contained in the above statement are based on the Acts noted below :—

- (a) The Bengal Motor Vehicles Tax Act, 1932, as amended by the Bengal Motor Vehicles Tax (Amendment) Act, 1932.
- (b) The Madras Motor Vehicles Taxation Act, 1931, as amended by Madras Acts, X of 1931, V of 1932, and XXIV of 1933.
- (c) The United Provinces Motor Vehicles Taxation Act, 1935.
- (d) The Central Provinces and Berar Motor Vehicles Fees Act, 1938, as amended by the Central Provinces and Berar Motor Vehicles Fees (Amendment) Act, 1939.
- (e) The North-West Frontier Province Motor Vehicles Taxation Act, 1936.
- (f) The Assam Motor Vehicles Taxation Act, 1936.
- (g) The Punjab Motor Vehicles Taxation Act, 1924, as amended by the Punjab Motor Vehicles Taxation (Amendment and Co-ordination) Act, 1937.

## APPENDIX J.

## Schedules of rates of entertainment duty.

are brought together the schedules of rates of entertainment duty in various provinces for facility of comparison.

Province.	Name of Act.	Schedule of rates of tax.
Punjab	Punjab Entertainments Duty Act, 1936, as amended by the Punjab Entertainment Duty (Amendment) Act, 1939.	<p style="text-align: right;">Rs. A. P.</p> <p>Where the payment, excluding the amount of the duty—</p> <p>exceeds Rs. 0-4-0 but does not exceed Rs. 0-8-0 .. .. . 0 1 0</p> <p>exceeds Rs. 0-8-0 but does not exceed Rs. 1 .. .. . 0 2 0</p> <p>exceeds Rs. 1 but does not exceed Rs. 2 .. .. . 0 4 0</p> <p>exceeds Rs. 2 but does not exceed Rs. 3 .. .. . 0 6 0</p> <p>exceeds Rs. 3 but does not exceed Rs. 4 .. .. . 0 8 0</p> <p>exceeds Rs. 4 but does not exceed Rs. 5 .. .. . 0 12 0</p> <p>exceeds Rs. 5 but does not exceed Rs. 7-8-0 .. .. . 1 0 0</p> <p>exceeds Rs. 7-8-0 but does not exceed Rs. 10 .. .. . 1 8 0</p> <p>for every Rs. 5 or part thereof in excess of the first Rs. 10, in addition to the payment on the first Rs. 10 .. 1 0 0</p>
North-West Frontier Province.	The North-West Frontier Province Entertainments Duty Act, 1937.	Same as in the Punjab.
Bombay	Bombay Entertainments Duty Act, 1923.	Same as in the Punjab.
Sind	The Bombay Entertainments Duty (Sind Amendment) Act, 1939.	Where the payment, excluding the amount of duty, does not exceed four annas, Rs. 0-0-4. Otherwise 25 per cent. higher than in the Punjab for the same categories.
United Provinces..	The United Provinces Entertainments and Betting Tax Act, 1937.	<p>Where the payment, excluding the amount of the tax is not—</p> <p>less than Rs. 0-2-0 but does not exceed Rs. 0-3-0 .. .. . 0 0 3</p> <p>exceeds Rs. 0-3-0 but does not exceed Rs. 0-4-0 .. .. . 0 0 6</p> <p>The rest—same as in the Punjab except where the payment—</p> <p>exceeds Rs. 5 but not Rs. 6-8-0 .. 1 0</p> <p>exceeds Rs. 6-8-0 but not Rs. 10 .. 1 8</p>

## APPENDIX J—CONTINUED.

Province.	Name of Act.	Schedule of rates of tax.
Bengal	The Bengal Amusements Tax Act, 1922, as amended in 1935.	<p style="text-align: right;">Rs. A. P.</p> <p>Where the payment, excluding the amount of tax is—</p> <p>more than Re. 0-3-0 but not more than Re. 0-4-0 .. .. 0 0 6</p> <p>more than Re. 0-4-0 but is less than Re. 0-12-0 .. .. 0 1 0</p> <p>more than Re. 0-12-0 or more but is less than Re. 1-8-0 .. .. 0 2 0</p> <p>more than Re. 1-8-0 or more but is less than Re. 2-8-0 .. .. 0 4 0</p> <p>more than Re. 2-8-0 or more but is less than Re. 3-8-0 .. .. 0 8 0</p> <p>more than Re. 3-8-0 or more but is less than Re. 4-8-0 .. .. 0 12 0</p> <p>more than Re. 4-8-0 or more but is less than Re. 6-8-0 .. .. 1 0 0</p> <p>more than Re. 6-8-0 or more but is less than Re. 9-8-0 .. .. 1 8 0</p> <p>more than Re. 9-8-0 or more but is less than Re. 10 .. .. 2 0 0</p> <p>more than Re. 10 for the first Re. 10 and for every Re. 10 or part of Re. 10 over Re. 10 .. .. 2 0 0</p>
Assam	The Assam Amusements and Betting Tax Bill, 1939.	<p>Where the payment, excluding the amount of the tax—</p> <p>is less than Re. 0-8-0 .. .. 0 0 6</p> <p>is Re. 0-8-0 or more but less than Re. 1 .. .. 0 1 6</p> <p>is Re. 1 or more but less than Re. 2 .. 0 4 0</p> <p>is Re. 2 .. .. 0 6 0</p> <p>is more than Re. 2, for every rupee or part in excess of the first two rupees, in addition to the payment on the first two rupees .. .. 0 8 0</p>

## APPENDIX J—CONCLUDED.

Province.	Name of Act.	Schedule of rates of tax.	Rs. A. P.
Madras	Madras Entertainments Tax Act, 1939.	Where the payment, excluding the amount of the tax—	
		is not more than Rs. 0-2-0	.. 0 0 3
		is more than Rs. 0-2-0 but not more than Rs. 0-4-0	.. 0 0 6
		is more than Rs. 0-4-0 but not more than Rs. 0-6-0	.. 0 0 9
		is more than Rs. 0-6-0 but not more than Rs. 0-8-0	.. 0 1 0
		is more than Rs. 0-8-0 but not more than Rs. 0-12-0	.. 0 1 6
		is more than Rs. 0-12-0 but not more than Rs. 1 ..	.. 0 2 0
		is more than Rs. 1 but not more than Rs. 2 ..	.. 0 4 0
		is more than Rs. 2 but not more than Rs. 3 ..	.. 0 6 0
		is more than Rs. 3 but not more than Rs. 4 ..	.. 0 8 0
		is more than Rs. 4 but not more than Rs. 5 ..	.. 0 12 0
		is more than Rs. 5 ..	.. 0 12 0
		in respect of the first Rs. 5 and Rs. 0-4-0 for every rupee or portion thereof in excess of the first Rs. 5.	
Bihar	The Bihar Entertainments Duty Act, 1937.	When the amount of payments for admission—	
		is more than Rs. 0-2-0 but is less than Rs. 0-4-0 ..	.. 0 0
		is Rs. 0-4-0 or more but less than Rs. 0-8-0 ..	.. 0
		is Rs. 0-8-0 or more but less than Rs. 1 ..	.. 6
		is Rs. 1 or more but less than Rs. 2 ..	.. 0
		is Rs. 2 or more but not more than Rs. 3 ..	.. 0
		is in excess of Rs. 3 ..	.. 1

PRINTED BY  
THE SUPERINTENDENT, GOVERNMENT PRINTING, PUNJAB.  
1129 CS-600-16-11-30-SGPP Lahore.