

15th March 1941

THE

# LEGISLATIVE ASSEMBLY DEBATES

## Official Report

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*(28th February to 17th March, 1941)*

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### THIRTEENTH SESSION

OF THE

### FIFTH LEGISLATIVE ASSEMBLY, 1941



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# Legislative Assembly

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SIR ABDUL HALIM GHUZNAVI, M.L.A.

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# LEGISLATIVE ASSEMBLY

Saturday, 15th March, 1941.

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

## STARRED QUESTIONS AND ANSWERS.

### (a) ORAL ANSWERS.

#### CONCESSIONAL RETURN TICKETS FOR THE *Urs* AT PIRANKALIAR SHAREEF NEAR ROORKEE BY THE NORTH WESTERN RAILWAY.

†335. \*Qazi Muhammad Ahmad Kaemi: (a) Will the Honourable Member for Railways be pleased to state whether it is or it is not a fact that the Bombay, Baroda and Central India, East Indian and North Western Railways always issue concession return journey tickets to the pilgrims on the occasion of the annual *Urs* of Khwaja Gharib Nawaz Sahib, Ajmer, and the latter two railways on the occasion of the annual *Urs* of Khwaja Nizamuddin Aulia Sahib, Delhi?

(b) Is it or is it not a fact that the annual *Urs* of Makdoom Alauddin Ali Ahmad Sabir which is held at Pirankaliar Shareef near Roorkee Railway Station, East Indian Railway, is attended by over one lakh of pilgrims and over 40,000 of these pilgrims travel by rail and about 60,000 travel by road by motor buses, and a very large number of these pilgrims come from the Punjab also, which is served by the North Western Railway?

(c) Is it or is it not a fact that the East Indian Railway always issues cheap return journey tickets for the facility of the pilgrims but the North Western Railway does not issue such cheap return journey tickets, though representations for that purpose have been made from time to time to the authorities of the said railway on behalf of the public?

(d) If the answer to the latter part of part (c) be in the negative, what is the reason of this refusal?

(e) Have Government considered that the majority of the pilgrims being from the Punjab, the North Western Railway is likely to get a considerable increase in its income by diverting the road traffic to the line by issuing concession return tickets in addition to providing facilities to the pilgrims?

(f) Is it or is it not a fact that the East Indian Railway authorities at their meeting held on 11th February, 1941, in connection with the arrangements of the said *Urs*, have decided that the concession return tickets be issued from 6th April to 12th April, 1941, which would be available for return journey up to 19th April and they have further decided to book the unsold goods of merchants free of charge on return journey provided it had been brought through them?

(g) Have Government considered the advisability of persuading the North Western Railway authorities to issue the return journey concession

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

tickets to the pilgrims to the said *Urts* and to give the facility and concession of the booking of the unsold merchandise to merchants bringing their goods to Pirankaliar Shareef on the same terms and dates as the East Indian Railway is doing?

**The Honourable Sir Andrew Olow:** (a) Yes, except that the North Western and East Indian Railways did not issue return journey tickets to Hazrat Nizamuddin in 1940, as experience had proved that the concession had failed to bring new traffic.

(b) I have no details of the members attending the *Urts* but understand that in 1940 the total number of rail-borne pilgrims was about 36,000 while the number who travelled by road is estimated by the East Indian Railway at 15,600 in both directions. The number of pilgrims arriving by rail from North Western Railway stations was about 5,000; I have no estimate of the number coming from the Punjab by road.

(c) and (d). I understand the East Indian Railway issue these concessional return tickets from all stations whereas the North Western Railway do so only from certain selected stations. Representations have been made to the North Western Railway who considered that the traffic was moving freely at the existing fares and there was no financial justification for extending the concession.

(e) I have no information that the majority of the pilgrims come from the Punjab but am prepared to suggest that the North Western Railway administration re-examine the question of extending the issue of return tickets at concessional rates over a wider area.

(f) I understand the East Indian Railway have decided on concessions being available from the 5th to the 11th April, for completion of the return journey by the 18th. No concession is proposed for unsold goods.

(g) I would refer the Honourable Member to the reply already given to part (e) of the question but I do not propose suggesting to them that concessions be given on unsold goods.

#### PAID HOLIDAYS AT THE JAMALPUR RAILWAY WORKSHOP.

**336. \*Maulvi Muhammad Abdul Ghani:** Will the Honourable Member for Railways be pleased to state:

- (a) the number of paid holidays allowed to the staff of Jamalpur Workshop (East Indian Railway) during the whole year;
- (b) out of these holidays, the number of holidays allowed to Muhammadan staff and also the number of days allowed for Muslim holidays;
- (c) whether it is a fact that the holiday of Id-ul-Zuha (Bakr-Id) is not allowed to Muhammadans of that Workshop; if not, why not;
- (d) whether the Bakr-Id holiday is treated as a holiday under the Negotiable Instruments Act in Bihar; and
- (e) whether it is a fact that the Muslim staff of that Workshop appealed to the General Manager, East Indian Railway, for allowing them Bakr-Id holiday, to which he replied that they can avail of Bakr-Id holiday with the permission as an unpaid holiday; if so, why?

**The Honourable Sir Andrew Olow:** (a) 15.

(b) The Muslim staff get all the 15 paid holidays, out of which two are Muslim holidays.

(c) The answer to the first part is in the affirmative if the Honourable Member has a paid holiday in mind; as regards the second part, the festivals to which the two Muslim holidays should be allotted is a matter of choice, and to change the present arrangements in order to give a holiday for Bakr-Id must result in a holiday being denied for some other festival.

(d) Yes.

(e) I understand the Muslim employees at Jamalpur made the request referred to; I am not aware of the exact reply given by the General Manager, but I believe that employees who can be spared have also the choice of taking leave on that day.

**Maulvi Muhammad Abdul Ghani:** Why are they compelled to take leave without pay on this important festival which is a gazetted holiday and also a holiday under the Negotiable Instruments Act?

**The Honourable Sir Andrew Olow:** So far as I understand, that is not the position. They are not compelled to take leave and they have the alternative, if leave is due to them, of taking ordinary leave on that day.

**INSTRUCTIONS FOR INCLUSION OF EDUCATIONAL ASSISTANCE IN THE TERM "WAGES".**

**337. \*Mr. Lalchand Navalrai:** (a) Will the Honourable Member for Railways be pleased to state whether any instructions have been issued to the Railway Administrations that the educational assistance for employees children, admissible under the rules in force on each railway, is also included in the term 'Wages' under the Payment of Wages Act?

(b) If the reply to part (a) above be in the affirmative, have these instructions been brought to the notice of the railway employees? If not, why not?

(c) If the reply to part (b) above be in the affirmative, will the Honourable Member please lay on the table of the House a copy of such circular issued on the North Western Railway?

**The Honourable Sir Andrew Olow:** (a) No.

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

**CLASSIFICATION OF WORKS MISTRIES ON NORTH WESTERN RAILWAY.**

**338. \*Mr. Lalchand Navalrai:** (a) With reference to the Honourable the Railway Member's reply to part (b) of the transferred unstarred question No. 123, printed in the Legislative Assembly Debates of the 1st April, 1940, will he be pleased to state whether he will lay on the table of the House a copy of the duty list of a Works Mistry employed at any station on the North Western Railway, wherein his duties have been defined or a restriction placed on his doing clerical and technical work?

(b) Is it a fact that the Works Mistries in their several memorials to the General Manager and other high officials, have asserted that their duties involve clerical and technical work? If so, has this assertion been denied?

(c) If the reply to the last portion of part (b) above be in the affirmative, will the Honourable Member be pleased to lay copies of such replies on the table of the House? If not, why not?

(d) Is it a fact that, with a view to relieve Works Mistries of clerical and technical work, it is proposed to engage more Assistant Inspectors of Works? If so, why?

(e) What are the financial advantages of the two schemes:

(i) classification of Works Mistries as members of subordinate service, and

(ii) appointment of more Assistant Inspectors of Works?

If the latter scheme of recruitment of more Assistant Inspectors involves extra expenditure, is it proposed to economise by classification of Works Mistries as members of subordinate service? If not, why not?

**The Honourable Sir Andrew Clow:** (a) No such duty lists are prepared.

(b) The reply to the first part is in the affirmative and to the second part in the negative.

(c) Does not arise.

(d) I understand that the North Western Railway is examining the question whether it is desirable in the interests of administration to revive posts of Sub-Inspectors of Works, which were brought under reduction in 1931, but this is not for the purpose assumed by the Honourable Member.

(e) As no decision has been taken regarding the appointment of the Sub-Inspectors of Works and the numbers required are not determined, it is not possible to make a comparison of the relative costs.

**Mr. Lalchand Navalrai:** With what object is that arrangement going to be made?

**The Honourable Sir Andrew Clow:** The object is to improve the administration.

**Mr. Lalchand Navalrai:** In respect of the welfare of the mistries?

**The Honourable Sir Andrew Clow:** I do not think it is related to that at all.

**Mr. Lalchand Navalrai:** Is the Honourable Member going to do anything for these mistries so that they may get some pull up?

**The Honourable Sir Andrew Clow:** I have no such proposal in contemplation.

#### STAMP VENDORS IN THE POSTAL DEPARTMENT.

339. **\*Mr. Lalchand Navalrai:** (a) Will the Honourable Member for Communications be pleased to state what the scale of pay for Stamp Vendors in the Postal Department was prior to 1931 and what their revised scale of pay is?

(b) If there is a big drop in the minima and maxima, what are the reasons for it?

(c) Is it a fact that the Stamp Vendors are classified as members of inferior service? If so, why?

(d) Is it a fact that the All-India Postal and Railway Mail Service Union have made repeated representations for re-classification of Stamp Vendors as members of subordinate service? If so, how have these representations been disposed of?

(e) Do Government propose to classify Stamp Vendors as members of subordinate service? If not, why not?

**Sir Gurnath Bewoor:** (a) A statement giving the old and present scales of pay is placed on the table.

(b) The reduction is large in some places and particularly the Presidency Towns. The old scales were unnecessarily high having regard to the general conditions of service, the nature of the duties involved and the qualifications required for the work.

(c) Yes, because of the nature of their work.

(d) Yes. They were rejected.

(e) No, for the reasons stated in reply to part (c) of the question.

*Statement showing the old and new scales of pay for Departmental stamp-vendors.*

	Old Scale.	New Scale.
	Rs.	Rs.
<i>Group 'A'—</i>		
1. Alipore (Calcutta) and Mekran Coast . . . . .	25—1—45	24— $\frac{1}{2}$ —34
2. Baluchistan, Karachi and Persian Gulf . . . . .	30—1—50	24— $\frac{1}{2}$ —34
3. Bombay . . . . .	60—4—100	24— $\frac{1}{2}$ —34
4. Calcutta (including Howrah) . . . . .	50—5—100	24— $\frac{1}{2}$ —34
<i>Group 'B'—</i>		
1. Abbottabad, Mussoorie, Nainital and Ootacamund . . . . .	18—1—38	22— $\frac{1}{2}$ —32
2. Agra, Allahabad, Amritsar, Benares, Cawnpore, Delhi, Lahore, Lucknow, Meerut, Peshawar, Rawalpindi and Simla . . . . .	23—1—43	24— $\frac{1}{2}$ —32
3. Ahmedabad and Poona . . . . .	30—1—50	22— $\frac{1}{2}$ —32
4. Dacca, Darjeeling, Dhanushkodi, Hyderabad (Deccan), Mymensingh, Nagpur, Patna, Ranchi and Shillong . . . . .	20—1—40	22— $\frac{1}{2}$ —32
5. Madras . . . . .	40—5—90	22— $\frac{1}{2}$ —32
6. Andaman and Nicobar Islands . . . . .	25—1—45	22— $\frac{1}{2}$ —32
<i>Group 'C'—</i>		
1. All other stations in B. and A., Bombay and Sind and Baluchistan Circles and in Jubbulpore, Madras, Bangalore and Ambala . . . . .	20—1—40	18— $\frac{1}{2}$ —28
2. All other stations in Central Bihar and Orissa, Madras, U. P., and Punjab and N.-W. F. Circles . . . . .	18—1—38	18— $\frac{1}{2}$ —28

**Mr. Lalchand Navalrai:** May I know if the Honourable Member has examined the question of these stamp vendors at Karachi?

**Sir Gurnath Bewoor:** Yes, Sir.

**Mr. Lalchand Navalrai:** Does the Honourable Member find that they are entitled to some more pay?

**Sir Gurnath Bewoor:** No, Sir.

**Mr. Lalchand Navalrai:** Why not?

**Sir Gurnath Bewoor:** Because of the reply I gave to part (b) of the question.

**Mr. Lalchand Navalrai:** That is a stereotyped reply. When it is represented that they are doing more work than is required of them by the rules, why is not something being done for their welfare?

**Sir Gurnath Bewoor:** I am not aware that they do any work beyond what is required of a stamp vendor.

#### CLASSIFICATION OF WORKS MISTRIES ON NORTH WESTERN RAILWAY.

**340. \*Mr. Lalchand Navalrai:** (a) Will the Honourable Member for Railways be pleased to state whether it is a fact that applications were invited *vide* Notice No. 17 published in the North Western Railway Gazette No. 14, dated the 5th July, 1940, for the post of Works Mistries on the North Western Railway, with qualifications as under:

- (i) previous experience on engineering works, and/or,
- (ii) training in a recognized engineering school or college?

(b) In view of the aforesaid qualifications required, why are Works Mistries classified as members of Labour service?

(c) Do Government propose to revise the classification of Works Mistries as members of subordinate service? If not, why not?

**The Honourable Sir Andrew Clow:** (a) Yes, but this notification was cancelled by Notice No. 80 of the North Western Railway Gazette No. 15, dated July 19, 1940, as the qualifications had been wrongly stated in the original notification.

(b) Does not arise.

(c) I would refer the Honourable Member to my reply to part (d) of his unstarred question No. 123 put on 1st April, 1940.

#### POSTMASTERS IN BOMBAY POSTAL CIRCLE AND THEIR DAILY DUTY ATTENDANCES.

**†341. \*Mr. N. M. Joshi:** Will the Honourable the Communications Member be pleased to state:

- (a) the number of Postmasters in Bombay Circle who have duty attendances during a day for (i) three times, (ii) four times, and (iii) five times, separately; and
- (b) whether Government have considered if this attendance cannot be reduced to two at the most, by providing mail boxes at the Railway Stations or by such other measures?

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

**Sir Gurnath Bewoor:** (a) and (b). I have no information and regret that I cannot undertake to collect it as this would involve an undue expenditure of time and labour. I am, however, sending a copy of the question and of this reply to the Postmaster General, Bombay, for considering the suggestion made by the Honourable Member.

**PROMOTIONS TO POSTAL SUPERINTENDENT'S CADRE.**

†342. \***Mr. N. M. Joshi:** Will the Honourable the Communications Member be pleased to state:

- (a) whether the promotion to Postal Superintendent's cadre is open to Inspectors and Head Clerks to Postal Superintendents who are below the age of 45 years;
- (b) whether, on account of this promotion, orders have been issued that promotion to Rs. 250—350 cadre will be open to Inspectors alternately with officials of general line;
- (c) if the reply to parts (a) and (b) be in the affirmative, whether Government propose to issue orders that for the purpose of promotion to Rs. 250—350, strict seniority will be observed in the case of Inspectors who are above the age of 45 years on the date of promotion and that the procedure mentioned in part (b) will be applicable only to those Inspectors who are below 45 on the date of promotion; and
- (d) whether the Inspectors and Head Clerks who were above the age of 45 years on the date the orders were promulgated, will be exempted from the operation of orders mentioned in part (b)?

**Sir Gurnath Bewoor:** (a) Yes, but the age limit can be relaxed in exceptional cases and such promotions are made on the principle of pure selection on merit.

(b) No. The orders were issued to secure more equal prospects of promotion to the grade of Rs. 250—350 for lower selection grade officials belonging to the "Inspectors' line" and to the "General line".

(c) Does not arise.

(d) No.

**POSTAL SAVINGS BANK RULE AGAINST DEPOSIT OF A FRACTION OF A RUPEE.**

†343. \***Mr. N. M. Joshi:** Will the Honourable the Communications Member be pleased to state:

- (a) whether, under the revised Post Office Savings Bank Rules, no fraction of a rupee is permitted to be deposited by a depositor; and
- (b) if the reply to part (a) be in the affirmative, whether Government propose further to modify the said rules so as to permit the depositor the addition of fraction of a rupee by way of interest to be rounded to the next rupee?

**The Honourable Sir Andrew Olow:** (a) Yes, except in certain special types of accounts.

(b) No.

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

**RESTRICTING THE EXCHANGE OF REGISTERED AND PARCEL LISTS IN BRANCH POST OFFICES.**

†344. \*Mr. N. M. Joshi: Will the Honourable the Communications Member be pleased to state:

- (a) whether Government propose to restrict the exchange of Registered and Parcel lists in the Post Offices, in the case of branch offices, to those only which are in direct communication with the Railway Mail Service to economise the use of papers and carbon papers; and
- (b) the total number of branch offices in the Konkan, Bhavnagar and Rajkot Divisions and the number of branch offices there which have booked more than ten registered letters and ten parcels respectively in a month?

**Sir Gurunath Bewoor:** (a) I am considering the question.

(b) The number of branch offices in the three divisions is:

Konkan . . . . .	216
Bhavnagar . . . . .	265
Rajkot . . . . .	291
Total	772

I regret I am not in a position to supply the further particulars required by the Honourable Member.

**DIFFERENCE IN APPLICATION OF A<sub>2</sub> VISION TEST RULE ON NORTH-WESTERN AND EAST INDIAN RAILWAYS.**

†345. \*Nawab Siddique Ali Khan: Will the Honourable the Railway Member be pleased to state whether it is a fact that on the North Western Railway an employee transferred from one branch to another where he has to pass A<sub>2</sub> vision test, can do so with glasses because the transfer is not held as initial appointment for the purpose of vision test, but, on the East Indian Railway, the rules are differently applied and an employee transferred from one branch to another is required to pass vision test in A<sub>2</sub> without glasses as if it were his initial appointment to the post to which he is transferred? If so, what are the reasons for having different rules on the said Railways?

**The Honourable Sir Andrew Olow:** I am informed that the standards on the East Indian Railway in respect of the matter mentioned in the question are not more stringent than those on the North Western Railway.

**EMPLOYEES LOSING JOBS FOR HABITUAL INDEBTEDNESS ON EAST INDIAN RAILWAY.**

†346. \*Nawab Siddique Ali Khan: Will the Honourable the Railway Member please state whether Rule 16 (1) (2) (3) of the Government Servant's Conduct Rules is applicable to subordinate staff of the State Railway establishment? If so, how many such cases have occurred on the East Indian Railway where employees have lost their jobs for habitual indebtedness? Is it a fact that this rule is not operative in Moradabad Division of the East Indian Railway? If so, why?

**The Honourable Sir Andrew Olow:** The answer to the first part is in the affirmative. In the second part, the Honourable Member has not

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

specified the period for which he wants the information, but I am securing it for the year 1940 and will furnish it later. As regards the third part, all Government servants are subject to these rules and those on the Moradabad Division can be no exception. The last part does not arise.

**VISION TEST FAILED STATION MASTERS AND ASSISTANT STATION MASTERS EMPLOYED IN TICKET CHECKING BRANCH OF MORADABAD DIVISION.**

†347. \*Nawab Siddique Ali Khan: (a) Will the Honourable the Railway Member please state how many Station Masters and Assistant Station Masters, having failed in vision test, are employed in the Ticket Checking branch of Moradabad Division?

(b) What was the last pay and grade of these Station Masters and Assistant Station Masters prior to their failure in vision test?

(c) What is their pay, and what is the grade and category in which they are utilised now?

(d) Will the Honourable Member lay on the table a complete list of such staff?

**The Honourable Sir Andrew Olow:** I have called for information and a reply will be laid on the table in due course.

**RULE FOR FIXATION OF SENIORITY ON STATE RAILWAYS.**

†348. \*Nawab Siddique Ali Khan: (a) With reference to the Honourable the Railway Member's speech at the last meeting of the Railway Conference Association, regarding seniority being the general rule for promotion on State Railways, will he please let this House know if there is any standard rule governing fixation of seniority? If so, what is the rule?

(b) Is it a fact that on the East Indian Railway there is no standard rule to determine seniority on the said Railway?

(c) Is it a fact that while promoting staff in the subordinate rank in their normal avenue of advancement, they are subjected to various tests by Boards and Committees and their past service record is ignored, resulting in supersession of senior hands at the hands of junior ones?

(d) Is there any rule under which Officers of Selection Boards and Selection Committees are authorised to attach "degrees" of one's suitability for a certain post and declare a senior man as merely suitable and a junior one as more suitable or most suitable? If so, will the Honourable Member please state the factors which determine the degree of one's suitability?

(e) For what purposes are Selection Boards held and for which posts and for what purposes and posts are Selection Committees set up?

**The Honourable Sir Andrew Olow:** (a) I did not make the statements the Honourable Member attributes to me; the seniority of non-gazetted staff is a matter within the discretion of General Managers, and Government have made no rule on this subject.

(b) If the Honourable Member has in mind a rule applicable to all groups, classes and grades and under all circumstances, the reply is in the affirmative.

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

(c) Staff have to pass prescribed qualifying examinations and have to be selected by Selection Boards before being promoted to selection posts. The past services of employees are taken into consideration along with other relevant factors by Selection Boards.

(d) No, but Selection Boards and Committees have generally to indicate the order of merit of the recommended employees. It is not possible to reduce to precise formulæ the bases on which the comparative merits of candidates are judged.

(e) As regards the first part, Selection Boards or Committees are held for the purpose of selecting staff to fill selection posts detailed in my reply to Mr. Azhar Ali's unstarred question No. 11 asked on the 6th February, 1940.

**CONTRIBUTIONS TO PROVIDENT FUND BY OLD TICKET COLLECTORS ON EAST INDIAN RAILWAY AND RATE OF THEIR TRAVELLING ALLOWANCE.**

**349. \*Qari Muhammad Ahmad Kasmi:** (a) Will the Honourable the Railway Member be pleased to enquire and state whether it is a fact that before the introduction of new scale of Rs. 18—1—27 for the sorters on the East Indian Railway the scale of this category of staff (known as letter delivery clerks, or train despatch clerks, etc.), used to be Rs. 26—2—50 and Rs. 26—2—40?

(b) Is it a fact that this information was given in this House on the 7th February, 1939, in reply to unstarred questions Nos. 36, 37, 39, and 41?

(c) Is it a fact that ex-brakesmen of the East Indian Railway, who were wrongly fixed in the new scale of Rs. 18—1—27 were re-fixed in the scale of Rs. 26—2—40 from the date they were brought on to the new scale of Rs. 18—1—27?

(d) Is it a fact that some of the Ticket Collectors who were drawing Rs. 52 or Rs. 64 in the second and third grade of the cadre were for certain reasons demoted as letter sorters and fixed in the scale of Rs. 18—1—27 (new)?

(e) Is it a fact that on re-examination of the position they were subsequently fixed on the old scale of Rs. 26—2—40 like the ex-brakesmen of the late Oudh and Rohilkhand Railway?

(f) Is it a fact that unlike the ex-brakesmen these Ticket Collectors were not fixed in the old scale with retrospective effect *viz.*, from the date they were wrongly fixed in the new scale of Rs. 18—1—27? If so, why?

(g) Is it a fact that these old Ticket Collectors now employed as letter sorters on their fixation in the old scale of Rs. 26—2—40 are allowed to contribute to Provident Fund?

(h) Is it a fact that, while employed in the scale of Rs. 18—1—27, they were not allowed to contribute to Provident Fund?

(i) Is it a fact that during the period they drew Rs. 27 and were re-fixed on Rs. 42, they suffered a heavy loss by not contributing to Provident Fund and this loss has not been compensated like the ex-brakesmen by re-fixing their pay with retrospective effect? If so, why?

(j) What are the rules regarding the payment of arrears in respect of pay and travelling allowances drawn by employees under circumstances mentioned in previous parts of this questions?

(k) Is it a fact that during the period these old Ticket Collectors were paid Rs. 27 in the new scale against Rs. 40 in the old scale, they were paid annas six per day as travelling allowance against annas twelve per day? If so, how has this loss been compensated for? If not, why not?

**The Honourable Sir Andrew Olow:** (a) Yes, but the grade of Rs. 28—2—50 was applicable to train despatch clerks on the Oudh and Rohilkuna Railway.

(b) Yes in the replies to questions 36, 37 and 41.

(c), (e), (g) and (h). Yes.

(d) Yes, but of the six ticket collectors, two were in receipt of pay of Rs. 52, three of Rs. 46 and one of Rs. 49.

(f) The answer to the first part is in the affirmative. As regards the second part, the men were accommodated in the lower grade as they were not considered fit for the posts of ticket collectors, and therefore had no claim for any retrospective benefits when the scales were refixed.

(i) The men did not have the benefit of subscribing to the Provident Fund while they were in the scale of Rs. 18—1—27; as regards the second part, the Honourable Member is referred to my reply to part (f).

(j) The men were paid at the revised rate from the 1st October, 1938; they had no claims for any arrears previous to that date.

(k) The answer to the first part is in the affirmative; as regards the second part, there is no question of compensation as the men were paid at the correct rate; the third part does not arise.

#### PROMOTION OF JOURNEYMEN AS CHARGEMEN ON EAST INDIAN RAILWAY.

**350. \*Qazi Muhammad Ahmad Kazmi:** (a) Will the Honourable the Railway Member please state whether it is or it is not a fact that the actual work in Loco-carriage and Wagon shops on the East Indian Railway is carried on by skilled labourers and mistries and the function of journeymen and chargemen is mostly that of the supervision?

(b) Is it or is it not a fact that up till 1936, literate and competent Mistries were promoted to the post of journeymen, who in their turn were promoted to the posts of chargemen and the latter two posts were thus wholly filled up from the cadre of mistries?

(c) Is it or is it not a fact that since 1936, journeymen have not been allowed to become permanent chargemen, however long and however efficiently they may have carried out the duties of chargemen in a temporary capacity, and they have always to make room for new hands from Jamalpur School, whenever they are available?

(d) Are Government aware that this system has absolutely barred the prospects of the journeymen and mistries and is adversely affecting them?

(e) Have Government considered the advisability of reverting to the old rule, or at least fixing up some percentage of the posts of chargemen to be filled up by efficient and capable journeymen?

**The Honourable Sir Andrew Olow:** (a) As regards the first part, skilled labourers and mistries form part of the necessary organisation of the shops and do the work allotted to them; as regards the second part, the function of Chargemen is mostly supervisory. I have called for information

in respect of journeymen and a further reply will be laid on the table in due course.

(b) and (c). I have called for information and a further reply will be laid on the table in due course.

(d) and (e). No.

**RECENT RESTRICTION ON ADVANCE OF LOANS BY CO-OPERATIVE CREDIT SOCIETY ON EAST INDIAN RAILWAY.**

**351. \*Qazi Muhammad Ahmad Kasmi:** (a) Will the Honourable the Railway Member please state whether it is or it is not a fact that members of Co-operative Credit Society on the East Indian Railway were entitled to take additional loans after paying up half of their existing loan, provided the total amount did not exceed ten months pay?

(b) Is it or is it not a fact that recently the Agent, East Indian Railway, has passed orders that a new loan cannot be taken unless the previous one has been fully paid up and in full time, irrespective of the fact that it is to any extent below the permissible maximum?

(c) Are Government aware that this rule is causing great hardship to the Railway employees who have to incur debts at much higher rates of interest to meet their legitimate necessities?

(d) Have Government considered the advisability of restoring the old rule?

**The Honourable Sir Andrew Clow:** As I have indicated in reply to an unstarred question today, I cannot accept responsibility for the working of co-operative credit societies. But I am inquiring if action has been recently taken by the General Manager, independently of the Managing Committee, to curtail the facilities for loans in the manner suggested in the question, and a further reply will be furnished at a later date.

**LEAVE PRIVILEGES TO INFERIOR LABOUR STAFF PROMOTED TO SUBORDINATE CADRE ON EAST INDIAN RAILWAY.**

**352. \*Qazi Muhammad Ahmad Kasmi:** (a) Will the Honourable the Railway Member please state whether it is or it is not a fact that apprentices under training in technical schools on the East Indian Railway on the 1st September, 1928, have been permitted to avail the leave privileges under Fundamental Rules?

(b) Is it or is it not a fact that the above concession has not been extended to the inferior labour staff in sheds and workshops employed on the 1st September, 1928, when they are promoted to subordinate cadre? If not, why not?

**The Honourable Sir Andrew Clow:** Information is being collected and a reply will be laid on the table of the House in due course.

**DISCONTINUANCE OF THE PRACTICE OF CHANGING OVER ASSISTANT STATION MASTERS AND ASSISTANT CONTROLLERS ON NORTH WESTERN RAILWAY.**

**†353. \*Sardar Sant Singh:** (a) Will the Honourable Member for Railways be pleased to refer to letter No. 681-E./O, dated the 4th October,

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

1938, issued by the General Manager, North Western Railway, to all Divisional Superintendents, and state if it was decided to discontinue the practice of changing over Assistant Station Masters and Assistant Controllers every two years? When and why was this practice introduced, and what were the reasons for discontinuing it?

(b) Is it a fact that the same letter contained a note that, "The administration reserves to itself the right of promoting if necessary a suitable Assistant Controller with the necessary experience as Station Master Grade V and also to transfer a Station Master Grade V or above to posts in control"?

(c) If the answer to parts (a) and (b) above be in the affirmative, how does the Honourable Member expect men working in one post to have necessary experience of the other post when changing over has been discontinued? How many Controllers have been promoted as Station Masters and how many Station Masters have been transferred to posts in control? How much experience did they have of the other post before their transfer?

(d) Is it a fact that the pay of an Assistant Controller in the old scale is higher and of that in the present scale is equal to the pay of Station Master grade V?

(e) If the answer to part (d) above be in the affirmative, how is the pay of men inter-changed fixed? Can an Assistant Controller in the old grade (Rs. 300—10—350) be "promoted" as a Station Master Grade V (Rs. 260—10—300)?

(f) Is it a fact that before 1935 the channel of promotion for Station Masters and Controllers was entirely separate?

(g) Is it a fact that since October 1938, the cadres of Assistant Station Masters and Assistant Controllers have been separated?

(h) In view of the separation of cadres and discontinuing of changing over, do Government propose to return Controllers working as Station Masters and who have not been confirmed as such, to their original posts of Assistant Controllers? If not, why not?

**The Honourable Sir Andrew GLOW:** (a) The answer to the first part is in the affirmative. The practice of interchanging Assistant Station Masters and Assistant Controllers was introduced in 1935 when the cadres of these two appointments were amalgamated and were given up when they were separated again in 1938.

(b), (f) and (g). Yes.

(c) As regards the first part, I understand opportunities still exist for men who desire to acquire the qualifications. As regards the second part, one in each. As regards the third part, the men had the requisite experience.

(d) There was a scale of Rs. 300—10—350 for Assistant Controllers prior to 14th September, 1929; staff who are still in this grade hold it as personal to themselves. The grades of Assistant Controllers and Station Masters grade V are now the same.

(e) As regards the first part the position is explained in the reply to part (d). The answer to the second part is in the negative.

(h) No, as such action is not called for.

**DEVALUATION OF CERTAIN POSTS OF ASSISTANT STATION MASTERS BY THE GENERAL MANAGER, NORTH WESTERN RAILWAY, LAHORE.**

†354. \*Sardar Sant Singh: (a) Will the Honourable Member for Railways be pleased to state if it is a fact that the General Manager, North Western Railway, Lahore, devalued 57 posts of Assistant Station Masters grade V, whose scale of pay is Rs. 260—10—300, to grade IV (Rs. 200—10—250) *vide* his letter No. 681-E./O., dated the 4th October, 1938?

(b) Is it a fact that certain men were confirmed in grade V prior to the receipt of this letter? What was their number?

(c) Is it a fact that the confirmed men were allowed to retain their old pay and grade?

(d) Is it a fact that before the issue of this letter, Assistant Station Masters grade V were eligible for promotion as Station Masters grade V to VIII, and Assistant Station Masters grade I were eligible for promotion as Station Masters grade I to IV?

(e) Is it a fact that after the receipt of this letter, Station Masters grade IV (Rs. 200—10—250) have been given preference over Assistant Station Masters confirmed in grade V (Rs. 260—10—300), in the matter of promotion as Station Masters grade V. (Rs. 260—10—300)?

(f) Is it a fact that by doing so, the administration has to suffer a loss of Rs. 50 per mensem in each case?

(g) What are the reasons for giving preference to men of lower grade when there are men of higher grade available with better qualifications?

(h) Do Government propose to economise expenditure by reverting grade IV Station Masters officiating in grade V to their substantive grade? If not, why not?

**The Honourable Sir Andrew Olow:** (a) Yes, 58 posts of Assistant Station Masters grade V were abolished.

(b) Yes; there were 49 such men.

(c) They were permitted to retain their pay, but they were treated as being on the lower grade.

(d) Yes.

(e) I understand that one Station Master grade IV has been appointed to officiate as Station Master grade V.

(f) No, the financial effect of the arrangements will vary in each case.

(g) As promotion to posts of Station Masters grade V is by selection, preference is given to the more suitable individual.

(h) The answer to the first part is in the negative; as regards the second part, the existing procedure is in the best interests of the Railway.

**DRINKING WATER FROM THE WELL AT KOT SUJAN SINGH, NORTH WESTERN RAILWAY.**

355. \*Mr. H. M. Abdullah: (a) Will the Honourable Member for Railways be pleased to enquire if drinking-water from the well at Kot Sujan Singh (North Western Railway) Railway Station, is fit for human consumption?

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

(b) Is it a fact that there have been found serpents in the well and the public are consequently reluctant to use the water, and also that the well is at an inconvenient distance? Is the Honourable Member prepared to consider the advisability of installing a hand-pump close to the waiting shed at a small cost of about a hundred rupees?

**The Honourable Sir Andrew Olow:** (a) A sample of water from the well is being sent for chemical and bacteriological examination.

(b) Only recently the Station Master reported that snakes have been found in the well and that the public were reluctant to use it. The well is less than 50 yards from the station building. If the water, after testing, is found unsuitable, the installation of a tube well will be considered.

**Dr. Sir Ziauddin Ahmad:** How long will this test take?

**The Honourable Sir Andrew Olow:** I do not know; it is not in the hands of the Railway Department, I imagine.

**AMALGAMATION OF THE OFFICE OF THE CONTROLLER OF THE RAILWAY ACCOUNTS AND THE CENTRAL STANDARD'S OFFICE WITH THE RAILWAY BOARD.**

**356. \*Mr. H. M. Abdullah:** (a) Will the Honourable Member for Railways please state if Government propose to amalgamate the Office of the Controller of the Railway Accounts with the Railway Board in the interests of economy?

(b) If the answer to part (a) be in the affirmative, do Government propose to take similar action in respect of the Central Standard's Office also? If not, why not?

**The Honourable Sir Andrew Olow:** (a) While the amalgamation of the office of the Controller of Railway Accounts with the Railway Board will result in economy, it is being effected primarily because it is the logical corollary of the transfer of the Accounts Department on State-managed railways to the control of the General Managers.

(b) This does not arise.

**PROVISION OF ARMED POLICEMEN ON TRAINS IN SIND SECTION OF NORTH WESTERN RAILWAY.**

**357. \*Mr. Lalchand Navalrai:** Will the Honourable Member for Railways be pleased to state:

- (a) whether it is a fact that Railways pay the cost of the Police employed in running trains for the safety of travelling public;
- (b) whether it is a fact that on the Sind section of the North Western Railway, one unarmed policeman accompanies each train;
- (c) whether the Honourable Member is aware that only a few days ago, a daring dacoity took place in day-light in a running train between Sann and Amri, when dacoits looted property and removed the ornaments of women passengers;
- (d) if there was any policeman running with the train, and whether he was able to do anything;
- (e) whether any passenger was killed; and

- (f) whether the railway authorities propose to provide armed police and adopt other methods to avert such incidents on the Sind section?

**The Honourable Sir Andrew Olow:** (a) No.

(b) I understand that before 1st March, 1941, one unarmed constable accompanied selected trains, but that since then patrolling constables are working in squads.

(c) No.

(d) and (e). Do not arise.

(f) The provision of armed police patrols is not a function of the Railways.

**Mr. Lalchand Navalrai:** May I know if the Honourable Member has learnt that there has been a dacoity at Benares side and will he see that more arrangements are made to protect against these dacoities on running trains?

**The Honourable Sir Andrew Olow:** I have explained that there was no dacoity in this case.

**Mr. Lalchand Navalrai:** I am talking of another that took place recently near Benares.

**The Honourable Sir Andrew Olow:** I submit that that does not arise out of this question.

**Mr. H. A. Sathar H. Essak Sait:** Sir, I had the authority yesterday from Nawab Siddique Ali Khan to put his questions: I gave it.

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

APPOINTMENTS OF ASSISTANTS, STENOGRAPHERS AND CLERKS IN THE RAILWAY BOARD.

358. **\*Mr. H. A. Sathar H. Essak Sait** (on behalf of Nawab Siddique Ali Khan): (a) Will the Honourable the Communications Member please state how many temporary or officiating appointments in the grades of Assistant, Stenographer and Clerk have been made in the Railway Board since the 1st July, 1939?

(b) How many of the persons appointed in such vacancies were Hindus?

(c) How many of them were Muslims?

**The Honourable Sir Andrew Olow:** (a) Five Assistants, 17 Stenographers and 99 Clerks were given temporary appointments. Officiating appointments were made of 50 Assistants, 10 Stenographers and 27 Clerks.

(b) Of those appointed temporarily two Assistants, 7 Stenographers and 64 Clerks were Hindus and of those appointed to officiate 48 Assistants, 5 Stenographers and 18 Clerks.

(c) Of those appointed temporarily three Assistants, three Stenographers and 22 Clerks were Muslims and of those appointed to officiate five Assistants, one Stenographer and 9 Clerks.

**Mr. President** (The Honourable Sir Abdur Rahim): The answer to the next question of Nawab Siddique Ali Khan will be laid on the table.

**Mr. H. A. Sathar H. Essak Salt:** But the earlier questions were not asked, Sir.

**Mr. President** (The Honourable Sir Abdur Rahim). That does not matter. This is the sixth question in the order in which the questions are put down on the list.

APPOINTMENTS OF ASSISTANTS, STENOGRAPHERS AND CLERKS IN THE  
EXTERNAL AFFAIRS DEPARTMENT.

†359. \***Nawab Siddique Ali Khan:** Will the Secretary for External Affairs Department please state:

- (a) how many temporary or officiating appointments in the grades of Assistant, Stenographer and Clerk have been made in the Department of External Affairs since the 1st July, 1939;
- (b) how many of the persons appointed in such vacancies were Hindus; and
- (c) how many were Muslims?

**Mr. O. K. Caroe:** (a) 13 posts of Assistants, one post of a Stenographer and 13 posts of clerks.

- (b) and (c). The appointments were filled by:
  - 16 Hindus.
  - 6 Muslims.
  - 5 Other minority Communities.

POSTPONED QUESTIONS AND ANSWERS.

DEFICIENCY IN THE NUMBER OF MUSLIM EMPLOYEES ON INDIAN RAILWAYS.

295. \***Mr. H. M. Abdullah:** (a) Will the Honourable the Railway Member be pleased to state whether all Indian Railways are following the rules for direct recruitment contained in the Resolution of the Government of India of July, 1934? If not, why not?

Postponed from 10th  
March, 1941.

(b) Is it a fact that Government can enforce the terms of this resolution on the four State-managed Railways only?

(c) Is it a fact that these State-managed Railways do not serve the entire Indian continent?

(d) Is it a fact that it has been admitted in paragraph 8, section IV of Annexure I to the Home Department Resolution No. F. 14/17B/33, dated 4th July, 1934, that recruitment to subordinate posts on the Railways is made by local areas and not on an All-India basis?

(e) Is it a fact that an average percentage of Muslims in the population of the areas served by the State-managed Railways is over 85; but that the percentage fixed for Muslims in direct appointment to gazetted services on those railways is only 25, and it is only 33 in the case of subordinates?

†Answer to this question laid on the table, the questioner having exhausted his quota.

(f) Is it a fact that Muslims have been given less than their due share in accordance with population on the South-Indian Railway, Assam Bengal Railway, and the Bombay, Baroda and Central India Railway, by approximately nine per cent.?

**The Honourable Sir Andrew Clow:** (a) All the State-owned Railways follow the rules: the latter part does not arise.

(b) Yes, but the Class I Company-managed Railways have all agreed to comply with the same rules.

(c) and (d). Yes.

(e) Yes, but there is no reason to consider the State-managed Railways in isolation in this matter.

(f) No; although the original orders did allot to these three Railways a percentage less than the population rating a subsequent revision raised the percentage allotted to the South Indian Railway from 6 to 16·7 per cent against an estimated population ratio of 7·07 per cent. I would, however, add that it was not the intention to approximate the reservation on every individual railway to the population ratio.

**Mr. Muhammad Nauman:** With reference to part (a), may I know whether, in following the rules, the Railway Administrations send quotas given to the different communities, or do the Railway Board give them the quotas?

**The Honourable Sir Andrew Clow:** The general quotas for the different railways are fixed here—like that of 60 per cent. on the North Western Railway, for example.

**Mr. Muhammad Nauman:** What I wanted to know is this: suppose the East Indian Railway was to appoint 200 people on the grade of Rs. 50—200, do they send any report to the Railway Board whether the Muslims have got a proper share in those appointments?

**The Honourable Sir Andrew Clow:** Regular returns of the appointments sent communally are published.

**Maulvi Muhammad Abdul Ghani:** May I know whether it is a fact that the Railway Board, in fixing the proportion of the Muslim representation over all railways, include the Company-managed railways, and whether this was communicated to them?

**The Honourable Sir Andrew Clow:** The percentages were fixed here. Different percentages were fixed for different railways in order to give an over-all percentage equal to that fixed by Government.

**Mr. Muhammad Nauman:** What I wanted to know was whether Company-managed railways were also acting upon the instructions of the Railway Board, and whether the Railway Board is satisfied that they are also accepting the Resolution of 1934, or not?

**The Honourable Sir Andrew Clow:** I have answered that in part (b) of the question.

## DEFICIENCY IN THE NUMBER OF MUSLIM EMPLOYEES ON INDIAN RAILWAYS.

**296. \*Mr. H. M. Abdullah:** (a) Will the Honourable the Railway Member be pleased to state whether the total reservation, for India as a whole, of 25 per cent. for Muslims in direct recruitment, was fixed to approximate to the ratio of Muslims in the total population of India?

(b) Is it a fact that so far as Railway services are concerned, the rules contained in Annexure II of Home Department Resolution No. F-14/17-B./33, dated 4th July, 1934, apply to State-managed Railways only?

(c) What is the total number of State-managed and Company-managed Railways of all classes, separately? Of these, how many have been asked to adopt similar rules for the services on their Railways and how many have actually done so?

(d) Have Government set up any machinery to ensure that Company-managed Railways, who may have agreed to adopt similar rules for the services on their Railways, are actually doing so?

**The Honourable Sir Andrew Clow:** (a) Yes.

(b) No, the rules are followed on the Company-managed Railways also.

(c) There are four State-managed and seven Company-managed Class I Railways, four Company-managed Class II Railways and sixteen Company-managed Class III Railways. As regards the second part, all Class I Company-managed Railways were asked and have agreed to follow the rules.

(d) Government receive regular returns from Company-managed Railways.

## UNSTARRED QUESTIONS AND ANSWERS.

## CO-OPERATIVE CREDIT SOCIETY ON THE EAST INDIAN RAILWAY.

**125. Qazi Muhammad Ahmad Kazmi:** (a) Will the Honourable the Railway Member please state the places where the capital of the co-operative credit society on the East Indian Railway is invested and at what rates of interest?

(b) Is it or is it not a fact that the co-operative society charges five per cent. interest on loans advanced to its members?

(c) What percentage of the capital can be advanced to members as a loan?

(d) What has been the dividend given to the members for the last five years?

**The Honourable Sir Andrew Clow:** (a) to (d). The Central Government cannot accept responsibility for the working of Co-operative Credit Societies. These are not part of the administrative machinery on railways and work subject to their Articles of Association and the directions of those in whose hands the management is vested.

COMPLAINTS AGAINST THE HINDU REFRESHMENT ROOM AT THE DELHI RAILWAY STATION.

126. **Mr. Muhammad Ashar Ali:** Will the Honourable Member for Railways please refer to page 6 of the *Musafir*, dated the 12th January, 1941, containing an open letter complaining against the Hindu refreshment Room, Delhi Main, sent to the Divisional Superintendent, North Western Railway, Delhi, by the Honorary General Secretary of the Delhi Railway Passengers and Traffic Relief Association and state:

- (a) if it is a fact that complaints of cheating have been brought to the notice of the railway authorities in this open letter against the Hindu Refreshment Room, Delhi;
- (b) if enquiries were made through the North Western Railway authorities into the allegations made against the Hindu Refreshment Room, Delhi;
- (c) if so, what the finding of the North Western Railway authorities was and what reply that administration sent to the specific charges made by the General Secretary of the Delhi Railway Passengers and Traffic Relief Association;
- (d) if no action was taken, the reasons therefor;
- (e) if no reply was sent, the reasons therefor;
- (f) if vegetable oils are used in the preparation of meals by the Delhi Hindu Refreshment Room, as complained of in this open letter, and if the agreement provides the use of genuine ghee, nothing but pure ghee, in the preparations of Indian meals; and
- (g) whether he will place a copy of the reply, if any, that may have been sent to the complainant in this connection?

**The Honourable Sir Andrew Olow:** (a), (b), (c) and (d). I understand that shortly before the open letter was published on 12th January an exact copy was sent to the Station Superintendent Delhi. On receipt of this, enquiries were made and the allegations were found to be without substance.

(e) and (g). No reply was sent as this was not considered necessary.

(f) The answer to the first part of the question is in the negative and to the second part in the affirmative.

SELECTION OF TRAFFIC INSPECTOR MR. L. G. ASQUITH AS PERSONNEL OFFICER ON NORTH WESTERN RAILWAY.

127. **Mr. Muhammad Ashar Ali:** (a) Will the Honourable Member for Railways please state if it is a fact that on the North Western Railway Anglo-Indians and Europeans are generally promoted to higher selection posts over the heads of Indians who are their seniors, and that this state of things is directly opposed to the policy of Indianization of services to which the Government stands committed? If not, what is the fact?

(b) Will Government please state the reasons for selecting Traffic Inspector L. G. Asquith for the post of Assistant Personnel Officer, over the heads of Indian subordinates, who are by far his senior?

(c) Is it a fact that the reasons for which Mr. Asquith has been promoted is said to be that he had dealt with personnel papers better

than other Traffic Inspectors attending a course in the Walton Training School and, if so, is that the criterion for making promotion to a selection post over the head of senior Indian subordinates who are already working on the personnel and cannot rise to any other posts than that of Assistant Personnel Officer and with whom Mr. Asquith has not competed, and, if not, what is the fact?

(d) Is it a fact that this Traffic Inspector has a natural course of promotion to the post of Assistant Transportation Officer? If not, what is the fact?

(e) Is it a fact that Mr. Asquith, Traffic Inspector, has been promoted as Assistant Personnel Officer instead of as Assistant Transportation Officer, while Traffic Inspector Barker who was not even recommended by the Division was promoted as Assistant Transportation Officer, and Mr. Cox was promoted as Assistant Transportation Officer, while Mr. Asquith, to the detriment of Indians is being allowed to continue in the personnel branch? If not, what is the fact?

**The Honourable Sir Andrew Clow:** (a) I have no ground for supposing that the facts are as stated by the Honourable Member. The policy of Indianization is only concerned with direct recruitment and does not affect promotions which are not made on considerations other than those of merit.

(b) and (c). This is not a post to which appointment is made by Government. It is a selection appointment filled by the Administration and seniority, by itself, does not give any claim to selection. Regard is had to the requirements of the post and the capability of those who are available to fill it.

(d) Traffic Inspectors are eligible for selection as Assistant Transportation Officer.

(e) Government do not receive further particulars of appointments of officers in such grades than is contained in the Classified List of State Railway Establishment, a copy of which is in the Library of the House, but I have no reason for doubting the accuracy of the Honourable Member's statements regarding the posts held by the officers mentioned. As recommendations are confidential I regret I cannot furnish information regarding these.

#### DUPLICATING WORK ENTRUSTED TO TYPISTS IN THE RAILWAY CLEARING ACCOUNTS OFFICE, DELHI.

**128. Mr. Muhammad Azhar Ali:** (a) Will the Honourable the Railway Member be pleased to state whether it is a fact that in all Departments of the Government of India and its attached offices, duplicating work is not being done by typists but by daftries?

(b) Is it a fact that in the Railway Clearing Accounts Office, Delhi, the work of turning out copies on the Duplicating Machine has been entrusted to the typists of that office?

(c) If so, why is differential treatment accorded to the typists of the Railway Clearing Accounts Office, Delhi?

(d) If the answer to parts (a) and (b) be in the affirmative, are Government prepared to make some suitable arrangement in line with the other

Departments of the Government of India, and relieve the typists of the Railway Clearing Accounts Office of this hardship? If not, why not?

**The Honourable Sir Andrew Clow:** (a) The position generally is that, in those Departments of the Government of India and its Attached Offices where the duplicating machines are not worked by electricity, duplicating work is done by duftries whereas, in other Departments where the machines are worked by electricity, the work is done by Gestatner Attendants who are classified as superior staff.

(b) Yes.

(c) and (d). The duplicating machine in use in the Railway Clearing Accounts Office is worked by electricity and the question of differential treatment of the typists of that office does not, therefore, arise. As the work requires careful and intelligent handling, Government do not propose to entrust the work to duftries in that office.

**PROMOTION OF INSPECTORS OF STATION ACCOUNTS AND OF THE STAFF OF THE TRAFFIC ACCOUNTS BRANCH TO GAZETTED POSTS ON EAST INDIAN RAILWAY.**

**129. Mr. Muhammad Azhar Ali:** (a) Will the Honourable the Railway Member be pleased to state whether any provisions have been made in the rules for the recruitment and channels of promotion of Inspectors of Station Accounts on the East Indian Railway? If so, what are they?

(b) Are Inspectors of Station Accounts eligible for promotion to the gazetted service? If so, to which posts?

(c) Have there been any such promotions during the past five years? If so, how many and to which posts?

(d) Is it a fact that staff from other branches of the Accounts Department have been promoted to gazetted posts in the Traffic Accounts Branch? If so, are staff from the Traffic Accounts Branch eligible for promotion to gazetted posts in those other branches?

(e) If the answer to the second part of part (d) be in the negative, will the Honourable Member please state why the men in the Traffic Accounts Branch are blocked in their avenue of promotion?

(f) Is any action proposed to be taken? If not why not?

**The Honourable Sir Andrew Clow:** Information has been called for and a reply will be laid on the table of the House in due course.

**LABOUR CONTRACTOR AT BURDWAN, EAST INDIAN RAILWAY.**

**130. Mr. Muhammad Azhar Ali:** (a) Will the Honourable Member for Railways please state whether the labour contract which was formerly given to the Station Master, East Indian Railway, Burdwan, has now been given to an outsider?

(b) Is it a fact that the contractor is paid much more than what was given to the Station Master? If so, why?

(c) Is it also a fact that the contractor has not paid the box-coolies wages for two months?

(d) Have the box-coolies reported the matter to the local authorities and the Railway Board and have threatened to strike work?

(e) Is the Honourable Member prepared to consider the advisability of removing the contractor and reverting to the old system?

**The Honourable Sir Andrew Clow:** (a) Yes, in 1936.

(b) No.

(c) I understand the contractor withheld payments temporarily as license fees had not been paid him by the coolies but that a settlement has since been reached.

(d) I understand a report was made only to the local authorities; I have no knowledge of a threatened strike.

(e) No; the appointment and removal of contractors is a matter for the railway administration.

**COMPETENCY OF THE STATION SUPERINTENDENT, HOWRAH, TO GRANT UNRECORDED LEAVE TO HIS SUBORDINATE STAFF.**

**131. Mr. Muhammad Ashar Ali:** (a) Will the Honourable the Railway Member be pleased to state whether the Deputy Station Superintendents on the East Indian Railway at Howrah are given every other Sunday off duty? If so, is the same concession given to the other members of the staff who perform the same number of hours of duty daily?

(b) If the answer to the second part of part (a) be in the negative, is the Honourable Member prepared to remove the distinction?

(c) Is the Station Superintendent, Howrah, empowered to grant unrecorded leave to the non-gazetted staff posted under his supervision?

(d) Is this privilege enjoyed by all the staff at that station? If not, why not?

(e) Is the Station Superintendent empowered to place one of his Deputies on special duty during the work which normally falls upon him?

**The Honourable Sir Andrew Clow:** (a) to (d). I have called for information and a reply will be laid on the table of the House in due course.

(e) This part of the question is not understood.

**RULES FOR PROMOTION IN THE COMMERCIAL DEPARTMENT OF THE NON-GAZETTED STAFF ON EAST INDIAN RAILWAY.**

**132. Mr. Muhammad Azhar Ali:** (a) Will the Honourable Member for Railways be pleased to state whether any modifications have been made in the rules which require that non-gazetted staff seeking promotion in the Commercial Department of the East Indian Railway must first qualify by passing the Goods Accounts Examinations, Lower and Higher? If so, what are they?

(b) Do the staff who have not passed the qualifying examinations retain their positions of seniority for promotion till they pass the examinations?

**The Honourable Sir Andrew Clow:** I have called for information and will lay a reply on the table of the House in due course.

**RULES FOR RECRUITMENT AND CHANNELS OF PROMOTION OF CLAIMS CLERKS ON EAST INDIAN RAILWAY.**

**133. Mr. Muhammad Azhar Ali:** (a) Will the Honourable the Railway Member be pleased to state whether in the rules for the recruitment and training of non-gazetted staff framed by the Railway Board and in operation on all State-managed Railways, provision has been made for the recruitment and channels of promotions of Claims Clerks on the East Indian Railway?

(b) If not, what are the rules governing their recruitment and the channels of their promotions?

(c) Is the post of Claims Inspectors a selection post?

**The Honourable Sir Andrew Olow:** (a) and (b). No separate provision exists in the rules issued by the Railway Board in respect of Claims Clerks, but I am enquiring if the East Indian Railway have issued any rules. A further reply will be laid on the table in due course.

(c) Yes.

**RULES FOR RECRUITMENT AND CHANNELS OF PROMOTION OF NON-GAZETTED STAFF IN THE RESEARCH DEPARTMENT OF EAST INDIAN RAILWAY.**

**134. Mr. Muhammad Azhar Ali:** (a) Will the Honourable Member for Railways be pleased to state whether in the rules for the recruitment and training of non-gazetted staff issued by the Railway Board and in operation on State-managed Railways, provision has been made for the recruitment of non-gazetted staff in the Research Department and the channels of their promotions?

(b) If not, what is the position in regard to recruitment and promotion in the Research Branch of the East Indian Railway?

**The Honourable Sir Andrew Olow:** (a) and (b). No separate provision exists in the rules issued by the Railway Board in respect of non-gazetted staff of the Research Department of the East Indian Railway, but I am enquiring if that Railway has issued any rules. A further reply will be laid on the table in due course.

**TRAIN EXAMINERS AND ASSISTANT TRAIN EXAMINERS ON EAST INDIAN RAILWAY.**

**135. Mr. Muhammad Azhar Ali:** Will the Honourable Member for Railways be pleased to state:

(i) the old and the revised scales of pay; and

(ii) the number of employees in each grade of Train Examiners and Assistant Train Examiners on the East Indian Railway?

**The Honourable Sir Andrew Olow:** The information available with Government is contained at page 70 of the Establishment Rolls of the East Indian Railway for the year 1939-40, a copy of which is in the Library of the House.

**RULES FOR RECRUITMENT AND CHANNELS OF PROMOTION OF TIME-KEEPER AND SHED SERGEANT AT THE HOWRAH GOODS SHEDS OF EAST INDIAN RAILWAY.**

**136. Mr. Muhammad Azhar Ali:** (a) Will the Honourable Member for Railways be pleased to state whether in the rules for the recruitment and training of non-gazetted staff issued by the Railway Board, provision has been made for the recruitment and channels of promotion of Time-Keeper and Shed Sergeant at the Howrah Goods Sheds of the East Indian Railway? If so, what are they?

(b) Is it a fact that the employee selected must have previously been trained in Fire Brigade duties?

(c) Is it a selection post?

(d) Is the Time-Keeper and Shed Sergeant in charge of the Fire Brigade arrangements at the Howrah Goods Sheds?

**The Honourable Sir Andrew Olow:** (a) No separate provision exists in the rules issued by the Railway Board in respect of the Time Keeper and Shed Sergeant of the Howrah Goods Shed. The second part does not arise.

(b) and (d). I have called for information and will lay a further reply in due course.

(c) No.

**SENIORITY OF NON-GAZETTED STAFF IN THE OPERATING AND COMMERCIAL DEPARTMENTS OF EASTERN BENGAL RAILWAY.**

**137. Mr. Muhammad Azhar Ali:** (a) Will the Honourable Member for Railways be pleased to state whether substantive pay of a non-gazetted employee in the Operating and Commercial Departments of the Eastern Bengal Railway is the determining factor for the fixation of seniority for the purpose of promotion to higher posts? If not, how is seniority determined?

(b) Has the staff been advised how seniority is determined? If not, why not?

(c) Will the Honourable Member be pleased to state whether any of the posts in the Operating Department can be held by staff from the Commercial Department and *vice versa*? If so, what are the posts?

**The Honourable Sir Andrew Olow:** (a) Government do not get information on these matters of detailed administration.

(b) While Government have no precise information, the staff in any grade are normally aware of the method by which seniority is determined, and a member of the staff can ascertain the position he holds.

(c) The administration is competent to transfer suitable men from one Department to the other when this is in the interests of the public service; the Railway Board have not prescribed any posts to which such transfers may be made.

**PROCEDURE GOVERNING THE ISSUE OF SERVICE CERTIFICATES TO NON-GAZETTED EMPLOYEES ON STATE RAILWAYS.**

**138. Mr. Muhammad Azhar Ali:** (a) Will the Honourable Member for Railways be pleased to state whether it is provided in the rules that service certificates issued to permanent non-gazetted employees with over one year's service must be countersigned by the head of the department?

(b) If not, what are the rules governing the issue of service certificates, and do certificates contain an account of the reasons of termination of service, ability and conduct? If not why not?

(c) Is the same printed form used for all purposes?

(d) Is the procedure uniform on all State-managed Railways? If not, what are the conditions on each Railway?

**The Honourable Sir Andrew Olow:** (a) Not as far as I am aware. The rule cited in the reply to part (b) provides for the grant of certificates by the Head of a Department or other gazetted officer authorized by the General Manager.

(b) The rules issued by Government are contained in paragraph 1620 of the State Railway Establishment Code, a copy of which is in the Library of the House. Paragraph 1620 (1) has recently been amended and now reads as follows:

"A service certificate may be granted to a non-gazetted railway servant on the termination of his service, by the Head of a Department or other Gazetted Officer authorised by the General Manager. In respect of labour employed in workshops such certificates should be issued in form 19 (a) which may be used, at the discretion of the General Manager, in respect of other non-gazetted staff also. The instructions regulating the completion and issue of such certificates are left to the General Manager to prescribe. The grant of the certificate may be dispensed with in cases where service books are maintained and the service book is given to the employee when he quits the service."

As regards the second part of the question, the form now recommended for general adoption contains provision for these entries. The last part does not arise.

(c) The form recently prepared has been recommended for general adoption.

(d) Government have no details of the procedure on the different Railways, but they understand that this varies.

#### CHECK BY THE ACCOUNTS DEPARTMENT ON THE EARNINGS OF STATIONS AND GOODS SHEDS ON EAST INDIAN RAILWAY.

**139. Mr. Muhammad Azhar Ali:** (a) Will the Honourable Member for Railways be pleased to state whether the work performed by Inspectors of Station Accounts on the East Indian Railway is a part of the internal check of traffic earnings?

(b) Is it a fact that the divisional system applies only to expenditure accounts and not to accounts of earning?

(c) Is a complete check made by the Accounts Department on the earnings of stations and goods sheds? If not, what is the percentage?

**The Honourable Sir Andrew Olow:** (a) and (b). Yes.

(c) No. The percentage of checks varies from 10 per cent. to 100 per cent. according to the importance of the class of voucher to be checked.

## STATEMENT LAID ON THE TABLE.

*Information promised in reply to starred question No. 193 asked by Sardar Sant Singh on the 20th November, 1940.*

### LOSS OF PROSPECTS OF GUARDS IN GRADES I AND II BY THE ABOLITION OF GRADE IV ON THE NORTH WESTERN RAILWAY.

*Statement showing the sanctioned strength and actuals in Grades III and IV of Guards employed on each Division on 1st April, 1929.*

Division.	Grade III.		Grade IV.	
	Sanctioned strength on 1st April, 1929	Actuals on 1st April, 1929	Sanctioned strength on 1st April, 1929	Actuals on 1st April, 1929
Delhi	110	71	33	51
Ferozepore	40	39	9	8
Rawalpindi	56	64	35	34
Karachi	31	72	27	28
Multan	55	54	13	13
Lahore	50	61	40	47
Quetta	11	10	22	21

## THE DELHI RESTRICTION OF USES OF LAND BILL.

### PRESENTATION OF THE REPORT OF THE SELECT COMMITTEE.

**Mr. J. D. Tyson** (Secretary, Department of Education, Health and Lands): Sir, I present the Report of the Select Committee on the Bill to regulate in the Province of Delhi the use of land for purposes other than agricultural purposes.

## THE INDIAN FINANCE BILL.—*contd.*

**Mr. President** (The Honourable Sir Abdur Rahim): The House will now resume discussion of the motion to take the Finance Bill into consideration.

**Maulana Zafar Ali Khan** (East Central Punjab: Muhammadan): Sir, in order thoroughly to appreciate what is known as the Pakistan scheme, it is absolutely necessary that certain elemental realities should be understood. India is not a country, it is a vast continent. Its population, excluding the Chinese Empire, is greater than the population of the rest of Asia. The last census told us that the population of India was something like 35 crores. The forecast of the census this time is that the population has risen to 40 crores. Of these 40 crores, one-fourth at least are Muslims, that is ten crores. We remember that once upon a time Pandit Jawaharlal Nehru had declared that in India there were only two powers to be reckoned with, the National Congress and the British Government. Up arose Mr. Jinnah with his historic response. He said there is another power, and that is the Muslims of India, who have got

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their own traditions, their own culture, their own religion, their own characteristics, and, accordingly, they are a separate nation; and they have made up their mind not to hand over their destiny to the decision of others: they will decide it themselves. Since then a controversy has been raging whether the Muslims of India are a separate nation, or whether they are merely a part of the entire population of India, subject, according to the laws of western democracy, to the principle that the majority shall rule and the minority shall bow down its head before the decisions of the majority; and as the Hindus happen to be the overwhelming majority in India, the democratic result is that the Muslims may be a very powerful minority, but still they are subject to the domination of this overwhelming majority.

The Indian National Congress, it must be admitted, is the most powerful political organization in India. The Congress, from the housetops, from the platform, and from the press has been declaring at the top of its voice that India is populated by only one nation, the Muslims of India are a part of this nation, and that this part shall have to respect the decisions of the whole. The rights, privileges and prerogatives of the Muslims, whatever they may be, will be respected by the Congress, but the Congress shall be the sole authority of determining the necessary safeguards, and the rule shall be the rule of the majority. It further declared that India shall have the right of framing its own Constitution. This Constitution shall be framed by a Constituent Assembly including Muslims among the Hindus as the sacred laws of the West, the democratic principles of the West, dictate such a course. This Constituent Assembly shall frame the necessary laws, and the type of Government in India shall be unitary, and the Centre shall be the repository of all power. All the provinces in India shall be subject to the Centre in respect of decisions regarding defence, foreign affairs, high finance, excise duties and similar other reserved departments. The principle laid down by the Congress has been supported by the Hindu Mahasabha, and even by those people who call themselves moderates. On the other hand, the Muslims say that in this sub-continent we are a distinct nation. We cannot be amalgamated in the Hindu majority, and we cannot lose thereby our distinct national entity. We are not prepared to bow down before the decisions of any Constituent Assembly in which the dominating power shall under all conditions be that of the Hindus. Any law made by this Assembly will not serve our purpose. We do not believe in the western type of democracy in which the Congress believes, in which the Mahasabha and the moderates believe. "East is East and the West is West and the twain shall never meet". Conditions in India are entirely different, and, therefore, here we shall have to frame a law which will suit our genius and our requirements. We also do not believe in a unitary type of Government inasmuch as it presupposes the domination of the Centre, and according to the principles laid down by the West, the Centre under all conditions will be dominated by non-Muslims. To solve this riddle there is only one way. We propose that in the North-West of India and in the North-East of India, two regional zones shall be created. The North-West zone shall consist of the North-West Frontier Province, the Punjab, Sind and Baluchistan where the Muslims happen to be in a majority, though not an overwhelming majority as the Hindus enjoy in Madras, in the United Provinces, Central Provinces, Bihar, Orissa and Bombay, but still a

majority of 55 or 56 per cent. No one can gainsay that. It is a fact, it is a fundamental truth, it is an elemental reality. These free States having full self-Government, full powers and fully autonomous, shall make their own laws and frame Constitutions suited to their genius. In the North Eastern zone, Bengal and Assam are in the same category. We want these two regions to be independent States, with full power to govern according to their own notions of justice and fairplay. In these zones the non-Muslim minorities shall live a free life. All their prejudices will be respected, all their prerogatives will be respected and every opportunity will be given to them to develop their individuality, their nationality according to their own traditions, according to their own culture. The same liberty we concede according to this plan to other parts of India where the Hindus happen to be in a majority. Naturally, it will be asked, what will be the fate of the Mussalmans in those territories? Our reply is that we expect the same justice to be meted out to them as shall be granted to the Hindu elements in the two regional zones known as the Islamic States.

Sir, we have been labouring under a great handicap for a very long time under what are known as the British Indian laws. Take, for instance, the law of limitation. According to this law, a mosque, if it happens to be in the possession of a non-Muslim for 12 years, shall, after the period of 12 years elapses, *ipso facto* be transferred to the ownership of the possessor. Now, Sir, this is a law which is fundamentally against the teachings of Islam. A mosque is the house of God, and as such it is the property of God, and no one, even after 120 years or thousands of years can become the owner of such a mosque which is the property of God. The question of Shahidgunj, when it cropped up, brought this stern reality before the world. The mosque was dismantled and the League in its historic meeting at Lucknow declared that the dismantling of this House of God under the protection of British bayonets was an act of interference in our religious liberty, and if the mosque was not restored to the Muslims, the Government of India and the Muslim League would come to grips, and as long as it was not restored to us, the unrest would continue. Emerson has written an essay on the law of compensation. The law of compensation is there. I was reading only the other day that over a thousand Churches had been blown up by those scientific savages whom we know as Nazis. Therefore, there was one Shahidgunj here and there are a thousand churches there, and now the Britishers are in a position to appreciate the state of our mind.

Then, there is another law entitled the Sarda Act. It was against the principles and the teachings of Islam, against the essential and fundamental requirements of the Muslim community. But this measure was rammed down our unwilling throats and placed on the Statute-book. These are only two instances, but I can multiply them by many more. So, we Muslims want that in this vast sub-continent of India there will be at least some regions in which we shall have our own constitution, our own personal laws, and we shall develop spiritually, mentally, morally and physically under our own Constitution. Between these two great zones, the North Western zone and North Eastern zone, and the Hindu zone comprising the rest of India which is a bigger slice, there can be an honourable understanding, and brotherly and friendly relations can be promoted between the two communities, and the deadlock which has been created by past incidents can be removed and political harmony can be

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re-established. If such an understanding is arrived at, the political unity of India which is another problem can also be solved. A common meeting ground between these two powers can be provided for in Delhi. The representatives of these free States shall come here, join their heads together, offer their advice to the States of India as regards matters which are of common interest. You may call it the Central Government if you like, but this Central Government shall be divested of all real powers. The residuary powers of the Central Government shall be transferred to the free States of India, Muslim States and Hindu States, and the Central Government shall have only a consultative capacity. There will thus be a binding force between otherwise loose and scattered territories extending throughout the length and breadth of India.

Now, one would like to know what is the attitude of the Britisher with regard to this tussle that is going on between Hindus and Muslims? A revolution is in the air. Every Hindu, every Muslim in India wants freedom, clamours for complete independence, and the Britisher has taken note of it. The Britisher knows perfectly well that after this terrible war is over, the world shall have changed its shape. It may not be the same world as it was when the unfortunate catastrophe befell the world. He has, accordingly, in order to gain the sympathies of this country, declared from time to time that after this war is over Dominion Status of the type of Westminster will be conceded to India. But neither the Congress nor the Muslim League believe in this Dominion Status. Besides, these two powerful organisations do not trust him, because he does not trust us. It is trust that begets trust, it is mistrust that begets mistrust. Then, from Mr. Amery, the Secretary of State for India to the Viceroy, and from the Viceroy down to the ordinary English civilian, they say, "We are ready to do everything for you, but you do not want to have this thing being done. You first settle your differences, compose them, and then come to us." But the predecessor of the Honourable Sir Muhammad Zafrullah Khan, in this House, namely, Sir Nripendra Nath Sircar, made a very happy remark the other day in Bombay. Since when, he said, have the Government of Great Britain and the Government of India been so solicitous and been so anxious to have the agreement of the Muslim League and the Congress, Hindus and Muslims, before doing anything? Was the Act of 1935, Sir Nripendra asked, passed because Hindus and Muslims agreed to it? They never agreed to it and the Government practically forced their decision upon India. If any respect had been shown to the feelings of the people of this country, there would have been no Act of 1935. But, now they say, first compose your differences. Time is the best of teachers, is the most eloquent of teachers, Hindus and Muslims will realise how they have hungled in the matter and they shall come to some sort of settlement. But, meanwhile, where is Great Britain? It is up to Great Britain to see that these two jarring elements, these two warring forces come together. What have they done to bring them together? The Governor General certainly, on the 8th August of last year, made certain proposals and invited the leaders of the Hindu and Muslim parties, had a heart to heart talk with them. But what was the result? Nothing. The offer of the Viceroy of the 8th August was this, It is proposed that the Executive Council of the Viceroy shall be expanded and a number of Indian gentlemen taken on into it. This was in essence the nature of the offer. But the Congress would not accept it, the Muslim

League would not accept it. They said, the gentlemen who would go into these Viceroy's Executive Council shall be bereft of all real powers, they shall not be responsible to the Legislature, and, therefore, it was no use accepting the offer. So, they made up their mind. They resigned from the ministerships of the various Provinces over which they had been holding sway. They left this Assembly and they are now in jail. The Muslim League's attitude was somewhat different. It did not go to jail, but it declared in the clearest terms that it was not satisfied with the offer.

This Finance Bill is a war measure. I should like to say a few words about the war. The most tremendous calamity that could have befallen humanity has befallen Europe, and not only Europe, but the whole of the world. India is a part of this world, and it must be taken for granted that India has to face the music. We Muslim Leaguers, just like the other parties in this country, if you want to analyse our feelings and if you want to know what we think of you, should tell you that we want you to win. We want England to win. We have been connected for many many years with Britain, and however harsh its treatment, however bad its system of laws which are of a most dictatorial nature, still we have been living together here. In this world, even a great power like England cannot hope to attain its object and achieve its aims till it is supported by a big power. Had not America joined the fray and had not they passed the Lease and Lend Bill, the position of Britain would have been grave indeed. The international situation is a very critical one. England is on one side and the whole of Europe on the other, and the ports of Europe from Narvik right up to Gibraltar and from Gibraltar right up to Salonika are now under Nazi domination. Britishers are proud of declaring that it is the English Channel which has saved them from invasion. Similarly, Hitler might say that if there is the English Channel, the Irish Sea and the Atlantic surrounding Britain, so the Baltic Sea, the English Channel, the Atlantic and the Mediterranean guard Germany. Now, the war is going on terribly. Every day we read of the bombs that are being rained upon Britain by Germany, and Britain also is doing something. We admire the spirit and the courage and the patience and the grit of the great British people. Millions and millions, billions and billions and trillions and trillions are being spent upon this war, and God knows when it will end and how it will end. If the condition of India had been different, we might have foretold the definite result of this war within a definite period. 400 millions of people are not a joke. They are a power to be reckoned with. But has Great Britain done anything to mobilize this tremendous resource in men, money and war materials? Has Britain done anything to harness the industrial and agricultural wealth of India?

If the heart of the people,—and when I talk of the people, I talk of the intelligentsia,—had been with you, Germany would have paused before it decided to attack you, but you know that the Congress which represents the overwhelming majority of the Hindu intelligentsia of India are not with you. They openly say: "down with war". They follow the policy of Gandhiji. Gandhiji's ways, like God Almighty's, are inscrutable. I cannot get into his heart and I do not know why he has pursued this line of action. Why has he asked the Members of the Legislative Assembly to walk out? Instead of doing their little bit here, they go to jails. I cannot understand this Gandhiji, my friends will remember, wrote a letter to the Englishmen. He said: "If you take my advice, you throw down

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your swords and bayonets. Give up this violence. If the Nazi comes, let him enter your homes, let him take possession of all that you hold most dear, and then the German conscience which is asleep will awake." This was the advice proffered by the leading man in India or as some say, the leading man in the world, to the British people. The British people happen to be a very hard-headed set of individuals.

**An Honourable Member:** Hard-hearted also.

**Maulana Zafar Ali Khan:** So far our experience here is concerned, they are hard-hearted also. Nobody will agree with Gandhiji, with due respect to him, in the attitude that he has adopted. So far as the Muslim League is concerned, they realise that they owe some duty to the world, as to India. Hence their attitude has been quite different. They do not want to embarrass the British Government at a time when they are in a desperate fix. So they have not opposed recruitment. They have not taken to civil disobedience. They have remained neutral, although their neutrality is of the benevolent type and not of the malevolent variety. They have allowed some of their members to do what little they can to help the Britisher in his great trouble. Sir Sikandar Hyat Khan, the Premier of the Punjab, who happens to be a member of the Muslim League, has done more militarily than anybody else could have done. When these people who talk of no war and shout anti-war slogans, and, in the same breath, call upon the British Government to part with power, I really cannot understand how their demands can be met. I had once a talk with an Englishman belonging to the Upper Ten. I told him in plain words—the Britisher has a peculiar knack of turning his friends into his foes. In 1914, when the Great War was going on and Turkey was engaged in a life and death struggle over the Khilafat question, we Indian Mussalmans went to Constantinople, handed it over to the Britishers and their allies, the French. We, the Mussalmans of India, went to Palestine, our first holy house, and we handed it over to the tender mercies of the British, who in their turn handed it over to the tender mercies of the Jews! We shed our life-blood, we gave what little assistance we could give financially to them, but, when the time came for recompense, the fruits fell into the lap of those who have been constantly opposing them and going on with their campaign of civil disobedience. Having listened to me patiently the gentleman laughed, and said, "we are a commercial people"—or in your phraseology "we are the *banias* of the West. What will be gained by associating ourselves with the Mussalmans. what will the Mussalmans give us? Have they got any Bank in India worth the name, have they got the means of propaganda, have they got a single first-class paper, have they got wealth, and, after all, have they got unity amongst themselves?" To all these questions he offered the reply himself in the negative, and said: "When you have not got all these things, and all these things we can get from the Hindus, and, therefore, the Hindus are not with you, what can we do?" So Sir, we the Mussalmans are again in the same fix. Realising, as we know, our responsibility to the world and especially to the Islamic world of which we are a part and parcel, we say the Mussalmans of India are a part of that great nation which extends from the Atlantic Ocean to the Pacific Ocean. Turkey is a part of it, Afghanistan is a part of it, Persia is a part of it, Iraq is a part of us. These powers, I am glad, are with Britain in her struggle, and we in India,

whatever our differences with the Britishers in the past are, with you; and even now we do try to do something for you. But, as that English gentleman said, in effect "why should a rich man join hands with the poor?" My contention, however, is that it is the poor man who has changed the face of the world from time to time. Will Seth Birla, with his millions, go to Abyssinia and fight for you and shed his blood as the son of Sir Sikandar Hyat Khan, Shaukat Hyat Khan, did? And then when the time comes for the fruit to be reaped, Seth Birla will expect that that will tumble down into his lap. Sir, the Muslim League's attitude is quite plain. We are not embarrassing the British Government in its terrible calamity which is confronting it; it is, therefore, that we are prepared to postpone the realization of our great, agreed demand, our great object, the Pakistan scheme as it is called, till after the war is over. After the war is over, let me tell you, Sir, that we are a nation of ten crores and when a nation of ten crores has made up its mind to do a thing it can work wonders. We shall achieve it, we shall attain it. Let me ask my Bengali friends: "Go back to the year 1912. Take one leap back in your mind's eye to those years when Sir Bamphylde Fuller had partitioned Bengal into two parts . . ."

**Mr. Akhil Chandra Datta** (Chittagong and Rajshahi Divisions: Non-Muhammadian Rural): He was made a victim of the partition; he was not the maker of the partition.

**Maulana Zafar Ali Khan:** And then the Bengalis rose against him, and there was bomb-throwing, and there were other unconstitutional demonstrations. The effect of those demonstrations was such as to disturb the mental equanimity of the Britishers who had to give up Calcutta and had to come to Delhi and raise new edifices at a cost of twenty-five crores of rupees and the Britisher, however, still went on proudly declaring that "once Bengal has been partitioned, the partition shall not be annulled". But the Bengalis said, "it shall be annulled",—and, Sir, it had to be annulled when the King-Emperor came here in person and declared in Delhi that the partition of Bengal "is revoked". So do you think, Sir, that the ten crores of the Muslims of India, when once they have declared and committed themselves to a certain policy, that policy shall not be carried out? That policy shall be carried out; and after the war is over, we shall see to it that everybody sees eye to eye with us.

In this connection let me take you from Delhi to Bombay, where a meeting of those amiable gentlemen whom I would call "the invertebrates, the arm-chair critics", met, with Sir Tej Bahadur Sapru as President and Sir Nripendra Nath Sircar, a gentleman of the same political persuasion, as his right hand man. They met and called upon the British Government and the Indian Government to settle this deadlock by creating a new Executive Council, where there shall not be any Britisher, from which my friend, Sir Reginald Maxwell, shall have to go, and my friend, Sir Jeremy Raisman, shall have to go, and my friend, Sir Andrew Clow, shall have to go, and my friend, Mr. Tyson, will have to go . . .

**Mr. J. D. Tyson** (Secretary, Department of Education, Health and Lands): He has not understood the proposals, Sir.

**Maulana Zafar Ali Khan:** . . . and my friend, Mr. Ogilvie, whom I do not see just now—shall have to go, and H. E. the Commander-in-Chief

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shall have to go (Voices: "No, no"), and we shall have our own Commander-in-Chief, our own Finance Member, our own Education Minister, and so on, and we shall carry on the administration of India as we like . . . .

**An Honourable Member:** There shall be no taxation.

**Maulana Zafar Ali Khan:** Sir, this reminds me of a story. A large number of mice met together in a conclave and there was a beautiful dais on which was seated a big mouse, and speeches were being delivered. One of the mice said: "When the cat comes, I shall pull his ears." Another said—a very daring fellow: "I shall jump on the back of the cat and pull out his hairs". The big mouse listened to all these speeches and said: "Well, you will do all these things, but I say, who shall catch the mew of the cat?" So these amiable gentlemen in Bombay may pass their resolutions—but how are these resolutions to be carried out? Sir Chimanlal Setalvad and Pandit Hirday Nath Kunzru were sensible people and they took the wind out of the moderates' sail and told them: "Well, the best thing is to go to the Congress and to the Muslim League—because they alone represent the greatest, the biggest political organizations in the country; we may be patriots, we may be able to make very fine speeches and resolutions, and we may believe that an untold number of unattached people, whom the Britisher wants, can rally round them—but they do not realize that anybody who talks of certain people coming forward in the role of politicians at the bid of the Britishers will not live for one day?" So there the talk ends.

Unfortunately, the Congress Members are not here. If they had been here, the Muslim League and the Congress joining hands would have made an effective demonstration of the Opposition which this Bill rightly deserves. This Bill can be opposed on various grounds. The first ground is that it is economically and financially unsound. In the general discussion I pointed out that the people were not for new taxation being imposed upon them. 84 crores is the cost of the war and the deficit is 20 crores. The deficit of 20 crores out of 60 crores has been met by imposing new duties and new taxes, such as, a duty on match and a duty on silk, and so on and so forth. But the deficit of 18 crores will be met by borrowing. The whole country demands that there shall be no fresh imposition of taxes unless the Government takes the country into its confidence. You have not done so and we do not know how you are spending the money. We do not know how far this money is being spent on the real defence of India and how far it goes to England which is a Croesus rolling in wealth. Whatever may be its difficulties, it can overcome them. But such is not the case with us in India. For a paltry sum of six crores this discussion is thrust upon us. We want you to have any amount of money but we also want you to take us into your confidence. That you do not want to do, but a time will come when you will have to take us into your confidence. Meantime, let me tell you again that the country does not want this new taxation. If you want the money, raise it by a loan. If you consult the various Chambers of Commerce and the representatives of industry, you will find that this is their studied opinion and this is also the opinion of this side of the House, however

poor and however thin it may be. You may disregard it today but ultimately you will have to reckon with it. So much for the financial and economic side of the Finance Bill.

Then, there is another thing. You want us to vote supplies. Why do you want us to vote supplies? Why should we vote with you? You disregard us you under-rate us and you snub us from time to time. Is that why we should vote with you? Our Party has decided not to vote supplies to you. (Interruption.) Our differences, I know, will be composed and I hope that these differences will be composed soon. But I want to take the constitutional advantage of the opportunity that has been given to me by referring to certain matters which are exercising the minds of the Mussalmans of India.

**Mr. President** (The Honourable Sir Abdur Rahim): The Honourable Member should bear in mind that this is the third day of the discussion and there are other Members who wish to speak.

**Maulana Zafar Ali Khan**: Sir, I was given to understand that on this occasion any Member can speak for any length of time. He may go on for a day or two days or even three days.

**Mr. President** (The Honourable Sir Abdur Rahim): But today is the third day of the discussion.

**Maulana Zafar Ali Khan**: If my friends think that my utterances are very insipid, I will bow to the superior authority of the House and of the superior authority of the Honourable the President. But if my friends are interested in my remarks, I will ask the permission of the Honourable the President to proceed with my speech.

Sir, I proposed a cut to discuss the unconstitutional and illegal method of a certain Assistant Collector of Delhi. The permission was given to me. As there was very little chance of discussing that cut, I think this is the proper time to bring that matter to your notice, otherwise the grievance shall go unredressed.

**Mr. M. S. Aney** (Berar: Non-Muhammadan): Unheard!

**Maulana Zafar Ali Khan**: A gentleman, whose name is Mr. Khursheed Ali, and who is the *Sajjada Nashin* of a famous Durgah, the Durgah of Roshan Chiragh of Delhi, was asked to be present in the court of Mr. D. D. Coupla, Assistant Collector, First Grade, Delhi. Without rhyme or reason for some action of this gentleman, however innocent, the Magistrate got up, and, taking advantage of his high position, called this gentleman *Harami*. Now, he is a Syed and a *Sajjada Nashin* and is looked upon with great respect by thousands of his disciples. He could not tolerate the word *Harami* being applied to him in an open court. But what could he do? Had he been outside the court of law, and had Mr. Coupla made the same remark, he might have beaten him, he might have given him sound thrashing, and he might have administered a kick to his posteriors, but he was in a British court of justice. Therefore, he had no remedy but to proceed to the Chief Commissioner and ask him to sue this man for a deadly insult. The permission was not given to him. So; he wrote to me and said that as Mr. Asaf Ali was not in the Assembly to represent Delhi, he looked upon me as a representative of Delhi and

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therefore, he asked me to bring the matter to the notice of the Government. So, I respectfully ask the Home Member to intervene on his behalf and do something to remedy this most scandalous grievance.

Then, there is another matter . . . . .

**Mr. President** (The Honourable Sir Abdur Rahim): If the Honourable Member is going to discuss such individual cases, the Chair would tell him that such matters cannot be discussed even on the Finance Bill.

**Maulana Zafar Ali Khan:** Sir, I have a mind to discuss the grievances of the Mussalmans of the Central Provinces, especially the Mussalmans of Burhanpur. But as you have said that we should not discuss individual cases, I will not discuss the individual cases, but will refer to one small matter. The Central Provinces, from which my Honourable friend, Mr. Aney, hails, is the hot-bed of corruption in certain instances. My friend, Nawab Siddiq Ali Khan, is not in the House. He was clapped into jail for the simple offence that he raised his voice against the doings of a certain policeman. He was treated as an ordinary felon is treated. He was sent to jail, he was treated as a "C" class prisoner. The authorities evidently failed to remember that he was no mere titled Nawab. He is a hereditary Nawab, and he was also a Khan Bahadur. So, in disgust at this treatment, he surrendered his title of Khan Bahadur and he is no longer a Khan Bahadur. He is plain simple Nawab Siddique Ali Khan.

**The Honourable Sir Reginald Maxwell** (Home Member): May I explain, Sir, that the gentleman in question is not a Nawab. That is merely part of his name.

**Maulana Zafar Ali Khan:** We in this House give him that title.

**Mr. M. Ghiasuddin** (Punjab: Landholders): It is his family title.

**Mr. Govind V. Deshmukh** (Nagpur Division: Non-Muhammadan): He is known as Nawab in his place, and even the locality in which he lives is called Nawabpura.

**Maulana Zafar Ali Khan:** A lot of correspondence passed, and eventually my Honourable friend, Mr. H. A. Sathar H. Essak Sait, went there with a deputation to see the Governor of the Central Provinces. The Governor very kindly and in a very patronising manner said that Nawab Siddique Ali Khan should be released from jail and this was done after he was made to undergo all the indignities of jail life. This is what happened in the Central Provinces.

**Dr. P. N. Banerjee** (Calcutta Suburbs: Non-Muhammadan Urban): You will find the same in all the Provinces.

**Maulana Zafar Ali Khan:** Now, I come to the case of Buhranpur. In Buhranpur the Muslims were greatly perturbed when they found the military had encamped within the precincts of the *Idgah*. I brought a motion for adjournment of the House in this Legislature and the Defence

Secretary, Mr. Ogilvie, very kindly assured me that although apparently it looked impossible that British Tommies should go into an *Idgah* and desecrate holy places, yet he would make enquiries. He did make enquiries as promised and it was found that the authorities were at fault and the chief man who was responsible for this trouble was a Hindu official who had no proper regard for the feelings of the Muslims. The Deputy Commissioner of the place, as well as my Honourable friend, Mr. Ogilvie, said in this House that nothing of the sort would ever occur again. For this assurance, we are thankful to him. After this *Idgah* incident was settled, there was a row between the Hindus and the Muslims in Burhanpur. Indeed in that trouble, both sides were equally culpable, but whereas a fine was imposed on the Muslims, no fine was imposed on the Hindus and, therefore, the feeling is rankling in the minds of the people of Burhanpur that Government are partial towards a particular community.

**Mr. President** (The Honourable Sir Abdur Rahim): Provincial matters cannot be discussed here.

**Maulana Zafar Ali Khan**: I simply wanted to bring to the notice of the Government . . . . .

**Mr. President** (The Honourable Sir Abdur Rahim): Then there will be other cases which other Honourable Members would like to bring to the notice of the Government. Provincial matters cannot be discussed here on the floor of this House.

**Maulana Zafar Ali Khan**: There is another little point. I usually do not take interest in these matters concerning appointments.

**Mr. President** (The Honourable Sir Abdur Rahim): The Chair would ask the Honourable Member not to discuss any provincial question here.

**Maulana Zafar Ali Khan**: I am going to refer to the Reserve Bank and not to any provincial questions. I am simply referring to the glaring fact that in the Reserve Bank, out of a total number of 172 incumbents in the higher grade services, junior and higher, the Muslims are not allotted their proper share. They are only nine.

**Mr. President** (The Honourable Sir Abdur Rahim): Is the Honourable Member referring to the Government of India?

**Maulana Zafar Ali Khan**: No, Sir, I am referring to the Reserve Bank of India.

**The Honourable Sir Jeremy Raisman** (Finance Member): May I point out to the Honourable Member that it is not the concern of the Government of India.

**Maulana Zafar Ali Khan**: Something should be done to satisfy the natural aspiration of the Muslims. Efficiency is not the monopoly of any particular community.

After all is said and done, I must once more point to the House that the war is reaching our very doors. The only power that has acted as a

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barrier between the German advance on India and her neighbours is Turkey. Thank God, Turkey stands firm. Whatever may be the exigencies in the near East of Europe and Turkey may have to change her policy to a certain extent, so far as its definite pledge to Britain is concerned of joining her in times of her trouble, being her Ally through thick and thin, I think Turkey will keep her pledge. However powerful the German army may be,—it has been conceded even by the Britishers themselves that the German army is the finest in the world,—I am sure no power—German or any other—will be so fool-hardy as to knock their heads against the Chattalja defences and cross the Dardanelles, and if ever they should do so, they will rue it. The Turks have been fighting for the last 600 years and they can give a very good account of themselves.

**Mr. President** (The Honourable Sir Abdur Rahim): The Honourable Member might leave it to the Turks themselves.

**Maulana Zafar Ali Khan:** They are very good fighters and they will show the world how battles are fought. For the past twenty years. God gave them a chance to take rest and equip themselves. They have been preparing. They have got an army of two million men and the whole population of twenty million Turks are soldiers. The people are with the Government.

Then there are Persia and Afghanistan. But where are we? We should realise our duty and be up and doing. So, if the unfortunate political deadlock is somehow removed and God Almighty instils into the mind of the Congress that the way in which it is acting is not to the good of India, some sort of honourable settlement and understanding can be arrived at between the Muslims and the Hindus. In my opinion there are only two powers in India worth reckoning and worth considering,—the Congress and the Muslim League. The Hindu Mahasabha is . . . . .

**Mr. President** (The Honourable Sir Abdur Rahim): The Honourable Member has said all that before; he is only repeating himself now.

**Maulana Zafar Ali Khan:** I was looking at my friend, Bhai Parma Nand, who is the leading light of the Hindu Mahasabha. He declared in a signed article a month ago that 20 years ago he was of the opinion that the only way in which the Hindu-Muslim problem can be solved is for the Muslims of India to clear out of India bag and baggage beyond the Indus. But the Muslims are a very hard nut to crack, as he has found that to his cost, and so he said he has now changed his opinion and he wants them to sit at a round table conference and settle their differences. Still the decision can only be taken by the two powers,—the Congress and the Muslim League. And the Knights who met day before yesterday at Bombay decided that the matter should be referred primarily to the Congress and the Muslim League, and not to Government direct. And if these two come together I think all our difficulties will be solved in no time. Sir, I have nothing further to say.

**Sir H. P. Mody** (Bombay Millowners' Association: Indian Commerce): Sir, it is a chilly atmosphere in which we have been working for the last few weeks and I have found great difficulty in working myself

up into a proper budgetary frame of mind. My Honourable friend, the Finance Member, in dealing with a criticism of the Budget stated that his method was that of the Turkish bath and not of the surgical table. I think the Finance Member's description of his technique is a very apt one. We who are passing from one room into another of his Turkish bath find ourselves getting hotter and hotter, and I have no doubt that by the time he has finished with us we shall have dropped a great deal of our fat.

Now, Sir, before I deal with the specific proposals which have been placed before us I should like to make a few general observations. Critics of the Budget during the last two or three years may be divided into two sharply defined categories. There are those who believe in the policy of soaking the rich, and who think that no matter what burdens are imposed the process has not gone far enough. There are others who are apt to think that any burden placed upon the capitalist classes is a burden upon trade and industry which is likely to cramp all initiative and enterprise. So far as I am concerned, I shall try to steer clear of these partisan attitudes. I think, Sir, there has been in the last few weeks a general recognition of the fact that in these abnormal times it is quite impossible to escape heavy burdens, and the Finance Member is to be congratulated that he has avoided the temptation of pursuing the path of so-called financial rectitude, and has taken his courage in both his hands and has struck a balance between taxation and borrowing in order to fill up the deficit. I think this fetish of financial rectitude has been pursued too far, and I hope the Finance Member will realise that the capacity of the country to bear additional burdens is coming almost to an end, and that if and when the occasion arises for finding money wherewith to fill more gaps, he will bear in mind the principle that the whole of the burden ought not to be laid on the shoulders of the present generation. While I am in the mood of congratulating my Honourable friend I would also like to pay a tribute to his handling of our sterling debt, and I think the transaction that he has put through of repatriation on a very considerable scale of our sterling debt deserves to be commended. There is only one point, however, on which I seek information, and that is whether this was the right time to repatriate on such a heavy scale, and whether the transaction could not have been done at an earlier stage with greater advantage to the country.

There is one other general remark and that is that I do not think that direct taxation can go much further. Volumes have been written about direct and indirect taxation, but this much at any rate is indisputable that we have had a great deal more of direct taxation than indirect in the last few years, and that process cannot go on indefinitely. I say there are vast fields of indirect taxation which still have not been cultivated, but unfortunately, as everybody is conscious, neither the Central nor the Provincial Finance Members have the courage to tackle the political issues which are bound up with the question of indirect taxation. I must say that many in this Legislature also are lacking in the courage to face the issue as it should be faced. The Finance Member looks blankly at me; I do not know whether he has understood my remarks.

**The Honourable Sir Jeremy Raisman:** I have understood them very well.

**An Honourable Member:** Blankly or blandly?

**Sir H. P. Mody:** Both. He is an extraordinary combination of blankness and blandness!

There is another observation with regard to the financial position of the country which I should like to make and that is that we are in the very unhappy position of finding more and more monies for Provincial and Central taxation without reaping the full advantage of this expenditure; in other words, we get the most inadequate return for the taxation which is being imposed. Most of the money that at any rate is raised in the Centre is being devoted to objects which do not promote the moral and material condition of the people of this country.

Now, I am not going to go over the same old arguments which have been repeated ten thousand times about military expenditure and the like. All that I want to say is that whatever the necessity for military or civil expenditure, the fact remains that a very inadequate share of the revenues of this country is being devoted to nation-building activities; and therefore, while taxation increases, the moral and material position of the country does not improve *pari passu*. The time has, therefore, arrived for making a new approach to the problem of the close relation which should exist between taxation and national wealth, and we must find out how much of the money that is going out of our pockets is contributing to the material and moral welfare of the country.

I shall now come to a consideration of the actual imposts which have been proposed in the Budget, and I would start off by saying in the words of the couplet:

"Whoever hopes a faultless tax to see  
Hopes what never was, or is, or ever shall be."

That, I think is a dogma which has been abundantly made clear to us in this House during the last few years. One section or other has got something or other to say about particular items of the Budget, and I should like to see the Finance Member who will produce a budget which will be acceptable to every section of the House . . . .

**Dr. P. N. Banerjee:** The Finance Minister will.

**Sir H. P. Mody:** The first item I shall take is the question of the duty which has been proposed on artificial silk yarn. I support the contentions advanced by my Honourable friends, Mr. Ramsay Scott and Mr. Boyle, and I will not repeat what they have stated in furtherance of their contention that the duty ought not to be imposed, or that if it is imposed there should be a corresponding duty on the art. silk fabric. I have always been one of those who have opposed the duty on art. silk yarn as being on a raw material, and my contention all along has been that I do not think any national interest is being served by the duty. All I would like to say is that there are thousands of power and hand looms in this country which will be affected in the home and export markets by this increase in the duty, without there being a corresponding benefit to any particular interest. My suggestion here is this—and it is a practical suggestion that I am making for the consideration of the Finance Member—that if it is merely a question of revenue, then let him halve the increase and put on only one anna on yarn, and let him put an additional anna per yard on the imports of art. silk cloth. That will yield him all the revenue that he expects to derive from this impost, and at the same time he will

have the satisfaction of feeling that an industry which is spread out widely in this country has been duly protected. This is a suggestion which I commended to his earnest consideration.

Then I come to the question of the excess profits tax. The appetite of the Finance Department, as everybody knows, always grows with what it feeds on, and when a year ago they came forward with the comparatively modest proposal to tax only 50 per cent. of our war profits, I knew there was a snag somewhere. I felt that this moderation was largely in order to make the victim feel that not all the blood would be drawn out of him, but that a little would be left for proper circulation. Now that the 50 per cent. surcharge has become an accepted fact, the Finance Member has come forward with a proposal to increase it to 66  $\frac{2}{3}$  per cent. Whatever other people may say, I am not going to cavil at that; but my whole point is, and I would like to invite the very serious consideration of the Finance Member to it, that he should not in any case tax profits which do not arise out of the war, whether directly or indirectly. I know of many establishments and industries which will find themselves taxed very heavily in spite of the circumstance that their profits have not shown any improvement due to any war conditions. I recognise that in the original Bill, and also at the instance of the Select Committee, many safeguards have been introduced for the taxpayer. But even then I feel that there are many loopholes still left, and it may become quite possible that a large number of industrial establishments may find they have to pay excess profits tax on profits which did not arise out of the war; and I want definite instructions to be issued that in no such case will any attempt be made to levy the tax simply because the profits happen to be in excess of the standard period. In this connection, I would like to remind my Honourable friend of the words he himself has used very recently when he said that critics must not gloss over the fact that it is excess profits arising out of the war that are to be taxed. We are quite happy if it is war profits that you are going to tax and we shall pay you not merely the 50 per cent. but the 66  $\frac{2}{3}$  per cent. also with a smile, so long as we are making profits out of the war . . . . .

**The Honourable Sir Jeremy Raisman:** Since my Honourable friend has quoted some remark which I made, perhaps I might remind him that I made it perfectly clear at the time of the passing of the Excess Profits Tax Bill that it was quite impossible to attempt to define or differentiate between profits arising out of the war and other forms of profit arising during the war period.

**Sir H. P. Mody:** Then my answer is that it is an immoral taxation. If you are going, under the guise of taxation of war profits, for which there is ample justification, also to lay your hands on profits which do not arise out of the war, then I say that there is no moral basis for it. I quite realise having sat on the Select Committee myself and taken a very active part in its deliberations, the difficulty of distinguishing between war profits and what are not war profits. But I say that so long as the principle is recognised that it is war profits that will be taxed, then I am sure the Department will do its best to see that it does not inflict a tax on profits not arising out of the war . . . . .

**Mr. M. S. Aney:** Does the Honourable Member not think it feasible to make an attempt at distinction also?

**Sir H. P. Mody:** It is very feasible and it can be made, and that is precisely my point.

**An Honourable Member:** How?

**Sir H. P. Mody:** The Central Board of Revenue has ample authority, and if it is established in a particular case that the profits during the standard year were, for some reason or other, not sufficient, then they ought not to be regarded as normal, and an allowance should be made accordingly.

There is just one other point that I would like to urge, in this connection, and that is that after all we do not know how much the excess profits tax will yield on the 50 per cent. basis. My Honourable friends will remember that I offered to underwrite the whole of the tax for three crores of rupees. The offer was not accepted. I am now prepared to underwrite for six crores of rupees.

**Dr. P. N. Banerjee:** Make it nine crores.

**Sir H. P. Mody:** Nine crores, if you like.

Now, Sir, from excess profits tax to matches would almost appear to be a descent from the sublime to the ridiculous; but it is not so. My only point with regard to the excise duty on matches is that there is reason to think that profiteering may defeat the intentions of the Finance Member and the Legislature. As a matter of fact, some degree of profiteering has already taken place and the suggestion that has been made to me by those in the trade is that if, instead of the one rupee duty which is proposed to be levied, it was fixed at twelve annas, then it would be possible for boxes containing forty sticks, which is the most popular unit in this country,—95 per cent. of the boxes sold in this country being those of forty sticks,—to be sold, on the basis of two for three quarters of an anna, and it would also enable a box of sixty matches to be sold for half an anna. My further suggestion is that if the Honourable the Finance Member finds that he is not able to do without the full one rupee that he proposes to levy, then he should arrange in consultation with the trade that different units may be evolved, so that the consumer who buys in one and two boxes may not be unduly penalised.

I now come to the question of tyres. Discussing the matter with my friends, I find a great deal of want of sympathy towards tyres and tubes,—I do not know why. My only point is,—and I shall be happy if the Honourable the Finance Member is in a position to contradict me,—that this is the only industry which has not been protected, to which an excise duty has been applied. Excise duty is generally applied to protected industries, industries which have benefited by the aid given by the State, and the tyre industry seems to me to be the only exception to this rule. Now, it may be that the industry is doing very well, but the impost is likely to cripple its competitive capacity *vis-a-vis* foreign countries, particularly our old tried and trusted friend, Japan. Therefore, here again if the revenue aspect of the case is to be the dominant one, my suggestion is that there ought to be a corresponding import duty on the tyres and tubes that are coming from abroad. I do not see why it is not possible to give effect to this suggestion, which will yield in fact additional revenue and at the same time protect an industry which has every claim to sympathetic consideration.

My last point arising out of the Budget is that I would like the Income-tax and the Finance Act to be amended with a view to ensure that companies which receive dividends from other companies have not to pay super-tax and surcharges on those dividends. Exemption has been made in the case of investment companies, and that is all to the good, but I do not see why the exemption given to investment companies should not be extended to all companies, and why dividends should be taxed a second time in the hands of companies which receive them. That, Sir, is all I have to say upon the proposals in the Budget.

One other point that I would like to make here is that I hope the Finance Member does not regard his proposals as unalterable, and that not a comma or a dot could be changed. I do not think that attitude should be adopted towards this House, and particularly to a House which is constituted as it is just now. In the past the excuse was that the proposals which the Legislature put forward and carried through were of such a radical character that it was not possible for the Finance Member to agree to any one of them. The position today is different. The Honourable the Finance Member is in the happy position of carrying through without the least difficulty in this House whatever he wants done, and, therefore, I suggest to him, with confidence in his sense of fairness, that he should listen to non-official criticism and see what he can do to try and meet them, wherever he can do so without detriment to the national interests.

There are certain other considerations arising out of the discussions which have taken place so far. I have heard several Members talking in a loose sort of way about excise duties, particularly the redoubtable gentleman whom I do not see in his seat just now,—Dr. Sir Ziauddin Ahmad, President of the Ticketless Travellers' Association! We have an affection for our friend, largely because he is the champion of all the worst causes that I have heard advocated anywhere; and he advocates them with a fervour which compels our admiration. Now, Sir, the reason why I am referring to the matter is that the Finance Department have an engaging habit of turning a deaf ear to anything which does not fit in with their preconceived ideas, but when some suggestion or other is made which strikes a sympathetic chord in their hearts, then they prick up their ears and begin to listen, and it may be that even Dr. Sir Ziauddin's suggestions may some day be acted upon. Therefore, Sir it becomes incumbent upon me to utter a note of warning to the Honourable the Finance Member not to flirt with the idea of excise duties all round. I say there are certain financial canons which have got to be observed before any excise duties can be applied. Two of them, as I conceive them, are that an industry to which an excise duty is sought to be applied must be duly protected in its own home market; and the second is that the industry must have done well over a period of years, with the result that it has behind it a good strong financial position, before the Legislature can be asked to tax it. I would like these two canons to be borne in mind, and care taken to see that the moment an industry or concern starts making a profit, Government does not pounce upon it, because that I would regard as an altogether unfair method of taxation. By all means if the industry has done well over a period of years, you can take a fair share out of it.

I come to the very big issue raised in the course of the discussion, and that is about industrialisation, with particular reference to the war

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effort. My Honourable friend, the Finance Member, said, that a good war time policy may conceivably be a bad peace time policy. We also talked of moral issues. He seemed to be happy at the thought that, like Great Britain, India had been hugging peace to her bosom, what time the totalitarian powers were doing their best to destroy it. Well, Sir, I would have no quarrel with the Honourable the Finance Member if he took his stand on the obvious argument that this Assembly and public opinion in the country have been continually fighting against military expenditure, and that they would not have tolerated an increase in armaments until the war had come to our very door. That argument I can understand, and it would have been a legitimate argument, but when he talks of moral issues and seems to derive a sort of satisfaction from the contemplation of our unpreparedness along with the rest of the British Empire, all I would say is that those who were ruling the destinies of Great Britain in the critical and fateful years which preceded the war will have a lot to answer for before the bar of History . . . . .

**The Honourable Sir Jeremy Raisman:** I think I made it perfectly clear that it was not merely the Government, but it was the public opinion at the time which was responsible . . . . .

**Sir H. P. Mody:** That is an argument which I do not admit I am not talking now of India. I am talking of Great Britain, and I say it is no use sheltering yourself behind public opinion which you have failed to lead resolutely, and it is a libel on the British public to say that it would have stood against the policy of greater preparedness for this conflict in which the whole of the civilized world has been plunged. The British people have shown in this hour of trial what enormous sacrifices and what heroism they are capable of, and it is no use saying that they would not have stood for a better defence of their country if the issues had been properly placed before them, and I repeat that those who were in charge of Great Britain's destinies will have a lot to answer for at the bar of History.

What is going to be our post-war policy? There were some ominous hints thrown out in the speech of my Honourable friend, the Finance Member. If I have taken a wrong view of what he has said, I shall be very happy to be corrected, but actually the arguments that he employed would indicate that it may be that after the war is over, we may go back to the same old conditions of *laissez faire*. My friend talked of the burden on the taxpayer in a way which suggested to me that it is possible after the war there may be a drift back to the same concept of Government's duty towards the industrialisation of the country as has prevailed all these years. On that I would like to know whether the lessons of this war are going to be lost altogether. I am not one of those who is enamoured of tall phrases and picturesque words,—national planning, planned economy, and the like,—I whole-heartedly distrust phrases, I want clear cut ideas, and the resolute application of those ideas. (Interruption.) I say there are a great many things which this war has brought sharply to the attention of the Government and the public and they will require to be looked into before very long.

For one thing, very serious gaps have been disclosed in our financial armour. We have not completely rounded up industries. To take a small

example, take the case of the boot industry. We have the leather, we have the tanning, we have everything that is required to . . .

**An Honourable Member:** We have legs.

**Sir H. P. Mody:** . . . make a fully-rounded leather industry. But what do we find? Government are placing very large orders and some boot factories are working entirely for them. That is all to the good, and it is help to the industry which was badly needed. But what is the position? Things like eyelets and grinders, whatever they may mean,—have to be imported, with the result that many more boot factories which could have made boots for the Government are prevented from doing so, perhaps because there is a ban on the imports of eyelets and grinders except under a special licence from the Government. This is only a small instance. But thinking of the big things we want an integrated chemical industry, we want machinery . . .

**Mr. M. S. Aney:** The Honourable the Commerce Member shakes his head that there is no ban on the import of eyelets and so on.

**The Honourable Diwan Bahadur Sir A. Ramaswami Mudaliar** (Member for Commerce and Labour): There is no ban, but the difficulty is to get them. There is a shortage.

**Mr. H. P. Mody:** That is still worse for you. If grinders or eyelets could have been manufactured in the country there would have been no difficulty. This, on the contrary, instead of being an answer to me, emphasises what I have been saying that here is what ought to be a completely self-sufficient industry held up by tiny little things like hooks, eyelets and grinders.

**An Honourable Member:** It will have to be started.

**Sir H. P. Mody:** What I am saying also applies to bigger issues. I do not want the Finance Member to be lost in eyelets and grinders.

**The Honourable Sir Jeremy Raisman:** I did not mention them. The mote is in your own eyelet.

**Sir H. P. Mody:** If there is a mote in my eyelet it shall be removed, but I hope that at the same time the beam in the eye of other people will also go away. What I was saying was that we want an integrated machinery and machine tool industry, a chemical industry, and many other key industries which we regard as useful in peace and essential in war. These industries in peacetime cannot all be floated without some form of State assistance, either in the shape of orders, or in the shape of subsidy, or in the shape of guaranteeing the capital, and I say it is in the larger national interest that even at some expense to the State these essential industries should be set up in India, and it will be a very short-sighted view to leave them to private enterprise. If they are left to private enterprise, the next war will be upon us and will find us in the same unhappy position in which we are today.

**Mr. M. S. Aney:** This is a war to end war.

**Sir H. P. Mody:** Yes, so was the last one.

There are other directions in which I want a clarification of the intentions of the Government.

**The Honourable Sir Jeremy Raisman:** What about your intentions?

**Sir H. P. Mody:** My intentions are to pay you honestly all that you want to tax me for, and if your exactions become too great, then I shall try and see whether dishonesty is not the best policy! I was saying that it is time that Government thought in terms of what they will have to do after the war is over. It is obvious that the large Ordnance Factories which have been set up, the munitions and other types of factories which have been set up, will have to be disbanded, and the technical labour and skill which have been gathered from all corners of the country will have to be dispersed, and there will be serious unemployment. The question for Government to consider at this stage is whether it has got some sort of policy to deal with that situation. I know how extremely difficult it is going to be for this country, as well as for every other country, and I am quite aware that there are no clear cut solutions and formulae for such a situation. I am not one of those foolish people who think that Government have only to will a thing and it can be done. I recognise the difficulties but it is time Government thought about them. It may be that Government may find it necessary at this stage to say to themselves and to the Provincial Governments that nothing but the most necessary capital expenditure should be incurred in respect of any public works.

Then we want to know whether any attempt will be made to preserve the export markets which have been built up through the stress of the war, and apart from appointing Trade Commissioners—and that I regard as a very welcome step—whether anything will be done to preserve, to a certain extent at any rate, the trade which we have built up through this war.

I also want to know whether the fiscal system is going to be reformed. The Finance Member will remember from his long association with us, if not in this very seat, in other seats,—he will remember the cry that has gone forth all these years that the tariff policy of this country ought to be based upon different principles from what it has been in the past. The Fiscal Commission laid down certain canons which I submit have served the country very well, but they are out of date, and what is now required, more than any change even in the principles, is that a far more speedy machinery should be set up in order to deal with cases of trades and industries which are faced with difficulties after the war.

Then, I want to know whether any policy is going to be laid down with regard to cheaper transport for trade and industry, whether the railway system of this country is to subserve commerce and industry to a better extent than it has done hitherto.

Finally, I want some consideration given to the case of the smaller industries for whom my Honourable friend, Mr. Ramsay Scott, pleaded. I think if some measure were introduced for their safeguarding at this stage, it would be a very useful thing. In this connection, I would like to say that the Industrial and Scientific Research Board which has been set up recently has shown what an enormous amount of good can be done in the sphere in which it is working, and I am sure that if more funds are found

for it a great deal have been done to promote the smaller industries of this country. In this connection I would like to congratulate my Honourable friend, the Commerce Member, upon the energy and vision he has shown..

Now, Sir, in no consideration of the Financial Statement, a reference to the political situation does not become inevitable. Reference has been made by the Speaker who preceded me to the Bombay conference. He made very slighting references which, I think, were wholly misconceived, and whatever results the Bombay conference yields, I maintain the attempt was well worth the making. I have found myself in agreement with a great deal of what was stated at the Conference, but there is one important matter in which I differ, and that is with regard to the political demands which were made. I think, Sir, that we cannot possibly ignore the realities of the situation, that cannot run away from the fact that there are very sharp dissensions and differences between political parties and communities, and, therefore, to say that His Majesty's Government should declare here and now that Dominion Status such as that enjoyed by the Dominions after the war will be conferred without any equivocation or qualification, and regardless of what happens in this country, does not seem to me to be a very reasonable demand. At the same time, Sir, I think that His Majesty's Government, in spite of all the declarations they have made, have not made the one declaration which is required, and which would afford a guarantee of their good faith and that is that they should categorically declare that as soon as may be after the war, if the different political parties and groups in this country put up an agreed solution of the constitutional problem Parliament would be asked to implement it. A great deal has been said by the Secretary of State and by His Excellency the Governor General, but there has been no such categorical declaration, and I hold that if it were made it would have a profound effect on the political situation. It would be a definite declaration to the whole world, and to Indians in particular, that the demand for self-government is capable of satisfaction if there is an agreed solution in this country. This would introduce a much needed element of reality into our political discussions. People talk about the declaration of August 8th, and the many declarations that have followed, but I fail to see in any single one of them a categorical, clear-cut declaration that His Majesty's Government will ask Parliament to implement any agreed solution of the constitutional problem that the political parties in this country may put up. I regard that as a matter of considerable practical importance, apart from being one which in common fairness His Majesty's Government ought to agree to.

**Mr. M. S. Aney:** Implement without any modification? That is what you mean?

**Sir H. P. Mody:** We have been promised conferences and consideration of schemes of Dominion Status after the war, but a clear cut declaration that Parliament would be asked to implement such a constitution has not been forthcoming all this time.

Then, Sir, I would like to say that regardless of the political deadlock in this country, there are certain things which require to be done straight away. In particular I would say that Government ought to associate representative Indians more closely with the war effort. They must not forget that in spite of the fact that the two major political parties in this country

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have either non-co-operated or held aloof from the war effort, India has been pouring out men, munitions and money in as abundant a measure as is required by the exigencies of the situation. There are hundreds of thousands, and if it came to that, millions of men who will be coming forward to go into the battlefield. Munitions are being manufactured. All the industrial resources of the country have been harnessed in the war effort, and everything possible is being done to help it along, even without the approval or backing of the major political parties, and as regards money, while it may be that certain sections of the people are holding aloof because of political reasons, and I may say in this connection that political reasons have come in very handy to them, a very considerable amount of money has been poured out by way of voluntary gifts, and that being the case what right have Government to shelter themselves behind the fact that the major political parties are not co-operating. I say that a War Advisory Council in some shape or form ought to be set up immediately with a view to associate people who are helping the war effort regardless of political differences.

**Pandit Lakshmi Kanta Maitra** (Presidency Division: Non-Muhammadian Rural): You are getting on without them.

**Sir H. P. Mody:** In this connection, through the mouth of my Honourable friend, Mr. Ogilvie, a statement was made that the Commander-in-Chief was contemplating the setting up of some machinery. I hope that the machinery will not be of such a character that a few Indians representative or otherwise, will be asked to meet at specified intervals, told how much was being done in the way of raising men, munitions and money, and then asked to go away with a 'Thank you'. I want a real association of representative Indians in this war effort.

Reverting for a moment to what Mr. Ogilvie said about taking a party of Members to the theatres of war in the Middle East, I should just like to know on what principle he is going to select the Members of this House. Will it be by communal representation? Will there be a weightage for minorities? Will there be a just balance between martial and non-martial members?

**An Honourable Member:** What about you? Are you martial or non-martial?

**Sir H. P. Mody:** Well, Sir, Punjab has been proudly proclaiming that it is the home of the martial races, but my forefathers conquered the world 2,000 years ago! I think that gives a better claim to the Parsis to be regarded as a martial race than to any one of my Honourable friends here. And, finally, Sir, I would like to know whether the size of a Member will be regarded as a bar to his selection!

Sir, I am coming to the end of my speech. I think the time has arrived for the Government of India to give a lead with regard to expenditure on non-essentials. The other day my Honourable friend, the Finance Member, said that abstention from whisky or cigars may well retard the war effort. Well, I have been feeling very virtuous ever since; I have the satisfaction that twice a day I am promoting the war effort in this particular way. However that may be, the time has arrived for a consideration of the scale

of expenditure to which we have been accustomed in the years before the war, because if the savings of the people are to be drawn upon, savings on non-essentials become important, and a clear lead on the part of the Government of India is called for.

**The Honourable Sir Jeremy Raisman:** If I may correct a clear mislead, if I did say that a man who refrained from consuming whisky and cigars might very slightly retard the economic war effort, I also said that was no reason why he should not pursue that course, if he was morally disposed to.

**Sir H. P. Mody:** I shall be very glad to know what my Honourable friend himself is doing. If he is going to abstain from whisky and cigars, then I probably might follow suit. There is one point in this connection and it is that while I agree with the Finance Member that the war must be financed largely by loans rather than by gifts, my contention is that so long as the cheap money policy holds the field, the rates of interest which are being offered on Government loans are a sufficient attraction to the public, and carry an assurance that the loans which he puts out from time to time will be subscribed in an abundant measure. And I say that from that point of view, voluntary gifts are, a truer measure of the sacrifice which an individual feels himself called upon to make in these abnormal times.

Sir, I have nothing more to say, except to hope that, in view of the fact that expenditure is bound to mount up day by day, and that a certain amount of extravagance is inevitable in the conduct of a war, when the time comes for filling more gaps, regard will be paid, not merely to so-called financial canons but also to the capacity of the people to pay, and that a just balance will be struck between direct and indirect taxation.

**Dr. P. N. Banerjee:** Sir, the other day I discussed some of the points raised by the Honourable the Finance Member in connection with the Budget for 1941-42. But I had not the time to discuss all the points raised by him, and I had merely to touch upon some of them without discussing them in full. I will not repeat this afternoon what I said on that occasion, but I will tread new ground and will offer my observations on the points left over.

But before I do so, I wish to remind the House that the expenditure for the coming year will amount to Rs. 126½ crores, and that the additional expenditure is to be met by three expedients,—first,—additional taxation; second,—borrowing; and, third,—trenching upon the resources of the Provinces. I will discuss these three matters in the reverse order. Taking the last item first, I feel bound to observe that the policy which has been adopted in this connection has placed the Provinces in a position of great difficulty. On account of the war, the cost of living has increased and the Provinces have had to make larger payments, particularly to their inferior servants. There have also been various other additional items of expenditure, such as those relating to the purchase of stores. Now, to deprive the Provinces of their legitimate sources of revenue is not justified—unless the Finance Member seeks to justify his proposal on the principle that “everything is fair in love and war”.

**The Honourable Sir Jeremy Raisman:** This is "love".

**Dr. P. N. Banerjee:** He very cleverly avoided this subject,—hinting only that the Provinces would have now greater revenues at their command—but he has not mentioned the fact that the modification of the Niemeyer formula last year still stands and will stand during the coming year.....

**Mr. President** (The Honourable Sir Abdur Rahim): The Honourable Member can continue his speech after Lunch.

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

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

**Dr. P. N. Banerjee:** Sir, when the House rose for lunch, I was discussing the modification of the Niemeyer formula made last year, and I said that this modification had placed the Provinces in a somewhat difficult position. Regarding this item, I also said that the Honourable the Finance Member skilfully avoided mention of the subject by observing that the Provinces would get larger sums out of the income-tax returns.

Coming to the second point, namely, borrowing, I suggested the other day that a 50 : 50 ratio would be the correct division between the burden on the present generation and the burden on posterity. I am entirely at one with the Honourable the Finance Member in the view taken by him that a judicious combination of taxes and loans is the proper method of financing the war; the slight difference which exists between him and me is only with regard to the ratio. I find that in the recent war budget of South Africa it has been decided to finance 40 per cent. of the additional expenditure by means of taxes and the remaining 60 per cent. by means of loans. So, here is a support for my formula. The Honourable the Finance Member did not argue the question the other day, but simply remarked: "I do not agree with Dr. Banerjee." I should like that he should make a fuller exposition of his point of view. He did mention certain conditions, but I would ask him what is the proper ratio between fresh taxes and loans for financing the war in the circumstances in which India is at the present moment. I suggested that a slight addition may be made to the amount that is to be raised by borrowing, namely, to the extent of less than two crores of rupees. I did not ask him to finance the whole of the war expenditure by means of loans or to finance even a large proportion of the war expenditure by borrowing. And why did I suggest that a slightly larger addition be made to the debt of the country? I made the suggestion because I thought that the burden which the Honourable the Finance Member wishes to place on the poor people might be avoided. It is necessary that this additional burden should not be imposed, because that is sure to create greater discontent in the country.

In this connection I should like to welcome the decision of the Government in regard to the repatriation of a substantial part of the external obligations of the country. I should like however, to make it perfectly clear that this decision has been arrived at with the object of assisting the British Government to finance its war needs. It has not been arrived at in order to help India, but incidentally the decision is beneficial to India. I, therefore, welcome it.

**The Honourable Sir Jeremy Raisman:** That is the reverse of the actual state of affairs. The sterling is already available to His Majesty's Government and it only incidentally puts it on a firmer basis, but the primary advantage is to India.

**Dr. P. N. Banerjee:** However, let us agree to differ on that point. I hold the view that the burden of an external debt is heavier than the burden of an internal debt, and, when this burden is slightly relieved, that is all to the benefit of the country. It will save considerable amount in the payment of interest charges paid in England, and thus reduce the home charges the large size of which has been one of our standing complaints. Although I welcome this decision, I should like to make it clear that this repatriation should be brought about in such a way that it should not injure the interests of the trade and commerce of the country. There is an apprehension among commercial men that this policy of repatriation may lead to stringency in the money market, and I would request the Honourable the Finance Member and the Reserve Bank of India so to adjust the finances of the country that no recourse to a policy of deflation is needed.

Coming to the first item, I observed the other day that a large amount of additional taxation will be levied during the coming year, and I calculated the figure at 81 crores. It may be a little more. How will the additional expenditure in the coming year amounting to 46½ crores be met? 31 crores will come out of additional taxation, 15½ crores will come out of the additional borrowings, and two or three crores will come from a robbing of the Provinces. Thus there is likely to be some surplus in the budget. But the Honourable the Finance Member told us that the estimate of expenditure is likely to be exceeded, and when this comes out to be true, then perhaps he will place a further burden of taxation on the country. I will ask him to think twice and even thrice before he considers it necessary to place a further burden of taxation on the country. He should devise other means before he takes this step.

But what are the other means available? I suggested the other day that economy and retrenchment should be resorted to before imposing an additional taxation or even before resorting to borrowing. Now, Sir, I have harped on this subject year after year and many Honourable Members on this side of the House have spoken on this subject continuously for a number of years; but Government have always turned a deaf ear to all our proposals. It is true that within the period of the last 20 years, two Retrenchment Committees were appointed, but those Retrenchment Committees suggested retrenchment even in essential expenditure.—I mean expenditure relating to what may be called nation-building activities. The Government accepted the items relating to reduction of nation-building activities to a greater extent than other items of expenditure. A more radical measure has now to be adopted. How can such a radical measure be adopted? It is necessary, first of all, to find out the cause of the very heavy expenditure in the administration of the country. This high level of expenditure has been due in the past to two causes, namely, expenses on account of a large number of highly paid posts at the top,—an unnecessarily large number of posts and the payment of salaries to the higher services on an unduly high scale. These two causes are partly separate and are partly interrelated. I shall now trace the genesis of these two causes. How was it that such a large number of

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persons came to be placed at the top? We generally speak of top-heavy administration. This has become a hackneyed phrase, but it aptly expresses the great evil of the system which prevails in this country. The administration is top-heavy in two respects,—in respect of number and in respect of high salaries paid to the officers.

Now, coming to number, it appears to me that when the British rule was first established in this country, our rulers thought that they were the only people who understood the business of administration and a great deal of superintendence was supposed to be necessary. Although the actual work was done by the natives of the soil, yet the rulers thought that a great deal of supervision and control was needed at the top. Whatever justification might have existed for such an idea at that time, it has outlived its usefulness now. Things have greatly changed, and although I admit that a considerable measure of superintendence and control is still needed, this should not be carried too far. There is a great possibility of retrenchment of personnel at the top.

Coming to the second item, namely, top-heaviness in respect of salaries, it is well known that in the early days of the East India Company's rule, the officers were very corrupt and in order to secure honesty among the public servants, a high scale of salaries had to be fixed. Gradually, however, great deal of honesty came to be secured in the services and the situation has now completely changed. It is no longer necessary to pay very high salaries to the public servants specially to those who occupy the highest posts. If we compare the salaries which are paid in India to the salaries paid in other countries of the world, what do we find? A great contrast. The Members of the Executive Council here draw salaries which are considerably above the salaries drawn by most members of the Cabinet in Great Britain. If we compare the salaries which are paid in India with the salaries which are paid in Japan, we find an enormous difference. Even if we compare the salaries paid in India with the salaries paid in a very rich country like the United States of America, we find a great difference. Is this justifiable? The level of salaries paid in a country should have some relation to the average income of the people. Now what is the average income of the people of India compared to the average income of the people of the United Kingdom and the United States of America? The average income of the people in those countries is 30 or 40 times as great as the average income of the people of India. Is, then such a high level of salaries justified in India? I say, no: And there is no necessity for the payment of such high salaries. Therefore, there is a great scope for economy and if proper steps are taken a very large saving can be made. When this large saving is made it will be possible for us not only to avoid further taxation but to reduce the existing level of taxation and also to provide for many nation-building services which do not exist at the present moment. I, therefore, urge that this matter should receive earnest attention at the hands of Government.

Sir, I am not opposed to taxation,—I am not one of those who regard taxation as a necessary evil. On the other hand, I am one of those who regard taxation as a necessary good, provided that the people of the country possess ample taxable capacity and that the produce of the taxes is spent in promoting nation-building activities,—activities which help the growth and development of the nation. But it is known to everybody

that the taxable capacity of the people of India is comparatively small, and why is it so? The reason is that the people of India are not, industrially speaking, sufficiently advanced. I would, therefore, urge upon Government the necessity of improving agriculture and industrialising the country. I do admit that some steps have been taken in this direction, particularly in recent years, but no definite policy of a vigorous nature has yet been adopted. In the field of agriculture the Imperial Council of Agricultural Research has done good work, but much still remains to be done. They will have not only to do research work but to place the results of the research work before the actual cultivator of the soil. They will also have to provide adequate finance to the cultivators so that they may adopt better methods of cultivation. As regards industrialisation, Government can help in a large variety of ways. Government can help by pioneering, by guaranteeing minimum rates of interest to enterprisers, by adjusting railway freights according to the needs of industries, by affording shipping facilities, and by adopting the right kind of fiscal policy. With the exception of the last point mentioned by me very little has been done by Government in order to assist the industries of the country. And what is the result of their negative policy? The result is that India at the present moment is deficient in respect of many of her needs. There are no large-scale chemical industries in the country, there are no ships constructed here, no aircraft and no motor cars are built in this country.

**Maulana Zafar Ali Khan:** Sir, on a point of order, is there a quorum in the House?

**Mr. M. S. Aney:** A quorum was called and taken and for one hour at least nothing can be done.

**Mr. Deputy President (Mr. Akhil Chandra Datta):** Yes, but at the same time the Chair finds it its painful duty to observe that the Finance Bill being an official measure taken on an official day, it is rather unfortunate that even Government Members should not be in the House and give us trouble for want of a quorum.

Dr. Banerjea will now continue.

**Dr. P. N. Banerjea:** It is essential, therefore, to develop the key industries of the country and not only the key industries but industries of all sorts,—large-scale industries, medium-size industries and cottage industries; and a well devised plan should be prepared for this purpose. The stress of war has made some little change in the angle of vision of Government. But perhaps it is too late,—I hope it is not yet too late. A Board of Scientific Research has recently been established and a Committee has been appointed for the purpose of considering the utilisation of the results of this research. This Board is engaged at the present moment in considering only those industries which are essential for war purposes. Let us hope this Board will also consider the desirability of introducing industries which are desirable in peace time. In this connection, I should like to say that Government should make plans now for converting war-time industries to peace-time industries; otherwise there will be great difficulty in future. We should have in view definite plans as to how these war-time industries can be converted into peace-time industries when the war is over.

**Mr. M. S. Aney:** Sir Honni Mody is against planning.

**Dr. P. N. Banerjee:** He is not against planning, but he does not like that word. He says that catch-phrases are no good, but he does not object to the policy behind the word "planning". This brings me to the question of the deliberations of the Eastern Group Conference. The composition of this Conference was regarded by all public men as unsatisfactory. Some industrialists, no doubt, were asked to come in as advisers to this Conference, but they were not taken into confidence so far as the deliberations of the main body of the Conference were concerned: they joined only particular committees. The deliberations and recommendations of the Conference and the Committees are not likely to be placed before the Indian Legislature but will be forwarded to the British Government. Now, the apprehension is felt by the commercial community of India that the industrial development of the country may be hampered as a result of the deliberations of this body. A Council has now been constituted, known as the Eastern Group Council, which will continue the activities of the Conference and it is believed that as a result of the activities of this Council India's interests may be adversely affected.....

**Mr. M. S. Aney:** May I just ask a question by way of information? How much of the expenditure of this Eastern Group Conference will be borne by us, and how much by the British Exchequer?

**The Honourable Sir Jeremy Raisman:** The only expenditure borne by India will be the cost of its own representation on the Council.

**Dr. P. N. Banerjee:** That the apprehensions of the commercial community have some foundation in fact is clear from the statement made by the Leader of the Australian Delegation to the Conference, Sir Walter Massey Graeme, who observed:

"It is manifestly unwise in time of war for one part of the empire to start some war industry *de novo* and go through all the inevitable teething troubles and delays if another part has got so far past the stage that it can supply the needs of the whole by the extension or development of its existing resources. That is simply a waste of time and effort."

Now, what does this imply? It implies that India need not build any industries which it has not built in the past. Is that the intention of the Government? Yesterday a Member of the European Group, Mr. Gwilt—I do not know how he pronounces his name—Guilt or Gwilt . . . .

**The Honourable Sir Jeremy Raisman:** Not Guilty.

**Dr. P. N. Banerjee:** He observed that India should not engage in the manufacture of aircraft and the building of motor cars and ships, and he suggested that India should confine her attention to the development of raw materials and export of such raw materials to other countries, including England and America. Is this doctrine acceptable to Government? I am sorry to find that the Honourable the Commerce Member is not here; but I will ask him the question when he comes here . . .

**Dr. Sir Ziauddin Ahmad (United Provinces Southern Divisions: Muhammadan Rural):** Suppose he comes when you have finished?

**Dr. P. N. Banerjee:** I will ask the Honourable the Finance Member to take a note of this and tell his Colleague what I have said. If this advice offered by a Member of the European Group is accepted, what will happen? India will have to revert to the position which she occupied half a century ago, namely, that of a producer of raw materials and an importer of manufactured goods.

**The Honourable Sir Jeremy Raisman:** The question appears to be hypothetical—"if the advice were accepted."

**Dr. P. N. Banerjee:** It has come from the Leader of the Australian Delegation, and it has been supported by a Member of the European Group in this Assembly. I am also doubtful about the attitude of the Honourable the Finance Member himself, and I will ask him to make clear what he meant when he drew a distinction between war-time industries and peace-time industries. I hope in the course of his reply he will make this particular point perfectly unambiguous. We, Sir, on this side of the House can never accept this doctrine which is full of disastrous consequences to India. I hope, therefore, that the Government will repudiate this doctrine which is a most pernicious doctrine.

I come now to the tariff policy of India. Last year, speaking on the Finance Bill I observed that the tariff policy recommended by the Commission of 1922 had now become out-of-date and that it was necessary to recast it. I suggested further that a modification of the conditions necessary for the grant of discriminating protection—which were unduly stringent—should be relaxed. Now, I am glad to find that this view has been accepted by an eminent person who is not an agitator, but who has been for the great part of his life in government service, first as a member of the Tariff Board and then as Director-General of Commercial Intelligence. He observes that the complete revision of the basis of India's protective policy is now needed and says: "The conditions laid down by the Fiscal Commission, have not merely become out-of-date in important respects, but the working of discriminating protection has revealed the need for recasting these conditions on simpler and more practical lines. The present conditions are unduly stringent, ambiguously worded and difficult to work. A complete revision of the basis of our protective policy . . . should be taken up without delay."

Sir, while on this subject I should like to refer to a matter which has often escaped the attention of many of my friends. A policy of protection always involves sacrifice on the part of the people. But for what purpose is this sacrifice made? It is made in order that the country may benefit, in order that the people may prosper. But when non-Indians take advantage of this tariff policy and build up industries in this country behind the tariff wall, what happens? The people of the country make the sacrifice, and the benefit goes to non-Indians. Sir, is this a right thing for us to tolerate? We ought not to tolerate it, and the Government ought not to tolerate it. Therefore, when the revision of the tariff policy of the country is taken up, this question should be borne in mind.

I come now to India's war effort. It has been recognised on all hands that India has made a great effort not only in supplying men for the defence of the country, but also in supplying materials needed for war purposes. I am glad that both the British Government and the Government of India

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have appreciated the efforts made by India in this regard. But there is another side to the question. I find that while with one breath an appreciation is made of India's war effort, with another breath India is vilified. Yesterday I put a question in this House in which I pointed out that some notes were given to the speakers in England in which it was emphasised that in India there were great differences with regard to religion and so forth and the old parrot phrases concerning the Indian people's ignorance and religious superstitions and the difficulty of fitting democracy into the indigenous social systems were trotted out. Sir, is that right? This reminds me of my experience in England. I was in England during the years 1914 to 1916,—the first two years of the last war. At that time India's war effort was greatly appreciated in that country, and Indians were regarded as "sun-burnt white" and not black. A few years later I paid another visit to England, and what did I find? The war was over by that time, and Indians had become as black as before, if not blacker than before. In the present instance we find that appreciation and vilification are going on at one and the same time. This is the difference between the last war and the present war with regard to the attitude of the people of England towards us.

Sir, I come now to the political situation in the country. We hear again and again about the unwillingness of the different parties to come together. This is said to be the real cause of the deadlock which exists in the country. But the leaders of all the parties hold the view that the deadlock continues because Britain is unwilling to part with power. That is the real reason. Now, I am not the only person who is of that opinion, but this opinion has been voiced by eminent statesmen in India as well as in England, and also by some of the fairminded newspapers of Great Britain. Only the other day the *New Statesman and Nation*, after making certain valuable suggestions with regard to the solution of the problem, wrote: "Our offer",—namely the Viceroy's offer,—"was not negligible, but while it did imply some growth, perhaps a considerable growth,—of Indian influence on our policy, it fell far short of handing over the reality of power". Further, in concluding this article the same paper observed:

"Something of this kind we should do if our offer to make India a Dominion was sincere. We shall not do it, if we were merely using Mr. Jinnah as a tool who will always relieve us from the obligation to fulfil an awkward pledge. But if we expose ourselves much longer to the suspicion that we are playing the old game of *divide et impera*, we shall risk the loss of India in a far from distant future, and in the meantime we shall postpone and cloud our victory in this war."

Sir, the Government of India have not only not been able to remove the deadlock, but have mishandled the situation in many ways. The result is that what was at one time a mere moral protest and a symbolic revolt, has been converted into a non-violent struggle. I am not in the confidence of the Working Committee of the Congress or of Mr. Gandhi, but it is clear from the expressions which have come from them that neither Mr. Gandhi nor the Working Committee of the Congress desires to embarrass the British Government or the Indian Government in respect of their war effort. But what have the Government of India done? They have adopted a policy of repression. I know that the Honourable the Home Member does not like this word; he does not like that the adoption of repressive policy should be attributed to him. I myself do not consider that when a Satyagrahi is arrested and sent to prison, it should be regarded as a sign

of repressive policy. But how do you account for the monstrous sentence which was awarded to Pandit Jawahar Lal Nehru? How would you characterise the giving of fetters and handcuffs to Satyagrahi prisoners? What would you think of the serious curtailment of the civil liberties and particularly the liberty of the Press? Sir, I am glad to be able to say that in regard to this last matter there has been some improvement of late, but this improvement came only after Mr. Gandhi had suspended the publication of his paper Harijan. But even now there are great shackles on the Press which should be removed. And let me contrast the present position of the Indian Press with that in Great Britain, and the view which is held with regard to liberty of speech and freedom of the press in that country. Mr. Duff Cooper made a statement a few days ago in which he said:

"We do not want the B. B. C. to become simply a mouthpiece of Government. I am all in favour of permitting not only individual statements to be made by independent people but of permitting criticism of Government. It is right that there should be criticism."

He is a Minister of the British Government, and he concluded with these words:

"We are all agreed that we should voice continually through our propaganda the desirability of liberty and freedom, things for which we are fighting, and that we should observe throughout the principle of truth."

I hope the Government of India will take a lesson out of the leaf of Mr. Duff-Cooper. I do admit that in war time it is necessary to some extent to curtail the civil liberties of the country, but when such curtailment goes too far, it not only creates discontent but drives some people to despair. It may be said that the curtailment of the liberties of the people has been due to a large extent to over-zealousness on the part of the police administration. There may be some truth in such a statement, but it is the duty of the Government of India to check their officers so that they may not go beyond their legitimate functions in the curtailment of the liberties of the people. We have had complaints from all parts of the country that legitimate activities have been stopped, religious processions have been suspended, and that people have not been allowed even to approach the higher authorities through the post office and the telegraph regarding their grievances. These are complaints which should receive the earnest attention of the Government of India.

Now, while we find that the police in this country is busy with their vindictive attitude towards political prisoners, they are neglecting their ordinary duties. Crimes of all kinds now-a-days go undetected and unpunished. We find that in Sind robbery, arson and murder are the order of the day.

**Mr. M. S. Aney:** Not now. It was so a few months ago.

**Dr. P. N. Banerjee:** The Punjab established a new crime record during the last year. In Bengal lawlessness in all forms is rampant. And even in the Capital of India, New Delhi, we find that the police is most ineffective in checking increase in crime. Burglaries and robberies take place very often,—only the other day there was a daylight robbery. In different parts of New Delhi robbery and theft have occurred without the culprits being detected. When a question was put by my Honourable friend, Pandit Lakshmi Kanta Maitra, to the Home Member, the latter said that "a rise in the figures of crime was to be expected corresponding

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to the increase of the population following the decision to take a fewer clerks of the Government of India to Simla." So it comes to this that if some of the clerks do not go to Simla from Delhi, crime will increase. Is that sufficient justification for the growth of crime in the Capital of India? It is a pity that the Home Member, who unfortunately is not here, has taken such a light view of his duties.

Before I conclude, I should like to say a few words about the census. When the Census Bill was being considered by this Assembly two years ago, I suggested that joint enumerators should be appointed wherever there was any need for such appointment. But the Government of India in their wisdom did not pay heed to my suggestion. What is the result? The result is that from every quarter of India we are receiving complaints regarding the manipulation of census returns. The other day my Honourable friend from Bihar referred to such complaints and he referred also to the Honourable Mr. Fazlul Haq who had asked the census enumerators in Bihar to act in a certain manner. I find from the newspapers that the Honourable Mr. Fazlul Haq made very wild statements with regard to the census operations in Bengal. A Town Hall meeting was held which was attended very largely—the attendance was so large that there have been very few meetings in Calcutta of the same sort during the last ten years,—and this meeting was presided over by no less a person than Sir Nripendra Nath Sircar. This meeting was held with the object of condemning the Honourable Mr. Fazlul Haq for his utterances. We have received a statement from Raja Narendra Nath, the Hindu leader of the Punjab, regarding many lapses in the matter of the enumeration. We have also received many complaints from various other parts of the country, and it is a strange thing to find that the European planting community of India has been taking an interest in the matter,—it finds it very necessary to reduce the number of Hindus in Bengal. I do not know what their real object is. But I leave it at that. Now, what is all this wrangling for? This could have been prevented if there had been joint enumerators. But the real remedy lies elsewhere, and I am glad to find that the *Statesman*—which ordinarily is no friend of India—has recognised that the manner in which the census is taken is wrong and that the preparation of the census should be on an entirely different basis. In its leader in one of its recent issues, the *Statesman* says: "We do not believe that they are of the slightest use to anybody except for entirely evil purposes"—it refers to the figures relating to the religions of the different people. It says further. "Much harm is being done in India by a census of religion and we have yet to be convinced that any good results at all have been achieved. The big idea is to swell the figures".

Now, why do people want to swell the figures? The reason is that the representation of the different communities depends upon the census figures. Therefore, the real remedy is to be found in doing away with the present system of representation. We must have joint electorates in place of separate electorates, and the Communal Award, which has been a source of such discontent in the country, must be abrogated. Unless and until political representation is placed on a sound footing, there will be no peace in the country.

Sir, the people of Britain have been passing through a great ordeal. Their sufferings since the commencement of the war have been very great,

but the manner in which they have stood against aggression compels our admiration. We all sympathise with the people of Britain in this hour of dire distress, but we also urge that there should be a change in their angle of vision. Suffering should chasten their hearts. There is a moral law in this world, and this moral law asserts itself in the long run. If Britain even at this late hour does justice to India, India will make the greatest efforts to help Britain to win the war so that ultimately there may be peace and contentment both for India and for England.

**Mr. Huseinbhai Abdullahhai Laljee** (Bombay Central Division: Muhammadan Rural). Sir, large amounts have been spent on defence and larger amounts will be required for defence. The immediate question therefore arises—how are we to get these funds. The Honourable the Finance Member the other day said that it was very difficult to lay down a definite proportion—as to how much should come from taxation and how much from loans. In fact, if I correctly understood him, at present he has laid down the basis at one-third from additional taxation. Sir, I should like to remind the Honourable the Finance Member that this is the beginning of the war. Not only he but every one else is able to see that larger sums will be required and he will also admit that up to now the position has been—and it has been admitted by all—that the taxable capacity of this country has reached the limit where the people cannot be taxed further. Whatever the Finance Member may think, it is quite certain that very large sums of money will be required and a proportion of one-third or even one-eighth will not help us any more to raise those funds. We have also got to consider if there was any justification for levying further taxation for war than what exists already. There has been a general cry all over that the standard of life of the people is nothing as compared with the people in other parts of the civilised world. In fact, it has always been said that we are not able to do anything in the nature of helping the people from the Central revenues and that is a fact. Now, for this House, the only course left is to get this money through loans but before saying that, I would reply to one of the points which the Honourable the Finance Member made that if we put more taxation the money will go into the country and that will create the buying power and raise the standard of the people. Generally that principle could be accepted in many countries but, unfortunately, that principle does not exist in this poor country, for the simple reason that a large proportion of the highly paid officials in this country are people who take away their wealth and their earnings out of the country. There are a large number of business men who take away from this country more than one can imagine and, thirdly, it is also a fact that our industries are in their infancy and there is no help for them from the State.

The other day, the Honourable the Finance Member said that some monies that we get by tax will go to the country. Immediately after a few minutes, he said if we had gone on giving help to the industries, what would have been the present position of the finances? Well, Sir, the correct position is that if we had given help to the industries, every farthing of it would have remained in the country. If we had done so, we should not only find our industries in a flourishing condition but we should also have helped Great Britain and also the world at large. That would have been money well spent. It would have given employment to a large number of people, who badly need it. We just had very good

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advice from one of our friends from Bombay. This is the first time that I have fortunately heard about some constructive programme for the welfare of my countrymen. This is the first time I have heard this suggestion, although I have been in various legislatures for nearly 22 years. My friend said that we must have Trade Commissioners. I quite agree. We must have a special class of Trade Commissioners. I agree that we must have a Trade Commissioner who knows the country and the language of the country where they go; that is quite correct; that is all necessary and must be done, but, Sir, what is the Trade Commissioner to do? My Honourable friend did not give us all the facts and figures, but we know very well that there ought to be banking, but who is going to finance our exports? Who is going to take our exports? Where is the shipping company? Who is going to insure our cargo? It is a well-known fact, Sir, many of my friends may know, and I as a business-man know very well, that it is a very very difficult thing for Indians to negotiate shipping documents for our exports through the foreign Banks, who command nearly 80 per cent. of the capital, from India. There is a vast difference. I ask the Finance Member to make a due inquiry as to the facts,—*vis.*, as to the advances that are made to the European houses to make exports and to the Indian houses. Fortunately for us, we have some very good Indian Banks, but they won't do this work, they won't handle it, and I do not know why. Sir, if at all there was any need for banking in India, it was in the interests of the masses who help the export trade. In Japan I was told that if anybody wanted an export, he had only to go to certain authorities and say, "Here is the order" and an order is made by the Government to a Bank to finance that. The purchaser buys from the mill, the Bank pays, and the manufacturer sends the goods to the docks. The steamer takes it, the Bill of Lading is presented to the Bank, and what happens here? The Bank receives the money and the man who has exported has not to invest as margin more than ten per cent. Not only that, but when the Japanese buy cotton from India, all they have to do is to get the order from the manufacturer and he sends it to a Japanese Bank, which gives his agents here the cash money to go into the district, to purchase the cotton, then ship the cotton and take the Bills of Lading and send them to Japan. I ask—are any of these things existing, so far as the exports from India are concerned? My friends have been telling us, my Government has been telling us, "we are an agricultural country, the mass of the population of this country depends upon agriculture, that we ought to depend upon the exports"—and there is no financing of the exports to be done! The Government are not concerned with that at all! The masses have to do everything. The income-tax has to be paid, that is all they want; the land revenue has to be paid! The produce of the soil you can send that is all right; if not, it is your luck! Your Trade Commissioners are at Geneva and America,—but my friend, Sir H. P. Mody, cannot make shipment of a hundred bales of cotton unless and until he goes to a European Bank, through a European broker in Calcutta if it is wheat or if it is jute all this to negotiate one hundred bales of cotton or jute or even wheat to be taken there.

Sir F. E. James (Madras: European): The Central Bank?

Mr. Husenbhai Abdullabhai Laljee: The Central Bank does not do this business—that is my misfortune. It is, therefore, no use telling us that

"we are administering the country in such a manner as every civilized country is doing, in such a manner as would help the agriculturist, in such a manner as would help the masses of the people."

Sir, furthermore, after this banking part is finished, then we come to the shipping. The other day my friend, Sir Abdul Halim Ghuznavi, spoke about the "Conference Liners". I am afraid—I feel and I hope I may be quite wrong—but I do believe that ninety per cent. of our friends did not follow him. There are well-known what are called "combines" which are known as Conference Liners. You cannot make shipments unless you are in good books with the Conference Liners,—and may I ask who they consist of? They consist of shipping a great part from Great Britain, shipping from Germany—shipping from Germany, I repeat—shipping from Italy, shipping even from Japan to some extent, in fact shipping from all parts of the world, combined together, except India! The arrangements are that they will fix their freight, their shipping programme and even ports and the arrangements are that preferably every national who is trading in India will have preference in his own sphere. If a German wants to ship ten thousand bags of rice or wheat from India to Hamburg and finds a German boat, a "Bremen" liner, he will get the preference.

**An Honourable Member:** No.

**Mr. Husenbhai Abdulabhai Laljee:** It is indirectly so as Foreign companies are subsidised and who have been helping them. The combination of British merchants, British shipping and the Britishers who are ruling in this country and whose representatives are the Treasury Benches. I ask is it in the interests of the masses, that all this is being done? Not only that, it is not only confined to preference; the rates are fixed and there is what is known as the freight rebate system. The rebate system is nothing short of creating monopolies, with a penal clause. If I don't ship by any of these Conference Liners once and that too when they wish that I should ship my exports by their boats and not by any stray boat, or what they call tramp boats, the result is that a certain sum of money which is kept back from all my consignments with these shipping companies, then they are not only at liberty to refuse to give me my moneys but they refuse to provide me space for my exports. In most civilized countries and even in this country there have been occasions when such monopolies have been forbidden by the Government, and these have been forbidden very strongly when a penal clause is there. I ask my Honourable friend, the Commerce Member, whether he has seen that there exists in any part of the civilized world where Conference Liners can keep a national's money and treat it as a rebate and then to forfeit it as a penal penalty, without consulting the Government or without going to a court of law? Sir, that exists in India. Even today, Sir, I am prepared to tell you that there is a rebate system existing in India and for exports from India,—a virtual monopoly has been given, and the Government have been a party to it because they allowed the penal clause to exist and there is no free shipping for the Indian exporters. Then, Sir, so far as this shipping is concerned for our exports the third thing that is necessary before the Trade Commissioner can send me an order is the insurance. The buyers there or many a times Banks here—it is a well-known fact—will not accept the policies of an Indian company. My Honourable friend,

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Sir Homi Mody, may be the President of such a company and let it be that many eminent Members of this House are the Directors of that company, no, they will say, "we want policies of our own nationals, whether that company be a small company or a big company", and so the buyer, that is, the Bank will not accept an Indian policy. Even my Banks here, the foreign Banks, will not many a time accept Indian policies. Let my Honourable friend, the Commerce Member, make inquiries, whether it is not a fact? The shipping and insurance companies will tell you one and all—ask the brokers—"negotiate the Bills of Exchange with our bankers"?—"Let him inquire whether that is not a fact, and let him inquire of the Trade Commissioners whether the people there will or will not insist upon policies being taken out from their own companies,—and that is why all the foreign insurance companies are in India today,—but this does not exist in other parts of the world. Sir, when I was in Italy. I made special inquiries and I found that no foreign company was allowed to book any business. If you want shipping from Italy, you must insure it by a policy of insurance of their own country,—but alas, so far as this country is concerned, it is the exploitation ground for all, for every country at large,—and still my "poor cultivator", without any help from the Government in any respect or even any special Railway facilities for exports is expected to make exports, to rely on those exports, and he is told, "don't think of any industry, don't think of using your material in your own country, but hope for exports, and therein lies your salvation",—Sir, that is all we are told.

Sir, I really feel that something must be done with regard to this condition of ours. Unless you do that, you will never have the right royal co-operation of the people at large. I am not going to say anything about the great political parties and the great political activities that are going on because I know very little about their inside working. But I do know this that every agriculturist and every businessman in India, when they look at the large foreign imports, do make inquiries as to who is our real *Mabap* with regard to our exports. They do not know anything about it; they are in the wilderness. The concern of the Government is to tax them and nothing else. When I am on this subject, I should also like to say a few words to my friends here and make an earnest appeal to them through you, Sir. During the last war we were promised, that so far as England and India were concerned, they were to be the equal partners; they will co-operate with each other and do good to each other and we believed in it. Now, Sir, after that war what do we find? We find that so far as Indians are concerned, nothing has been done by them with regard to their exports. So far as the imports are concerned, my friends have not satisfied themselves by bringing in only the British goods. I shall be only too glad if they confine themselves to the imports of British goods and nobody will have anything to say against them. The imports of the British goods is hardly 35 per cent. and the remaining 65 per cent. consists of foreign imports from Germany, Japan, Italy and other parts of the world. I feel very much when I find that the imports of these foreign articles is done by my friends, the Britishers, themselves. That gives me real pain. Why are they acting as Agents for all and sundry foreign companies? After the last war, we find the Britishers

working as agents of the German Insurance Companies, working as agents of the German Shipping Companies and working as agents of the imports from Germany and other parts of the world. Is that fair to India?

**Pandit Lakshmi Kanta Maitra:** Why not? Blood is thicker than water.

**Mr. Husenbhai Abdullabhai Laljee:** But they are different nations. If you say that they are of the same colour, then I have nothing to say. But is that fair? Are we going to have the same thing repeated? So far as the British imports are concerned, I welcome them. I wish you could stick to your 35 per cent. which will remove your unemployment. Nobody would like to trouble you at 35 per cent. if you do not become *Mabap* of all Europeans. You should be content with 35 per cent. But for goodness' sake, if you have some regard and love for the country from which you take away crores of rupees, do not bring other foreigners to this country. Do not allow every foreigner to exploit us. It is that policy that is ruining India. It is that policy which has made these foreigners fatter and they have become more ambitious. They want something more from you now because you have been helping them. All this is of your creation and because you have helped them, they have become more ambitious. So much so, that you will have to fight with them now because they have asked that your own percentage should now be reduced. This is the real object of this great war so far as we, the businessmen, can see. I do want, Sir, that my friends here will give us an assurance through their own Government that in future they will be satisfied with their imports to 35 per cent. and that they will not work as Agents of Germans and others as soon as the Treaty is signed. My friends are still the agents of the Japanese Insurance Companies. I can name them. Is this fair and equitable?

Well, Sir, I will give some further facts which are really important for all of us. For years we have been getting matches from foreign countries and there was no excise duty or customs duty on them. During the last war we wanted money and so we put some customs duty on them. But the foreigners are much cleverer than our own rulers. They brought their factories bodily into India. Not only that, they have made combines to the effect that no match machinery should be sold to Indians. They give subsidies to the match factories in Europe. This is a fact and the Tariff Board has reported on this subject. And what have the Government done?

**Mr. M. S. Aney:** They have not studied the report.

**Mr. Husenbhai Abdullabhai Laljee:** We cannot buy machinery either from Sweden or Germany or any other place for making matches.

**The Honourable Sir Jeremy Raisman:** I thought the Honourable Member was complaining about foreign imports. Now he seems to wish to be able to have access to them.

**Mr. Husenbhai Abdullabhai Laljee:** So far as machinery is concerned, it is not a foreign import. We wanted some machinery and we still want them because you wont help us to manufacture here but the Swedish company has come down to India and what do we find? The excise duty is there and we go on increasing the excise duty and yet this Swedish company goes on developing itself under the protection that was intended for Indian companies. In 1924, their import was hardly 25 to 30 per cent. of the consumption and today when they have got their machinery in India they are supplying 80 per cent. of the consumption of India. For whose advantage have you done this? And how nicely they have managed it. A foreign company comes to India and gets the Government of India to put a tariff wall against all other foreign companies and thus makes money. The result is that they get all the money because the excise duty is on the consumer and all foreign matches which used to come from Japan, Germany or Russia are now barred because we have a foreign combines match factory in India. May I ask the Honourable the Finance Member if it is fair to India? When we ask for protection of certain Indian industries, we are told that such a protection is not in the interest of the consumers because they will have to pay more. But so far as this match industry is concerned, it seems that they believe that the matches are not required by the poor people at all. Sir, this is one instance and I can give other instances where, under the protection to industries, the Government have not cared to see who takes the advantage. In the Tariff Board report on matches it is clearly stated that Indian match industry should be protected. I do say that now that this industry has been in India and it has been well controlled by foreigners and well developed at our cost let our Government atonce take its control. Let it not be said you are not doing business or that you never did any business. Have you been all along Rajputs? Have you not entered business? The Rajputs never do any business but only rule can it be said. So the English people never do any business and that they are only administrators. That is not what I like. That is not playing fair. You can run the Railways, you can run Workshops, you can run Posts and Telegraphs, you can become manufacturers of salt in India, why can't you become manufacturers of matches in India? After all there are only five factories in India belonging to these foreigners of which four are well organized and one is a small one.

**Str Syed Raza Ali** (Cities of the United Provinces: Muhammadan Urban): Are they Indian?

**Mr. Husenbhai Abdullabhai Laljee:** They are Swedish factories under the name of Western India Match Factory Company. They

4 P.M. pass for Indian factories, but really the bulk of the capital is Swedish and the profits go to Sweden. Tomorrow the Government can take control of them. There will be no trouble. Just as the Government manufacture salt, so they can also manufacture match. In olden times the question came up as to why the Government should have large number of Preventive Officers. The Government said that on account of salt manufacture, they get an income of seven crores excise from salt and so it was necessary to have Preventive Officers to look to the manufacture and to safeguard the revenue. Look at the match industry. There also you expect excise revenue of about three crores or 8½ crores. Why don't

you take up this manufacture also under your control and appoint Preventive Officers or other chemists and safeguard your revenues? Fifty or sixty lakhs of foreign capital take away an annual dividend of more than 12 per cent. I wish my Honourable friends of the European Group as businessmen would advise the Government to take up this manufacture. Or let one of the Members of the European Group with Indians take up this manufacture as Agents of Government. I may tell the Honourable the Finance Member that at present with regard to the match industry there is a lot of profiteering going on. The percentage that the Honourable Member has fixed are on the basis of 40, 60 and 80 sticks. There is no doubt that he has received a number of representations. As one who has some knowledge of this industry, I may tell the House that during the continuance of the war, there will be more and more scarcity of many articles, especially of chemicals and papers and casing, packings, which, unfortunately, this country does not produce and which we cannot get from Europe on account of the war. Now, Sir, there will also be scarcity of all kinds of paper and other materials. Therefore I suggest that instead of three units of 40 sticks, 60 sticks and 80 sticks, he should fix two units of 50 and 80 sticks. In this way there will be a saving, inasmuch as the amount of blue paper, packing paper and other things which are required for dozens, gross and hundreds of cases will be spared and there will be less shortage of these materials. Even though there is shortage, it will not be to that acute extent and rise in prices as you would have when you fix three units. The one containing 50 sticks would be saleable for two pice and the one containing 80 sticks would be saleable for three pice. Really speaking there is a lot of wastage in having three units of 40, 60 and 80 sticks and, therefore, I suggest that 50 sticks and 80 sticks units would be cheaper and the Honourable the Finance Member would get the same revenue. Of course, I understand that when this suggestion was made in certain quarters from Bengal, they did not like it. In that case, we have also got to consider the position of the masses. Why should the consumer be asked to pay for the extra cost of packing cases, blue paper and so on especially when the excise duty is high and the prices of these materials are so high. It will be more economical to have only two units and you will get the required money. I put this suggestion to the Government. They have got their own experts with experience and if they want, they can devise even a more better system.

When I am considering this aspect of the question, I would also suggest a few things about artificial yarn and silk. Here I agree with the remarks of my Honourable friend, Sir H. P. Mody, that it is important to develop this industry in this country. This industry is giving a lot of employment to our people now. The suggestion of my Honourable friend, Sir H. P. Mody, of one anna on both sets, that is one anna on yarn and one anna on import of cloth would be fair and equitable. I do hope that the Government will adopt this principle, and encourage this industry in this country.

Sometime back I had made a suggestion that so far as our raw produce is concerned, there must be some help given by the Government so that they may not be forced to sell at cheap rates. The result of selling at cheap rates does make a great difference. In 1937 I raised the question of investing the reserves of the Reserve Bank and the question was whether the reserves should be invested in Government paper or otherwise. Many of my Honourable friends said that the reserves of the Reserve Bank should be kept in Government securities. I did not agree with this

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suggestion then, and I do not agree with it even now. After all, all other banks can very well keep their reserves and surpluses in Government paper, for it is the only security which can always help them in times of necessity. But so far as the Reserve Bank is concerned, I submit, Sir, the position is not the same. If at all, God forbid, the Government paper is not in demand or if it lacks the confidence which now exists, then the Reserve Bank is the only bank which can finance all others and at that time there will be no other security so handy and so easy to be realised than foodstuffs. I submit that that has been the policy of some of the foreign governments before this war. They have marked out certain foodstuffs which do not get bad within a couple of years and they carried huge stocks on which advances were made even by the Governments. Not only that, recently I heard, Sir, that even the Germans had their granaries or reserves in all the important places on which they can draw whenever they wanted and on which they are now relying. We can very well find out certain commodities which can keep well for a certain number of years and which we can stock at convenient stations and on which the Reserve Bank can give advance. This will always be readily available for your needs. It is that we, in India, do not at present realise the position that is happening in Europe. Europe and England are now passing through the most miserable and pitiable condition today and it makes one feel that if ever such a state of affairs should overtake India, if ever the communications in India are cut off, if the Railways are smashed in any part of India, then what will happen to the people. Great care should be taken that no famine occurs. If the Reserve Bank should keep its reserves or surpluses in foodstuffs as suggested by me just now at various centres in various parts of India then you will always have at hand a good deal of foodstuffs and in this way you will also be able to help the agriculturists, as well as yourself and the people.

Some of my Honourable friends the other day said that very often the United States Government do advance on agricultural produce. Why should we not do similarly? It will be a great thing if we can do it. Some years ago the American Government had also a lot of raw produce, they had so much that they were forced to industrialise the country and by industrialising they have now become self-sufficient inasmuch as they do not now rely upon exports. So far as India is concerned, it will be well, if we plan our economy in some such a way that we use most of our raw materials in manufacturing. For the present I do hope something will be done in this respect in India both for the safety and the interest of the agriculturists specially when in this respect we shall not be competing with Britishers who are not much interested in our exports.

Now, Sir, I have been asking and begging the Finance Member not to go on taxing, and there are very good reasons for that. I honestly believe that he will have to go into the market for huge loans; and when that comes is it not his careful duty as a great financier to see that he gets them at cheaper rates? Is it not his duty to see that he gets the required money? And how is he going to get it? Believe me, I am not talking with the intention of saving income-tax for any of the Indians. It is for the administration of the Government of India. With all the emphasis at my command I tell you, Sir, that the only course that you have to adopt now is not to tax the people, not to raise the rate of interest and try to get money. Do not make the mistake that you are doing for a paltry

sum of six crores when you may need even up to 600 crores. It must come if this war goes on and you will see the consequence of it. Today if you get money at three per cent, tomorrow or next year or after six months when you will require a further 50 crores, if the war goes on, you will not get it at three per cent. It is impossible. There are two reasons for that. One is that if you need money people would feel that there is some delicate situation for which you want money and such huge amounts. At that time the moneylender and the banker will certainly demand from you higher rates of interest. And what is the result of it? If you borrow 50 crores at a half per cent more for 30 years you will be paying every year 25 lakhs more and a recurring debt for 30 years or more. In the last war you went up to six per cent. You have got to consider this aspect of the question very seriously. I do feel that the Finance Member will make a statement that if he does not agree in this policy which I ask him to carry out he does not agree for very cogent reasons and other than those which I have given.

Then, Sir, another thing has to be taken into consideration. As a financier he knows it better than myself, but as a businessman I put it to you that if you borrow at three per cent. and at the same time you go on raising the income-tax what is the return that you give? Out of three per cent. what is the return that the man will get? After paying income-tax or super-tax or surcharge he will not get a return of  $1\frac{1}{2}$  or  $1\frac{3}{4}$  per cent. Then who is going to lend you money? At three per cent. they will, but very few will come forward to lend you at  $1\frac{3}{4}$  per cent. You will get only two crores from income-tax but you will thereby prejudice the whole structure. You will not get money at that rate. Even now many of my friends say that the moneylenders lend at four or five or six per cent. but whatever income-tax is to be paid must be paid by the borrower. That is the condition laid down and in Bombay and Calcutta that is already the order of the day with regard to individuals. The moneylender will always consider the return that he will get, the risk that is involved and the amount that is invested. You will find that the consequence of your policy will be that the money will not be forthcoming at  $1\frac{1}{2}$  per cent. or two per cent. in India; you cannot get it even in England. Human nature, world rumours and the need for you to ask for more and more,—all the elements will have their effect. Therefore, Sir, in the interests of Government borrowing, in the interests of the war, do not at present make the capital shy.

Sir, a good deal has been said with regard to war supplies. I will only say this much that I have had occasion to make careful inquiries and I can assure my Honourable friends that at present the Finance Department experts are having good control. They as well as the Heads of the Departments and the specially appointed very high officials and others have got for almost all the important articles the exact costings. So far as our textile mills and allied works are concerned I know that all and every material, the capacity, the spindles, the limit, all have been jotted down in the Indian Stores Department. Their working cost has been taken down. Therefore, it is not correct to say that the war contractors are getting a lot of money from war contracts and that there is less financial control. Above all I will tell you one thing more. So far as war supplies are concerned you will find a number of people there but you will find that bankers, having crores at their disposal, are not financing any of the contractors. Then who finances them? The contractors get from *sahukars*; and in one industry I have seen 80 per cent. of the contractors

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taking from *sahukars* at 10, 15 and 20 per cent interest. Have you gone to your banks? If the banks will honour Government contracts certainly that will be good but these *sahukars* are at present the financiers.

**Dr. Sir Ziauddin Ahmad:** Do the *sahukars* pay income-tax and super-tax?

**Mr. Husenbhai Abdullabhai Laljee:** That is exactly what I am going to point out. The contractors will have to enter in the books the extra amount that they pay to the *sahukars* in the shape of one thing or the other but not in the name of the *sahukar*, because the *sahukar* makes that condition. But there are no banks in India and the Government of India have not taken care to ask some of the banks to finance contractors against even Government contracts. They have not taken special care to see that decent advances may be made and more if it is offered that the goods are under the bank's control; then there are cases Banks refuse facilities although security in landed property is there. So nothing of the sort is done. So far as we are concerned, so far as Indian industry is concerned and the Indian contractor is concerned, there are no banking facilities. He must look to the *sahukar* and the *sahukar* you know very well. Therefore you will not get the excess profits tax as much as you think. Believe me, people are not making the enormous profits that you imagine. And this for two reasons: first, there is costing and care of the Finance Department, and the other thing is that they have to pay to the *sahukars*.

**Dr. Sir Ziauddin Ahmad:** And the third thing is corruption.

**Mr. Husenbhai Abdullabhai Laljee:** Some little corruption may be here and there and so in every businessman's office. I will tell you one thing. I do not find my Honourable friend, Mr. Bajoria, here now. He does big business and his cashier or accountant will take from everybody who supplies some *dasturi* or commission which you know very well. This is the case with every big European or Indian office, and for every one rupee he will get quarter or half an anna—the *mehtaji* not the owner: what is that? Corruption? This happens perhaps even with Mr. Bajoria where every rupee is looked at carefully before being locked up in the cash box. It is human nature. These things are bound to happen . . . .

**An Honourable Member:** Is that for the war fund?

**Mr. Husenbhai Abdullabhai Laljee:** Far, far from it.

**Mr. M. S. Aney:** Have you to pay *dasturi* in the Supply Department?

**Mr. Husenbhai Abdullabhai Laljee:** No; neither it is the practice nor is it laid down in the rules there. Now, the question is that we are having some little opportunity of industrialising, and I do feel that owing to this war supply the industries can get a good opportunity of orders, and I also feel that it will always continue so far as the Government inquiries are concerned, not merely for the duration of the war but always, because after all it is the industries that will give employment. But invariably we

have seen that the Government have helped us and could help us and they are able to help us and they are capable of helping us for developing our industries, and the very example of what they have done in the last six months makes me say that these very gentlemen who can do a great deal for the country now, do not do so at the time of peace. I beseech and ask them that what little interest they are evincing now in the development of industries they will keep up and will not allow these industries to be ruined and to die out by more taxation and by want of protection. Please do not allow dumping to take place. Do not be the agents of foreigners; do not be the agents of a foreign government propaganda for exports. So far as I have been able to find out our present position, it does need that we shall require lots of funds and we should not grudge paying that for our own safety and for the safety of the world at large. We hope great care will be taken in putting taxation on people who can least bear the taxation. So far as the poor people are concerned, we have said for so many years that they cannot bear it. And if you put too much taxation on the well-to-do people, you will not get capital at a cheap rate, which again means indirectly incurring debts and recurring expenses which ultimately fall on the poor people. I also feel that so far as the army is concerned, the attempts made to protect the country are really laudable and everyone in India who has at heart the safety of this country and the well-being of the people at large and of the empire must do all they can to help in the prosecution of this war. It is true we have many grievances and grievances which are really very serious. Those I will leave to my friends the leaders of the great political parties—there was a time when I did dabble a lot in them in 1931; but I do feel that I am now getting somewhat old and many of my other friends are very keen and can do better and I wish them all success: but I do appeal to them in all seriousness that this is a time when we must try our level best to create unity, and to help in the prosecution of the war, because the issues at stake are very very serious, and are getting very serious not only for Great Britain but for Asia and for the whole world at large. With these words, I resume my seat.

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

**Syed Ghulam Bhik Nairang** (East Punjab: Muhammadan): Mr. President, after having had the pleasure of listening to a most instructive speech by my Honourable friend, Mr. Husenbhai Laljee, which has taken us in some detail into principles of high finance and connected matters, I think the House will feel relief if I change the topic and talk of certain things for which the present occasion, the general discussion of the Finance Bill, alone is an appropriate occasion. On an occasion like this, many kinds of grievances are, as the phrase goes, ventilated. Perhaps there are many kinds of grievances for which the process of mere ventilation may be sufficient, but one or two points to which I shall call the attention of the House on the present occasion need more than a merely ventilatory process. I want serious attention and shall not be contented with having merely ventilated my grievances.

The first point to which I call the attention of the House, and of the Treasury Benches particularly, is the policy which Government appear to have been pursuing for a very long time with respect to mosques, shrines, tombs, and graveyards, and which has given the impression that these

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things have been treated by Government in a spirit of callous disregard of the susceptibilities of the Moslems. If one were to narrate all that has happened to mosques and graveyards since the beginning of British rule in India, one would have to either write or speak volumes, and all those things that have been done under orders passed, proceedings taken or action authorised by legally constituted authority—even those things are too many to count on this occasion. Innumerable graveyards have been used as building sites, have been turned into lovely gardens, attractive lawns and things of that sort; so much so that any number of mosques have either been wiped out or turned into courts and offices and even rest-houses. But as it is not possible to give details of this kind of vandalism within the restricted scope of a speech in this House, I would confine myself to a reference to the mosques, shrines, tombs and graveyards in Delhi and its vicinity.

When, after the sanguinary events of the year 1857, Delhi became British territory, some ancient mosques, including the Juma Masjid, the Fatehpuri Mosque and the Zinatul Musjid (mosque) were taken possession of by the British Government and were declared forfeited to Government. Later on, they were restored to the Muslims, but conditions were attached to their use and committees were appointed to manage and administer them and the sword of Damocles in the shape of a definite threat was made to hang over their heads that in case of contravention of any of those conditions the possession of the mosque would be taken back. For a Muslim, Sir, it is impossible to understand how a mosque can be confiscated by any temporal power or authority. One could understand the confiscation of the private property of an individual or a family on account of that individual's or family's conduct which the law for the time being in force might regard as rebellious or treasonable, but such a basis for confiscation could not apply to these mosques, none of which was the property of Emperor Bahadur Shah with whom the British Government had been at war and against whom they had scored a victory; or if certain sections of the Muslim community of Delhi were regarded as guilty of rebellion or treasonable conduct, the general and promiscuous carnage and the innumerable executions indulged in by the victorious British, the depredations, loot and other forms of retaliatory lawlessness which had been carried on should have sufficed to allay the thirst for revenge. Private properties could have been and actually were confiscated so that, rationally speaking, it could not be said that the mosques were confiscated in order to punish the rebellious community,—the fact being that the community did not own the mosques. They merely had the right to pray in them as any Muslim hailing from any part of the world had and still has. I would not have referred to this chapter of ancient history, but I consider it necessary to do so because I find that the desire of the Government to treat these mosques as Crown property still lingers. Recently, when two Honourable Members of the Council of State one after the other tried to pilot the Delhi Musjid Bill in that House, Government adopted an attitude of hostility. Not only that. They even engineered opposition to that Bill from certain public quarters, and when a deputation waited on the Chief Commissioner of Delhi and tried to induce him to adopt a favourable attitude, the Chief Commissioner's remarks definitely showed that he regarded these mosques as Government property. My Honourable friend, Maulvi Muhammad

Abdul Ghani, has introduced a Bill in this House aiming at the proper management of Wakfs in Delhi, but we have yet to see what the attitude of the Government towards that Bill will be.

Turning now to recent history, we find that there is a large number of mosques in New Delhi and certain suburbs of Delhi which are claimed to be Government property. Within living memory what is now called Old Delhi was known as Delhi pure and simple, and there was a vast area consisting of ruins, dilapidated houses, old mosques, ancient graveyards containing many masonry tombs, and divided into estates for purposes of revenue administration, and this vast area was called *Purani Delhi*, and the present New Delhi has been laid out on the ruins, so to say, of that Old Delhi. In order to lay out New Delhi, the site was acquired under the Land Acquisition Act, and it appears that the provisions of that Act were blindly, mechanically and quite inexorably applied to all kinds of property that came in the way of the Acquisition Officer, and along with other kinds of property, mosques and graveyards were also acquired, compensation was assessed for them, and in some instances may even have been paid to some claimants. But all the time that this so-called acquisition of mosques, shrines and graveyards was proceeding, the Muslims were living in an unenviable state of blissful ignorance . . . .

**Dr. P. N. Banerjee:** What was the point in acquiring graveyards?

**Syed Ghulam Bhik Nairang:** You have to ask those who acquired them. But then came the demolition stage, and the Muslim community found to their horror that non-Muslim contractors were adopting the device of demolishing mosques overnight under cover of darkness. This created quite a consternation. The authorities were approached, and the demolition was stopped. The Muslims led by Haji Muhammad Ishaq, a veteran and selfless public worker, began to look after these mosques, and for the time being they appeared to have been saved, but after a time it was found that officials interfered with the mosques, and prosecuted people for effecting slight repairs without permission, while permission to carry out repairs when applied for was refused. It was thought that all this was the ordinary kind of vexation which is often caused by the working of the Municipal Act by an unsympathetic or hostile machinery, but it was not realised that title had been set up to the ownership of mosques. In one instance in May, 1937, the Chairman of the Delhi Improvement Trust wrote a letter to Haji Muhammad Ishaq, the gentleman above referred to, which I think I may usefully read to the House. It contains only a few lines,—but they are most significant. Says the Chairman of the Delhi Improvement Trust to Haji Muhammad Ishaq :

“I write to say that it has been reported to me that repairs are being done to the mosque in Aliganj under your instructions without obtaining permission of this office. The mosque in question is an acquired property of Government. I should be grateful if you would kindly let me know at an early date with whose permission repairs are being done. The work should be stopped at once. A very early reply is requested.”

Now, Sir, to take to task any Muslim for having had the hardihood to effect repairs to a mosque without somebody's permission is in the first place very astounding in itself, but then it might occur to the person taken to task that perhaps he has violated some municipal rule, that he ought to have applied to the President or Secretary of the Municipal Committee, for regular permission to be allowed to carry out repairs, but that idea is refuted by this letter in anticipation. The Chairman “this is the property

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of the Government—who are you?" Sir, this was the first occasion when it was made to appear to Muslims that their mosques were being treated as Government property, and it was being alleged that they had been somehow acquired. This being the first revelation of an astounding fact that Government claimed a mosque as its acquired property, naturally set people athinking. It had transpired that certain amounts awarded as compensation for certain properties were lying with Government unpaid and some Muslim organisations took certain steps to get those amounts. But the more responsible Muslims wanted to know precisely what the money lying in deposit consisted of, and, particularly, whether it did not consist of the price of mosques, graveyards and other kinds of property which are not saleable at all—the price for which no conscientious Muslim could possibly accept. We were at one stage assured that the amount did not include the price of any mosque, but we are expecting to get more definite information on the point from Government in connection with the New Delhi Mosque Bill. Meanwhile, it transpired that the Chief Commissioner of Delhi had been leasing out certain mosques to the Managing Committee of the Juma Masjid of Delhi, and in the deeds which were being executed and registered at Government expense, Government was being described as the sole owner of the property leased out, while the lessee was to hold the property subject to certain conditions, as a tenant at will. When this astounding stage of things came to light, public feeling naturally ran very high, and we, that is, myself and some of my Honourable colleagues in this House, sent a registered notice to the Secretary of the Managing Committee of the Juma Masjid, Delhi, calling upon the Committee to abdicate the position taken up by them with reference to these mosques, refuse to become lessees under those terms of the deeds of agreement, and to say to the Chief Commissioner plainly that Government or any temporal authority or mortal being could not be the sole owner or any kind of owner of a mosque, and that they are not going to accept that position. The Managing Committee of the Juma Masjid has passed a resolution to that effect and has sent a copy of that resolution to the Chief Commissioner and other officials concerned with the transaction of the lease and we are awaiting developments. It is impossible to believe that Government has been acting in the way it has done on account of stupidity or ignorance. Government is too sagacious and astute to be stupid and too well informed to be ignorant. It knows perfectly well, just as I or any other Muslim would know, that a mosque is incapable of being sold and therefore it is impossible of being acquired under the Land Acquisition Act in the sense in which other kinds of property can be acquired, that a mosque being unsaleable in its very nature, legal proceedings intended to acquire it are *ab initio* null and void, that to speak of a mosque as the acquired property of Government or of any one else or to call any one the sole owner or of any kind of owner at all of a mosque is a legal monstrosity. A Government claiming to be civilised and enlightened, and professing to rule according to law, justice, equity and good conscience, cannot afford to deny the absolute immunity of a mosque from the provision of any law purporting to have the effect of transferring the title in the mosque to any one other than God Almighty. May we hope even now that Government will retrace its steps and by word and deed abandon all claim to the ownership of mosques and other unsaleable religious property of Muslims? This was one of the two points to which I wanted to call the attention of the House and of the Government on this occasion.

The other point is the matter of the recent census, the last census. By a cut motion which my Honourable friend, Maulvi Muhammad Abdul Ghani, tabled in this House, we tried to invite the attention of the House and also to invite the special attention of the Government to the complaints which are coming from so many directions about the very serious irregularities committed during the census operations which have just concluded. We were expecting that we would receive from Government some definite assurance that they would, in a spirit of seriousness and responsibility, go into the matter, and if they found the complaints which have been made justified, they would try to rectify the mistakes which have been consciously and intentionally committed and to see as far as possible that correct figures and correct returns were made according to the census. To our surprise, Sir, the Government spokesman who addressed the House on that cut motion, the Census Commissioner for India, Mr. Yeatts, treated us to a most edifying homily on the great demonstration of public spirit and patriotism which India has made in connection with the census, the encomiums which have been showered from America on him and through him on India for the amount of voluntary work done by the enumerators and others engaged in the census without receiving a pie in the shape of remuneration—in America it costs so many million dollars—these were the things over which Mr. Yeatts appeared to be in raptures, and he utilised the opportunity for telling us that this census had enhanced the national credit of India beyond the confines of India. America was simply enamoured of our public spirit and sacrifice and the amount of voluntary work that we had done. As regards mistakes, such and such column had been there for the last 20 years, so apparently it had got a prescriptive right to be there and nobody had a right to exercise his intelligence and to correct it so that better information is furnished by the heading being suitably worded and a proper heading to the column being devised. The column had been there and the words had been there, so nobody need worry over it. That was the sort of thing to which he treated us. Although that was his maiden speech in the House, and according to the convention of this House we all felt bound not to interrupt him, it soon became impossible not to put to him a few questions, and so questions were put. But it turned out that the only topic over which he was eloquent was the credit that the census operations had brought to India, the voluntary work done here and the encomiums paid in America. About the specific complaints that were made, he had very little to say. He, of course, gave us the supreme consolation of knowing that he had noted Maulvi Muhammad Abdul Ghani's personal complaints and that he would consider them. That is all that it came to. As a matter of fact the complaints which have been received from different parts of India are such that the matter deserves to be seriously looked into. I would not as a lawyer say that the mere fact that a complaint has been received should be taken as proving the allegations contained in the complaint. I would not say that but I would certainly say that to shut one's eyes to facts and to shut one's ears to complaints is certainly not the attitude of anybody who seriously minds his duties, when from so many quarters so many complaints have come to Government from responsible people. Who can be more responsible than Maulvi Fazlul Huq, the Premier of Bengal? He has written a letter of which I hold a copy and the allegations which are made therein at least deserve to be very carefully sifted and scrutinised and looked into. That is the least that they deserve. For instance, he says:

"For some months past they have been carrying on an extensive and intensive propaganda that the census was being undertaken for the purpose of recruitment for war and for sending all able-bodied men to the fighting line. It was also said that

[Syed Ghulam Bhik Nairang.]

there would be a capitulation in order to find out the manner in which the tax should be imposed. Muslims being illiterate and ignorant were at once affected by this propaganda and it appeared that at the time of the actual counting, the Muslims were very reluctant to mention particulars to the enumerators. This is exactly what the Hindus wanted. You will be surprised to hear that in many cases Hindus dressed in Muslim robes had been going about the Muslim *bustees* and *mohallas* preaching all this nonsense about the census."

A definite allegation has been made and it would not do to merely stuff one's ears with cotton so as not to hear this allegation. It is there. It has been made publicly by a most responsible man. So an inquiry must be made and if any foundation for it is found to exist, action must be taken. I know that similarly my other friends have received complaints. I can also imagine that my Hindu friends may have received complaints. Let complaints come and be looked into, especially when they emerge from responsible quarters. Now, that is the attitude adopted by Government so far with respect to the matter of the census and I do hope that a more responsible spirit will prevail and they will look into the matter. I cannot accept the remedy for this disease which has been prescribed by my Honourable friend, Dr. Banerjea. He seems to have acted like the physician who finding that a person was suffering from headache said "all right, cut off your head and your headache will disappear". My friend says: "Oh, there are complaints about entries as to religion and all that. Look at the root of them. The root of them is the Communal Award. Do away with the Communal Award; there will be no complaints". My friend's remedy is like cutting off the head to cure the headache. I would try to find out the real cause of the disease and to effect a real cure. I need not give all the details. I have called attention to the principle. In Bengal, the finding of Mr. Fazlul Huq is that at least a million and a half of Muslim population will escape enumeration. With these few words, I resume my seat.

The Assembly then adjourned till Eleven of the Clock on Monday, the 17th March, 1941.