

1st April 1935

THE  
LEGISLATIVE ASSEMBLY DEBATES

(Official Report)

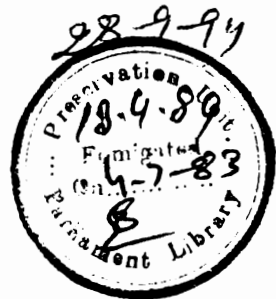
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(29th March to 9th April, 1935)

FIRST SESSION

OF THE

FIFTH LEGISLATIVE ASSEMBLY,  
1935



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1935

# Legislative Assembly.

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

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# LEGISLATIVE ASSEMBLY.

Monday, 1st April, 1935.

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.

## QUESTIONS AND ANSWERS.

### TENDERS FOR THE SALE OF SWEETMEATS ON THE BENGAL NAGPUR RAILWAY.

1263. \*Mr. S. Satyamurti: (a) Is it a fact that during June 1931, advertisements were issued asking from contractors for tenders for sale of sweetmeats, etc., on the Bengal Nagpur Railway, and that these advertisements mentioned that "tenders will only be entertained from caterers in local permanent residence at the stations named"?

(b) Will Government be pleased to inform this House of the names and residence of the tenderers to whom contracts have been given since 1932 and the stations for which these contracts were so given?

(c) Is it a fact that in many cases, sub-contractors are actually supplying food?

(d) Are Government aware of this practice and has sanction of the Railway authorities been given?

Mr. P. R. Rau: (a) Yes.

(b) There has been no change in the contractors since 1932.

(c) and (d). The Bengal Nagpur Railway Administration report that no sub-letting has been brought to their notice and that sub-letting is forbidden under the terms of the contract.

### ANNUAL LICENCE FEES OBTAINED FROM THE SWEETMEAT CONTRACTORS ON THE BENGAL NAGPUR RAILWAY.

1264. \*Mr. S. Satyamurti: (a) What is the total annual licence fees obtained from the sweetmeat contractors on the Bengal Nagpur Railway?

(b) Will Government be pleased to state the different items covered by the above amounts and give a comparative statement of the realisation under different heads from 1930 onwards?

(c) What are the charges that the Indian catering contractors have to pay by way of premium, rent for accommodation, etc.?

(d) Is it a fact that all such realisations (*i.e.*, vending or licence fees, rents, etc.), are credited to the profit and loss account of the Catering Department of the Bengal Nagpur Railway?

(e) Is it a fact that this account makes no mention of the rent charged by the Railway for European refreshment room premises, etc.? If so, does the profit and loss account show the correct financial position of the Catering Department of the Railway? If so, how?

**Mr. P. R. Rau:** (a) Rs. 83,880.

(b) The amount covers the sale of sweetmeats, *pan*, *biri* and cigarettes, tea-stalls, Indian refreshment rooms and Muhammadan catering. The licences are comprehensive and it is not possible, therefore, to give the amount under each head covered.

(c) The Agent, Bengal Nagpur Railway, states that there are no other charges except rent which is charged only for the quarters in which the contractors live.

(d) Yes.

(e) Yes. The profit and loss account takes into account only such items of expenditure as would ordinarily be charged to a contractor.

**PROVISION OF SUITABLE SITES FOR INDIAN DINING ROOMS IN STATIONS ON THE BENGAL NAGPUR RAILWAY.**

1235. **\*Mr. S. Satyamurti:** (a) What is the provision made for providing stations on Bengal Nagpur Railway with suitable sites for Indian dining rooms?

(b) Is it a fact that in many cases, carriage bodies are utilised as dining rooms, and that at Gondia such a carriage body is in front of the public latrine?

**Mr. P. R. Rau:** (a) The Agent reports that where an Indian dining room is required, a suitable site is provided.

(b) Government are informed that this is not the case.

**CHECK EXERCISED AT STATIONS ON THE BENGAL NAGPUR RAILWAY ON THE PRICES CHARGED FOR CIGARETTES, TOBACCO, ETC.**

1266. **\*Mr. S. Satyamurti:** (a) Is any check exercised at stations on the Bengal Nagpur Railway on the prices charged for cigarettes, tobacco, etc.?

(b) Is it a fact that a uniform tariff rate is prescribed for all Indian food-stuffs for all stations, irrespective of any local conditions which might influence such rates?

(c) What are the arrangements for inspection of food-stuffs at the different stations?

**Mr. P. R. Rau:** (a) Yes.

(b) I understand that schedules of rates are compiled by contractors according to local conditions. These are scrutinised by the Railway's catering inspectors and forwarded to headquarters for approval with such modifications as may be necessary to enable a standard tariff for Indian catering to be adopted for the whole railway.

(c) The normal inspection is made by station masters, traffic inspectors and supervising officers when on tour. At stations where there are European refreshment rooms the Indian catering arrangements are supervised by the Manager of the refreshment room. There are also three catering inspectors who are constantly on tour and the Superintendent and Assistant Superintendent, Catering, make frequent surprise inspections. Constant checks are also made by the Railway's medical officials.

**CATERING OF THE EUROPEAN REFRESHMENT ROOMS ON THE BENGAL NAGPUR RAILWAY.**

1267. \***Mr. S. Satyamurti:** (a) Is it a fact that the catering of the European refreshment rooms is being conducted departmentally by the Bengal Nagpur Railway?

(b) Are there any accounts kept to show the financial position of the Catering Department?

(c) Are the rates charged for various items in their refreshment rooms and restaurant cars less than the corresponding items on the East Indian Railway?

(d) Is it a fact that the licence or vending fees obtained from Indian Contractors are utilised to run the European refreshment rooms?

(e) Is it a fact that these refreshment rooms and the Catering Department are running at a loss? If so, what has been the annual loss during the last four years?

(f) Is there any concession granted to Railway officers and employees? If so, what is the basis on which such concession is given?

**Mr. P. B. Rau:** (a) and (b). Yes.

(c) The Agent, Bengal Nagpur Railway, states that in a few instances the charges are less than for corresponding items on the East Indian Railway.

(d) and (e). The receipts and expenditure of the Catering Department are embodied in one set of accounts for the Department as a whole. The losses on the working of the Department including the hotels at Puri and Ranchi, were approximately:

	Rs.
in 1930-31 . . . . .	78,000
in 1931-32 . . . . .	6,000
in 1932-33 . . . . .	87,000
in 1933-34 . . . . .	39,000

The Bengal Nagpur Railway anticipate that in 1934-85 there will not be a loss.

(f) Yes, for meals only. The comparative rates charged for passengers and railway staff are shown in one of the tariffs referred to in my reply to the Honourable Member's unstarred question No. 226 of the 25th March, 1935.

**BENGAL NAGPUR RAILWAY'S COMMERCIAL VENTURE AS HOTEL-KEEPERS AT RANCHI AND PURI.**

1268. \***Mr. S. Satyamurti:** (a) Is it a fact that the Bengal Nagpur Railway have engaged in a commercial venture as hotel-keepers at Ranchi and Puri? If so, what is the financial position of such a venture?

(b) Is it a fact that they are running at a loss of Rs. 25,000 annually?

(c) What is the basis on which concession rates are allowed to the Railway officers in these hotels?

**Mr. P. B. Rau:** (a) and (b). The Bengal Nagpur Railway have hotels at Ranchi and Puri. The Administration state that these hotels act as media of publicity in attracting upper class passenger traffic to these places, which justifies financially their retention. If the earnings on this passenger traffic are not taken into account, there was a loss of Rs. 12,882 on the hotel at Puri and of Rs. 12,205 on the hotel at Ranchi during 1983-84.

(c) Officers of the Bengal Nagpur Railway are allowed to use the rooms at the Railway hotels but must give way to other people paying full rates. The charges, I understand, are fixed on the basis of the mean average of the travelling allowances admissible to officers. The administration considers that the concession rate is of financial assistance to the hotel, as it brings in extra customers and helps to meet overhead charges.

#### INDIAN RESTAURANT CARS ON THE BENGAL NAGPUR RAILWAY.

1269. **\*Mr. S. Satyamurti:** Are there any Indian restaurant cars running on the Bengal Nagpur Railway?

**Mr. P. B. Rau:** No.

#### RETRENCHMENT EFFECTED IN THE POSTAL DEPARTMENT.

1270. **\*Pandit Lakshmi Kanta Maitra:** (a) Is it a fact that considerable retrenchment has been effected in the clerical and postmen's cadres for reducing the losses incurred for the unremunerative Post Offices? If so, will Government please state the reasons for which the unremunerative Post Offices at military stations and strategic centres have been allowed to exist?

(b) Will Government be pleased to furnish figures showing the percentage of posts retrenched up to the 31st January, 1985, in the following cadres:

- (i) officers in the administrative and controlling staff in the Posts and Telegraphs Department;
- (ii) subordinate staff in the Postal Audit Offices;
- (iii) departmental telegraphists;
- (iv) telegraph masters;
- (v) officers in the Telegraph Engineering Branch;
- (vi) selection grade posts in Post Office and Railway Mail Service;
- (vii) postal overseers and postmen; and
- (viii) inferior staff in the Post Office and Railway Mail Service?

(c) Is it not a fact that there is a great disparity in the percentages of retrenchment made in the above cadres? If so, will Government please state the reasons for this disparity?

**Mr. G. V. Bewoor:** (a) The reply to the first part is in the affirmative; as regards the second part, it is sometimes necessary, in the interests of general administration, to retain post offices which are unremunerative, but it is the policy of the Department to curtail the expenditure on such offices in every possible way and, when the loss on an individual office exceeds Rs. 120 per annum, to call upon the local authorities or parties whose interest it is to retain the office to make a contribution or to furnish a guarantee so as to indemnify the Department against loss.

(b) and (c). Government regret that they are unable to furnish the information as its collection would involve an undue expenditure of time and labour.

**Mr. Lalchand Navalrai:** May I know if there is any intention of increasing the rural post offices in villages?

**Mr. G. V. Bewoor:** We have already stated in reply to another question that in the budget for next year a provision of Rs. 50,000 has been made for opening experimental post offices in rural areas.

**Mr. Lalchand Navalrai:** Is there any plan? Where will they be opened?

**Mr. G. V. Bewoor:** They will be opened in places where the heads of circles consider there is real necessity for such offices.

**Mr. Lalchand Navalrai:** Have the heads of circles considered this point up to this time or not?

**Mr. G. V. Bewoor:** No: they will consider.

**Mr. T. S. Avinashilingam Chettiar:** With reference to part (a), will Government please state the reasons for which unremunerative post offices at military and strategic centres have been allowed to exist?

**Mr. G. V. Bewoor:** I stated that unremunerative post offices are maintained in the interests of general administration: it is not only in military stations and strategic centres that they are maintained: they are maintained in a large number of other places equally where it is considered, in the interests of general administration, that post offices must be continued.

**Mr. T. S. Avinashilingam Chettiar:** How many such stations are there?

**Mr. G. V. Bewoor:** I cannot say.

**Pandit Lakshmi Kanta Maitra:** What is the answer to part (c)? Why has it not been answered separately?

**Mr. G. V. Bewoor:** I have said that Government regret they are unable to furnish the information: and unless we collect the information in (b), we cannot answer part (c).

#### RETRENCHMENT IN THE SUBORDINATE STAFF OF THE POST OFFICES AND RAILWAY MAIL SERVICE.

1271. **\*Pandit Lakshmi Kanta Maitra:** (a) Is it not a fact that the drastic retrenchment effected in the number of postmen has resulted in curtailment of postal facilities formerly enjoyed by the public in the urban areas?

(b) Is it not a fact that the postal facilities enjoyed by the public in the rural areas have been further curtailed due to the replacement of departmental postmen by extra departmental delivery agents?

(c) Is it not a fact that the Accountant General of Posts and Telegraphs had in his Appropriation Report for the year 1931-32 made the remark that the bulk of fraud and misappropriation cases, especially in connection with Savings Bank transactions, occur in the extra departmental Post Offices?

(d) Will Government please state if the conversion of a large number of departmental Post Offices into extra departmental ones during the last three years has not led to an appreciable increase in the number of fraud and misappropriation cases committed in the extra departmental offices?

(e) Will Government please state if the withdrawal of the public privilege of sending complaints post-free against the Post Offices has led to any appreciable reduction in the number of such complaints against the Post Offices?

(f) Are Government aware that the policy of retrenchment adopted in the Post Office and Railway Mail Service has caused serious public dissatisfaction with regard to the regularity and efficiency of the Postal Service?

(g) If the replies to the above be in the affirmative, are Government prepared to stop any further retrenchment in the subordinate staff of the Post Offices and Railway Mail Service?

**Mr. G. V. Bewoor:** (a) In accordance with the recommendations made by the Posts and Telegraphs Sub-Committee of the Retrenchment Advisory Committee the number of postal deliveries were curtailed in certain towns resulting in the retrenchment of posts of some postmen. It is not a fact that it was the retrenchment in the number of postmen that led to the curtailment in the number of deliveries.

(b) Departmental postmen have been replaced by extra departmental delivery agents only in those places where the volume of delivery work to be done was small and the posts of departmental postmen were consequently unremunerative.

(c) The remark referred to was made in the Appropriation Report for 1932-33.

(d) The facts are not as stated by the Honourable Member.

(e) The privilege of sending complaints against the postal service "post free" was withdrawn with effect from the 1st January, 1932. There was a decrease in the number of complaints received during the year 1932-33 as compared with those received in the year 1931-32 and there was a further decline in the number in the year 1933-34. I may add that Government have no reason to believe that this is due entirely to the withdrawal of the privilege.

(f) Government are aware that the restriction of postal facilities, which they have been regretfully compelled to adopt on account of the financial position of the Department, has caused a certain amount of dissatisfaction to the public, but believe that the retrenchments carried out have been effected with the minimum of detriment to the regularity and efficiency of the service.

(g) As has already been stated in this House, the compulsory retrenchment of staff in the Posts and Telegraphs Department under the special retrenchment concession scheme has ceased with effect from the 31st March, 1935.

**Mr. Ram Narayan Singh:** May I know what the salary of the delivery agent is?

**Mr. G. V. Bewoor:** It is not a salary as I explained: in the case of extra departmental agents, we give an allowance, and this allowance varies from place to place: it depends on the amount of work done.

**Mr. Ram Narayan Singh:** Is he a whole-time man?

**Mr. G. V. Bewoor:** No: he is not a whole-time man.

**RULES FOR THE RECRUITMENT OF INSPECTORS OF POST OFFICES AND RAILWAY MAIL SERVICE AND HEAD CLERKS TO SUPERINTENDENTS OF POST OFFICES.**

1272 \***Pandit Lakshmi Kanta Maitra:** (a) Will Government be pleased to lay on the table a copy of the Rules framed by the Director General for the examination of recruitment of Inspectors of Post Offices and Railway Mail Service and Head Clerks to Superintendents of Post Offices?

(b) Is it a fact that the General Secretary of the All-India (including Burma) Postal and Railway Mail Service Union had submitted several representations to the Director General of Posts and Telegraphs, based on a resolution passed at the Ahmedabad Session of the All-India (including Burma) Postal and Railway Mail Service Conference, urging modification of some of the rules and especially emphasising the distress of the staff in the system of nomination, as enforced by the Rules, for the selection of candidates for the examination?

(c) Is it not a fact that the percentage of selection grade posts in the Circle Offices is considerably higher than those in the Post Office and Railway Mail Service and that these appointments are exclusively reserved for the staff in the Circle Offices?

(d) Is it not a fact that the clerical staff in the Circle Offices have no opportunity of acquiring practical experience of work in the Post Office and Railway Mail Service?

(e) Is it not a fact that the General Secretary, All-India (including Burma) Postal and Railway Mail Service Union had urged that the system of nomination should be abolished to eliminate the possibility of favouritism and that the examination should be thrown open to the time-scale clerks and sorters in the Post Office and Railway Mail Service exclusively?

**Mr. G. V. Bewoor:** (a) A copy of the rules is laid on the table.

(b) to (e). The facts are as stated by the Honourable Member.

*Indian Posts and Telegraphs Department.*

## Director-General's Special General Circular No. 22.

Tuesday, 5th December, 1933.

*Rules for the new examination for appointment to the posts of (1) Inspectors of Post Offices and Head Clerks to Superintendents of Post Offices and (2) Inspectors, Railway Mail Service.*

With reference to Para. 3 of Director-General's Special General Circular No. 46, dated the 3rd March, 1932, the sub-joined rules and syllabus for the new examination for appointment to posts of (1) Inspectors of Post Offices (including Investigating Inspectors) and Head Clerks to Superintendents of Post Offices and (2) Inspectors, Railway Mail Service (including Sorting and Headquarters Inspectors) are published for general information.

2. The attention of Heads of Circles is invited to the cases of those officials who were appointed on probation as Town Inspectors on selection grade rates of pay subject to their being confirmed on passing the Lowest Selection Grade examination within a period of two years from the date of such appointment according to the orders issued in Para. 3 of the letter from the Government of India Department of Industries and Labour No. 14-PTE, dated 2nd October, 1928, a copy of which was forwarded to all Heads of Circles with this office letter No. EA-279/27-III, dated the 15th October, 1928. As the Lowest Selection Grade examination has since been abolished and the posts of Town Inspectors on selection grade rates of pay have been converted into those in the ordinary time-scale with a special pay, those officials who were appointed on probation as Selection Grade Town Inspectors and who have not passed the Lowest Selection Grade examination owing to their not having had two chances to pass that examination, must now pass the new examination, even if at the time of examination their age might exceed the prescribed limit of 35 years, so as to make themselves eligible for transfer to the Inspectors' cadre. They will be allowed as many chances for passing the new examination as were left to them for passing the Lowest Selection Grade examination under the orders then in force.

Steps should now be taken by Heads of Circles to hold the new examination for these officials as well as for new candidates with reference to the requirements of the Circle.

[SA. 250-3A/31.]

T. RYAN,

Offg. Director-General of Posts and Telegraphs.

*Rules for the recruitment to the cadres of (1) Inspectors of Post Offices and Head Clerks to Superintendents of Post Offices, on Rs. 160-10-250, and (2) Inspectors, Railway Mail Service, on Rs. 160-10-250.*

Recruitment to the cadres of (1) Inspectors of Post Offices and Head Clerks to Superintendents of Post Offices, on Rs. 160-10-250, and (2) Inspectors, Railway Mail Service, on Rs. 160-10-250, is made by promotion from the unmentioned categories of upper division clerical staff of the Post Office and Railway Mail Service Branches Circle Offices and Dead Letter Offices:—

- (i) Those who have already passed the *old* examination for Inspectors of Post Offices and Head Clerks to Superintendents of Post Offices, or for Inspectors, Railway Mail Service (held before 1928);
- (ii) Those who were allowed to appear as a special case at the first Lowest Selection Grade examination (held in 1929) having already been selected to appear at the *old* examination for Inspectors of Post Offices and Head Clerks to Superintendents of Post Offices, or for Inspectors, Railway Mail Service, and who actually passed the first Lowest Selection Grade examination;
- (iii) Those who were allowed to appear as a special case at the second (and last) Lowest Selection Grade examination (held in 1930) as *junior* candidates and who actually passed that examination;



- (iv) Those who pass the new examination for appointment to the cadres of (1) Inspectors of Post Offices and Head Clerks to Superintendents of Post Offices and (2) Inspectors, Railway Mail Service.

2. (1) Officials of the 4 categories described in Rule 1 will be eligible for promotion either (i) to the cadre of Inspectors of Post Offices and Head Clerks to Superintendents of Post Offices or (ii) to the cadre of Inspectors, Railway Mail Service according as—

- (a) they passed the old examination for Inspectors of Post Offices and Head Clerks to Superintendents of Post Offices or for Inspectors, Railway Mail Service, or
- (b) they passed the old Lowest Selection Grade examination with Postal or Railway Mail Service subjects as their syllabus, or
- (c) they pass the new examination for Inspectors of Post Offices and Head Clerks to Superintendents of Post Offices, or for Inspectors, Railway Mail Service.

(2) For purposes of this promotion, two separate waiting lists of the eligible candidates will be maintained in each Circle, one for promotion to the cadre of Inspectors of Post Offices and Head Clerks to Superintendents of Post Offices, and the other for promotion to the cadre of Inspectors, Railway Mail Service. In each waiting list, the names of officials of the four categories described in Rule 1 will be arranged in the following order :—

- Officials of category (i) will rank senior to officials of all other categories ;
- Officials of category (ii) will rank senior to officials of categories (iii) and (iv) ;
- Officials of category (iii) will rank senior to officials of category (iv).

(3) In each waiting list the relative seniority of the officials of the same category will be determined as follows :—

*Category (i).*—In the order in which their names were arranged on the old waiting list at the time of the publication of the results of the first Lowest Selection Grade examination for purposes of their promotion to the old cadres of (a) Inspectors of Post Offices and Head Clerks to Superintendents of Post Offices, or (b) Inspectors, Railway Mail Service as the case might be.

*Category (ii).*—In accordance with their relative position in the general gradation list as it stood on the 14th March 1933, cases of officials of different promotion cadres being decided on their own merits by Heads of Circles.

*Category (iii).*—Same as in the case of category (ii).

*Category (iv).*—In order of the year of passing the examination and in the case of officials passing the examination in the same year, in order of merit in the examination.

(4) The two separate waiting lists will be published annually with the gradation list of the Circle.

3. The examination referred to in Rule 1(iv) will be held, ordinarily annually in each postal Circle. It is open to the Head of a Circle not to hold the examination in any year if the number of qualified candidates on the waiting list happens to be excessive at any time. The examination will be held at the headquarters of the Circle. The date of each examination will be announced by the Head of the Circle in his circular about nine months in advance of the examination.

4. The classes of officials eligible as candidates for the examination are the upper division clerical staff of—

- (a) the Post Office (including Postal Divisional Offices). } for the examination for Inspectors of Post Offices and Head Clerks to Superintendents of Post Offices ;
- (b) the Railway Mail Service (including Railway Mail Service Divisional Offices). } for the examination for Inspectors, Railway Mail Service ;
- (c) the Circle Office cadre. and } for either of the above two examinations.
- (d) the Dead Letter Office. }

5. A candidate must fulfil the following conditions to be eligible for nomination for the examination in accordance with Rule 6 :—

- (i) he must have passed the 1st efficiency bar of the time-scale prior to the date of the examination.
- (ii) he must not be over 35 years of age on the date of the examination.
- (iii) he must possess an unblemished record as regards work, conduct and character.
- (iv) he must be physically fit and of active habit and be able to ride a bicycle or a pony,
- (v) he must possess a good knowledge of two main vernaculars of the postal circle to which he may belong.

6. Candidates who fulfil the above conditions may be nominated for selection to appear in the examination, by (1) Divisional Superintendents and First Class Postmasters from amongst their subordinates and (2) the Head of the Circle from amongst the staff of the Circle Office and the Dead Letter Office. Ordinarily two candidates will be nominated by each Divisional Superintendent and 1st Class Postmaster and two by the Head of the Circle unless the latter directs otherwise with reference to actual requirements of the Circle. A date for the submission of the nomination will be fixed by the Head of the Circle about nine months in advance of the examination and will be notified in a Circular.

7. From candidates so nominated the Head of the Circle will select those who are to be permitted to appear at the examination and he may reject any nomination without assigning a reason. The decision of the Head of the Circle in the matter of selection will be final and absolute and no appeal will lie against it. A selected candidate will have to produce a health certificate from a Civil Surgeon or District Medical Officer to the effect that the candidate is physically fit for a hard outdoor life, before he can be permitted to sit at the examination.

8. Canvassing for nomination or selection by any candidate or on any candidate's behalf will *ipso facto* be held to debar that candidate from nomination or selection.

9. A candidate will ordinarily be permitted to sit at the examination once only, but, as a special case, a candidate who has once failed at the examination may be nominated and selected a second time for another examination if he still fulfils all the conditions in Rule 5. In no case, however, may any candidate be nominated *more than twice* to appear at the examination. Candidates selected to appear for a second time in the examination will be examined in all subjects.

10. The subjects of the examination and the full marks allotted to each will be as follows :

SUBJECTS.	FULL MARKS.
I. First paper.	
<i>For Postal and Railway Mail Service candidates :—</i>	
(a) English—An essay—time 2 hours	100
(b) A <i>viva voce</i> examination in general knowledge of English to be conducted by the Head of the Circle himself	100
II. Second paper (without the aid of books)—time 3 hours	
<i>(a) For Postal and Railway Mail Service candidates :—</i>	
(i) Post and Telegraph Guide—whole.	
(ii) Posts and Telegraphs Initial Account Code. Volume I, Chapters 1, 2, 4 to 7 and 9 to 16 and Appendix 14 to Posts and Telegraphs Initial Account Code, Volume I	
<i>(b) For Postal candidates only—</i>	
Appendix 23 of Posts and Telegraphs Initial Account Code Volume I.	
<i>(c) For Railway Mail Service candidates only—</i>	
Appendix 24 of Posts and Telegraphs Initial Account Code Volume I.	

SUBJECTS.	FULL MARKS.
<p>III. Third paper (without the aid of books)—time 3 hours</p> <p>(a) <i>For Postal and Railway Mail Service candidates—</i></p> <p>(i) Posts and Telegraphs Manual, Volume IV (Establishments)—Chapters I, II (<i>except</i> Traffic and Engineering portions), III to V, VIII, XII, XVI and XVII.</p> <p>(ii) Posts and Telegraphs Manual, Volume V (Post Office and Railway Mail Service General Regulations)—whole.</p> <p>(iii) Posts and Telegraphs Manual, Volume VIII (Post Office and Railway Mail Service Supervising Officers)—whole (<i>except</i> Chapter 1).</p> <p>(b) <i>For Postal candidates only—</i></p> <p>(i) Posts and Telegraphs Manual, Volume VI (Post Office)—whole.</p> <p>(ii) Branch Office Rules.</p> <p>(c) <i>For Railway Mail Service candidates only—</i></p> <p>Posts and Telegraphs Manual, Volume VII (Railway Mail Service)—whole.</p>	<p>190</p>
<p>IV. Fourth paper (with the aid of books)—time 3 hours ...</p> <p><i>For Postal and Railway Mail Service candidates—</i></p> <p>(i) Fundamental Rules (Posts and Telegraphs Compilation)—whole (<i>except</i> Rules 82, 94 to 100, 102 and 109 to 130).</p> <p>(ii) Supplementary Rules (Posts and Telegraphs Compilation)—whole (<i>except</i> Rules 166 to 174, 242 to 266, 274 to 283, and 307 to 310 and Appendices).</p> <p>(iii) Civil Service Regulations—Chapters on pensions.</p>	<p>100</p>
<p>V. Fifth paper (without the aid of books, except in the case of the Indian Evidence Act, the Indian Penal Code and the Criminal Procedure Code)—time 3 hours ... ..</p> <p><i>For Postal and Railway Mail Service candidates—</i></p> <p>(i) The Indian Post Office Act.</p> <p>(ii) The Indian Telegraph Act.</p> <p>(iii) The Government Savings Bank Act.</p> <p>(iv) The Post Office Cash Certificates Act.</p> <p>(v) The Indian Evidence Act.</p> <p>(vi) The Indian Penal Code—Chapters I, II, V, IX, XII, XVII to Section 424 and XVIII to Section 477-A.</p> <p>(vii) The Code of Criminal Procedure—Chapters I, V, VI, VII, XIV, XXII, XXIV, XXV, XXXIX to XLI.</p>	<p>100</p>

11. Candidates who secure 50 per cent. of the allotted marks in each subject and 60 per cent. of the aggregate marks will be considered to have passed the examination. The result of the examination in order of merit according to the total number of marks secured by each successful candidate will be published by the Head of the Circle in a circular.

**EXAMINATION FOR THE RECRUITMENT OF INSPECTORS OF POST OFFICES  
HELD IN BOMBAY.**

1273. \*Pandit Lakshmi Kanta Maitra: (a) Is it not a fact that the last examination for the recruitment of Inspectors of Post Offices held in Bombay was thrown open to all officials with certain age and service limits?

(b) Is it not a fact that the Audit and Account Offices, including the Posts and Telegraphs Audit and Account Offices, have done away with the system of nomination with regard to their Departmental examinations for promotion to higher grades that are now open to all officials with certain service limits?

(c) Is it not a fact that under the rules laid down by the Director General the Circle Office and the Dead Letter Office in each Circle have been constituted as one unit and each Superintendent's and First Class Postmaster's Division as one unit and that Heads of Circles have been authorised to nominate only two or three candidates from among the clerical staff of the Circle Office and the Dead Letter Office like the Divisional Superintendents and First Class Postmasters?

(d) Will Government please furnish a statement shewing the number of candidates who were nominated from each Superintendent's Division and First Class Postmaster's Division as also from the Circle Office and the Dead Letter Office in each Circle (i) for the Examination of Railway Mail Service Inspectors held in December 1934, and (ii) for the examination for Inspectors and Head Clerks held in February 1935?

(e) Is it not a fact that the All-India (including Burma) Postal and Railway Mail Service Union submitted representations to the Director General strongly protesting against the nomination of an excessive number of candidates from the Circle Office staff by the Heads of certain Circles for the examination of Railway Mail Service Inspectors held in December 1934? If so, what steps have been taken to rectify the irregularity?

(f) Are Government aware that the nomination of candidates in the various Circles has led to great discontent among the staff?

(g) Are Government aware of the complaint that the principle of nomination for selection of candidates for promotion in the public services is obnoxious from the public point of view as it opens the door to favouritism and nepotism?

(h) Do Government contemplate to abolish the system of nomination for selection of candidates for the examination for recruitment of Inspectors and Head Clerks and to throw open the examination at least to all officials in the Post Office and Railway Mail Service who fulfil all the other conditions laid down for the selection of candidates? If not, why not?

(i) Do Government propose to exclude the clerical staff in the Circle Offices from the examination? If not, why not?

**Mr. G. V. Bewoor:** (a) No.

(b) No.

(c) The reply to the first part of the question is in the affirmative. As regards the latter part, the fact is not exactly as stated by the Honourable Member. Heads of Circles have discretionary powers to select a larger number of candidates from any particular unit in special circumstances, *e.g.*, when an adequate number of the right type of candidates is not forthcoming from the other units.

(d) Government regret that the information is not readily available and do not propose to call for it as its collection would involve an inordinate amount of labour.

(e) The reply to the first part of the question is in the affirmative. As regards the second part, the Honourable Member's attention is invited to my reply to part (c) above. His assumption that an irregularity was committed is not correct, and the question does not, therefore, arise.

(f) Government are not aware that the position is as stated by the Honourable Member. I have no doubt, however, that certain members of the staff, who have failed to secure nomination, may be discontented.

(g) The selection is made after a careful examination of all relevant factors by a responsible officer, *viz.*, the Head of the Circle. The selected candidates have further to qualify at a competitive examination held by the Department and Government consider that this is an adequate safeguard against any abuse such as that apprehended by the Honourable Member.

(h) No. Because Government consider that the existing system meets the requirements of the Department adequately. To throw the examination open to all officials as contemplated by the Honourable Member would create serious administrative and financial difficulties. The cadre of Inspectors' is a special one, requiring special qualification and aptitude, and the scheme has been devised to secure the most suitable men.

(i) No. Because in the interests of the Department Government see no reason to exclude suitable men in the Circle Office from competing for this special cadre.

**Mr. Lalchand Navalrai:** May I know if this examination takes place for officials and departmental people only or there is direct recruitment also, and, if so, to what extent?

**Mr. G. V. Bewoor:** It is open only to departmental officials.

**Mr. Lalchand Navalrai:** Why is it that recruitment is not made direct?

**Mr. G. V. Bewoor:** Because we do not consider it necessary: we get the suitable men we require from our departmental staff who have experience of the working of the post office.

**Mr. Lalchand Navalrai:** Then, it means that it is not proposed to have this directly recruited at any time?

**Mr. G. V. Bewoor:** No, Sir.

**Mr. Lalchand Navalrai:** When will that be? How will it be that by that time they will have acquired official ability or efficiency?

**Mr. President** (The Honourable Sir Abdur Rahim): That is merely arguing. The Chair disallows that question.

DISCHARGE OF NINE MUSLIMS EMPLOYED IN THE CABETAKING STAFF  
AT NEW DELHI.

1274. \***Mr. Ghulam Bhik Nairang:** (a) Will Government be pleased to state whether in October 1934, or thereabout nine Muslims employed in the Caretaking Staff at New Delhi, who had rendered satisfactory service for a long time, were discharged on the plea of being overage or unfit for further retention in service?

(b) If the answer to part (a) be in the affirmative, is it a fact that the Muslims so discharged were replaced by one Muslim and eight non-Muslims?

**The Honourable Sir Frank Noyce:** (a) Seven temporary Muslim employees of the Caretaking staff were discharged in October, 1984; three of them were over-age and four were considered unfit for further service.

(b) No. Sixteen appointments were made to the Caretaking staff shortly after the beginning of the Delhi season—seven in place of the men referred to above, two in place of men discharged on other grounds, and seven seasonal appointments. The Executive Engineer concerned ascertained that Muslims already held 26 per cent. of the appointments on the Caretaking staff. He, therefore, offered four of the sixteen appointments to Muslims. One Muslim declined to accept the offer, with the result that three appointments went to Muslims and thirteen appointments to members of other communities.

**Dr. Ziauddin Ahmad:** Do Government consider the strength of Muslims already in service in making fresh appointments, and, therefore, the 25 per cent. rule did not apply?

**The Honourable Sir Frank Noyce:** No, Sir; the 25 per cent. rule ordinarily applies. The question whether it should apply to this sort of service is under my consideration.

**Dr. Ziauddin Ahmad:** Was that the reason for not applying the rule, because the strength of the Muslims was already 26 per cent.?

**The Honourable Sir Frank Noyce:** That, Sir, as I have already said, is a point which is engaging my attention. I noticed it when the reply to this question came to me, and I am making inquiries.

**Dr. Ziauddin Ahmad:** Will the Honourable Member be prepared to waive the 25 per cent. rule if he finds after inquiry that there were 26 per cent. Muslims?

**The Honourable Sir Frank Noyce:** I am not quite sure what my friend's point is. If his point is that one of these four appointment should have gone to a Muslim, I have already told him that that matter is engaging my attention.

#### SEASONAL APPOINTMENTS MADE IN THE CARETAKING STAFF IN "A" DIVISION AT NEW DELHI.

1275. **\*Mr. Ghulam Bhik Nairang:** Will Government be pleased to state how many seasonal appointments were made in December, 1984 and January 1985 in the caretaking staff in "A" Division at New Delhi and how many of the persons appointed were Muslims?

**The Honourable Sir Frank Noyce:** 35 seasonal appointments were made in December, 1984, and January, 1985. Excluding 24 sweepers, the men appointed were six Muslims, three Hindus, and two Sikhs.

**DETECTION OF OVERPAYMENT OF LARGE SUMS OF MONEY TO CONTRACTORS IN CONNECTION WITH THE CONSTRUCTION OF ST. MARTIN'S CHURCH IN THE NEW CANTONMENT OF DELHI.**

1276. \***Mr. Ghulam Bhik Nairang:** (a) Will Government be pleased to state whether in the year 1929-30 overpayment of large sums of money to contractors in connection with the construction of St. Martin's Church in New Cantonment was discovered?

(b) If the answer to part (a) be in the affirmative, is it a fact that a certain Sub-Divisional Officer of the Central Public Works Department, New Delhi, was found responsible for such overpayment?

(c) If the answer to part (b) be in the affirmative, is it a fact that the said Sub-Divisional Officer was taken to task for grave negligence and it was decided that he should never be given charge of a Division?

(d) Is it also a fact that in the year 1926-27 the same Sub-Divisional Officer was found responsible for slack supervision in the construction of the Assembly Chamber, and action similar to that referred to in part (c) was taken against him?

(e) Is it a fact that the same Sub-Divisional Officer was able to manage to be placed in charge of a Division in 1933?

(f) If the answer to part (e) be in the affirmative, will Government be pleased to state the reason why this officer's previous record came to be ignored?

(g) Will Government be pleased to state the qualifications of the officer referred and the reason why he has all along been placed in charge of construction work?

**The Honourable Sir Frank Noyce:** (a) Certain errors were discovered in a running bill. There was no overpayment.

(b) Does not arise.

(c) and (d). No.

(e) The officer, to whom I understand the Honourable Member to refer, was placed in charge of a Division in 1933.

(f) The record was not ignored, as all the reports were placed before the Public Service Commission, on whose advice the officer was appointed as an Assistant Executive Engineer in the Department. Being a senior Assistant Executive Engineer he holds Divisional charge from time to time as vacancies permit.

(g) The officer in question has been selected for construction work because his sound practical knowledge of engineering, energy, and common sense, have made him unusually successful in work of that kind

**RETRENCHMENT OF SOME CLERKS OF THE CENTRAL ACCOUNTS OFFICE, PUBLIC WORKS DEPARTMENT, NEW DELHI.**

1277. \***Mr. Ghulam Bhik Nairang:** (a) Will Government be pleased to state whether in 1931 some clerks of the Central Accounts Office, Public Works Department, New Delhi, were retrenched?

(b) If the answer to part (a) be in the affirmative, were the following persons among the clerks so retrenched:

(i) Moorti,

- (ii) Shib Charan Lal,
- (iii) Fateh Chand,
- (iv) Muhanmad Ismail,
- (v) Muhammad Mahdi, and
- (vi) Zahurul Hasan?

(c) If the answer to part (b) be in the affirmative, is it a fact that the following persons have been directly recruited as clerks in preference to the retrenched personnel:

- (i) Narsingh Bahadur,
- (ii) P. K. Sinha, and
- (iii) M. P. Iyer?

(d) Is it a fact that the direct recruits referred to in part (c) have been taken against permanent vacancies with prospects of confirmation in the near future, while some retrenched officials have been re-employed against temporary vacancies only?

(e) Are Government prepared to see that justice is done to the retrenched officials?

**The Honourable Sir Frank Noyce:** (a) Yes: in 1932.

(b) Yes.

(c) Offers of employment were made, from time to time, to all efficient persons on the "retrenched" list furnished to the Central Public Works Department, who could be traced, and those who accepted such offers were duly employed. The three clerks mentioned by the Honourable Member are now temporarily employed in the Central Public Works Department.

(d) No. The question of confirmation will be considered on its merits.

(e) Government are prepared to re-employ efficient retrenched personnel whenever this is reasonably possible.

**MUSLIMS IN THE ESTABLISHMENT SECTION OF THE CENTRAL OFFICE OF THE  
CENTRAL PUBLIC WORKS DEPARTMENT, NEW DELHI.**

1278. \***Mr. Ghulam Bhik Nairang:** (a) Is it a fact that there is only one Muslim clerk in the establishment section of the Central Office of the Central Public Works Department, New Delhi, and that the solitary Muslim clerk is allotted the work of diarising, etc.?

(b) If the answer to part (a) be in the affirmative, are Government prepared to see that a sufficient number of Muslim clerks are appointed in the said section on important duties with a view to safeguard the Muslim interest?



**The Honourable Sir Frank Noyce:** (a) Yes. The Muslim clerk is employed on recording work.

(b) No. For obvious reasons it is not possible to reserve posts for members of a particular community in the individual sections of an office.

**Dr. Ziauddin Ahmad:** Does the Honourable Member mean to suggest that a Muhammadan is not fit to do any other work excepting diarising?

**The Honourable Sir Frank Noyce:** No, Sir; I said nothing of the kind, and I don't think so, for a moment.

**NON-OBSERVANCE OF A HOLIDAY ON THE JUMAT-UL-WIDA AND THE ID-UL-FITR IN CONDUCTING THE INDIAN CIVIL SERVICE EXAMINATIONS HELD IN 1933-34.**

1279. \***Mr. Ghulam Bhik Nairang:** (a) Is it a fact that no holiday was observed on the *Jumat-ul-Wida* (last Friday of the month of fasting) and the *Id-ul-Fitr* in conducting the Indian Civil Service Examinations held in 1933-34?

(b) Is it also a fact that the candidates who appeared at the examination referred to in part (a) included a very large number of Muslims, who were prevented from performing their religious duties on these sacred days by the non-observance of a holiday on those days?

(c) Did a deputation of Muslims wait on the Honourable the Home Member of the Government of India to call attention to the grievance referred to in parts (a) and (b), and did the Honourable the Home Member promise to attend to the matter?

(d) Is it also a fact that at the Indian Civil Service Examination held in 1934-35, the two sacred days mentioned in part (a) were again not observed as holidays?

(e) Are Government aware that the *Jumat-ul-Wida* and the *Id-ul-Fitr* are days of the highest sanctity for Muslims?

(f) If the answers to parts (c) to (e) or (d) and (e) are in the affirmative, are Government prepared to take effective steps to prevent such disregard of the religious feelings of Muslims and such repeated obstruction to the performance of their religious duties?

**The Honourable Sir Henry Craik:** (a) Yes, but there was no paper until 2 O'clock in the afternoon on each of the two days on which the *Id* might have fallen.

(b) The answer to the first part is in the affirmative. I have no information about the second part.

(c) Yes.

(d), (e) and (f). As regards the examination held this year, the Honourable Member's attention is invited to my replies to starred questions No. 404 on the 21st. February, and No. 1006 on the 26th March.

**CLOSING DOWN OF THE OGALE GLASS WORKS, LIMITED, OGALEWADI.**

1280. \***Mr. N. V. Gadgil:** (a) Are Government aware that the only lantern factory in India, *viz.*, that of the Ogale Glass Works, Ltd., Ogalewadi, which had applied for protection in 1932 and which has been repeating

its request again and again, has been compelled to close down owing to want of protection?

(b) Have Government heard from them recently in the matter?

(c) Have Government taken any decision in this matter? If so, what?

**The Honourable Sir Joseph Bhore:** (a), (b) and (c). A certain measure of assistance was afforded to the Lantern industry by the imposition of specific duties on glass globes and chimneys for lamps and lanterns under the Indian Tariff (Amendment) Act, 1934. Representations for further assistance against Japanese competition have recently been received by Government from the Ogale Glass Works, Limited, and are under consideration.

**Mr. T. S. Avinashilingam Chettiar:** Is it true that this factory has been closed down?

**The Honourable Sir Joseph Bhore:** I have no definite information on that point, but I am quite prepared to accept the information imparted by the Honourable gentleman, who asked the original question.

**RELATIONS BETWEEN THE CENTRAL AND THE PROVINCIAL GOVERNMENTS  
IN REGARD TO REVENUE RECEIVED FROM MOTOR VEHICLES AND  
LIABILITY FOR MAINTENANCE OF ROADS.**

1281. \***Mr. S. K. Hosmani:** (a) Will Government state the relations between the Central and the Provincial Governments in regard to the revenue received from the motor vehicles and the liability for maintenance of roads?

(b) What is the principle on which distribution of this revenue is based?

(c) Have the Government of Bombay submitted any definite plan for economic road development in the Presidency?

(d) Have the Central Government assisted any road projects of the Governments of Bombay and Madras? If so, which?

**The Honourable Sir Frank Noyce:** (a) and (b). The reference to the revenue received from the motor vehicles presumably applies to the surcharge of 2½ annas per gallon of petrol, the proceeds of which are credited to the Road Account. The Honourable Member is referred to the Resolution on Roads, adopted by both Houses of the Indian Legislature on the 21st April, 1934.

(c) The Government of Bombay have, from time to time, during the last five years, submitted for the approval of the Government of India their proposals for the use of their share in the Road Account.

(d) The Honourable Member presumably refers to provincial schemes financed from the Road Account. A statement is laid on the table showing the schemes approved in the case of Bombay and Madras for the expenditure of provincial shares in that Account and the special grants so far sanctioned from the Reserve to these two Presidencies.

*Schemes of road development works in the Bombay Presidency approved for being financed from the Road Account.*

**A. Ordinary share of the Government of Bombay in the Road Account.**

(i) *Presidency Proper.*

No.	Name of work.	Cost.	Expenditure to end of 31st December, 1934.
		(Rs. lakhs).	(Rs. lakhs).
1	Bombay-Ahmedabad-Rajputana Road . . . . .	13.44	3.44
2	Bombay Agra Road . . . . .	4.46	2.87
3	Bombay-Poona-Bangalore Road . . . . .	5.0	4.46
4	Dhulia-Bhusawal-Edlabad-Nagpur Road . . . . .	3.14	0.62
5	Bombay-Konkan-Goa Road . . . . .	20.66	3.68
6	Karwar-Bellary Road . . . . .	2.05	1.73
7	Sholapur-Bijapur-Hubli Road . . . . .	1.81	0.63
8	Bandra-Ghodbunder Road . . . . .	0.81	0.79
9	Kumta-Hubli Road . . . . .	2.41	0.61
10	Ratnagiri-Kolhapur-Miraj-Bijapur Road . . . . .	0.21	0.16
11	Bombay-Poona-Sholapur-Hyderabad Road . . . . .	0.43	..
12	Asphalting different sections of roads near and about Belgaum.	0.80	0.68
13	Modernising roads in Poona . . . . .	1.32	..
14	Indapur-Baramati-Nira Road . . . . .	0.81	..
15	Dahanu-Vihigaon Road . . . . .	0.13	..
16	Bombay-Poona-Ahmednagar-Aurangabad Road . . . . .	0.10	0.06
17	Belgaum-Khanapur-Haliyal-Yellapur-Sirsi-Kodkini-Mysore Frontier Road.	0.58	..
18	Surat-Chikhli-Bansada-Naik-Poon Road . . . . .	0.58	..
19	Cost of survey works for the preparation of plans and estimates and trial borings.	0.16	0.01
20	Cost of repairs and maintenance of works financed from the Road Account (Debit to end of 1935-36).	1.41	0.51 (Inclusive of Sind).
21	Cost of road experiments deductible to local Government's share in the Road Account.	0.48	0.40
22	Ahmedabad-Khaira-Godhra-Indore Road . . . . .	1.23	} Recently sanctioned.
23	Sholapur-Osmanabad-Yedshi Chausala Road . . . . .	0.43	
24	Chiplun-Karant-Jath-Bijapur-Sindgi-Raichur Road . . . . .	1.24	
	<b>Total . . . . .</b>	<b>64.39</b>	<b>30.64</b>
	(ii) <i>Sind.</i>		
1	Kachi-Hyderabad-Rohri-Punjab Road (East Road).	15.36	13.88
2	Sukkur Shikarpur Road . . . . .	3.37	..
3	Kori-Dadu-Shikarpur-Baluchistan Road (West Road).	2.59	2.16
4	Cost of repairs and maintenance to works financed from the Road Account (Debit for 1935-36 only).	0.44	(Separate figures not readily available).
5	Cost of experimental works to be financed from local Government's share in the Road Account.	0.10	0.10
	<b>Total . . . . .</b>	<b>21.86</b>	<b>16.14</b>
	<b>GRAND TOTAL . . . . .</b>	<b>86.5</b>	<b>46.8</b>

No.	Name of work.	Cost.	Expenditure to end of 31st December, 1934.
		(Rs. lakhs).	(Rs. lakhs).
	B. Works financed by special grants from the Reserve with the Government of India in the Road Account.		
	Different experiments on road surfaces in—		
	(i) the Presidency	0.45	0.35
	(ii) Sind	0.10	0.10
	Road Development Enquiry in Sind	0.32	0.32
	Total	0.85	0.77

*Schedule of road development works in the Madras Presidency approved for being financed from the Road Account.*

A. From Local Government's ordinary share in the Account.

No.	Name of work.	Cost.	Expenditure to end of 31st December, 1934.
		(Rs. lakhs).	(Rs. lakhs).
1	Bridge across the Nathavala river on the Great Northern Trunk Road.	2.25	2.13
2	Bridge over the Yerracalva river at mile 328/3 of the Great Northern Trunk Road.	3.11	2.42
3	Bridge across the Gundla Kamma river at mile 191/6 of the Great Northern Trunk Road.	3.60	3.34
4	Bridge across the Swarnamukhi river at Nayudupeta at mile 69/2-4 of the Great Northern Trunk Road.	4.30	3.45
5	Causeway across the Pennar at mile 104-105 of the Great Southern Trunk Road.	2.61	2.29
6	Protective revetments to No. 5 above.	0.84	0.83
7	Bridge across the Mallattar river at mile 106-107/7-8 of the Great Southern Trunk Road.	0.38	0.36
8	Metalling the earthen road between miles 100-150 of the Great Southern Trunk Road.	1.37	1.31
9	Bridge across the Gomukhi river at mile 134-135/1-2 of the Great Southern Trunk Road.	0.61	0.62
10	Bridge across the Manimukthanathi at mile 132-133 0.1 of the Great Southern Trunk Road.	0.65	0.66
11	Bridge across the Chithanatham at mile 214/7 of the Great Southern Trunk Road.	0.90	1.10
12	Bridge across the Pennar river at mile 285/7-8 of the Madras-Bombay Trunk Road.	1.75	1.61
13	Causeway across the Chithravathi river at mile 237/8 and 238/1 of the Madras-Bombay Trunk Road.	0.68	0.68
14	Bridge across the Peddayeru at mile 178/5 of the Madras-Bombay Trunk Road.	0.63	0.74

No.	Name of work.	Cost.	Expenditure to end of 31st December, 1934.
		(Rs. lakhs).	(Rs. lakhs).
15	Bridge over the Keesars river at Muslipatam-Hyderabad Trunk Road.	7.30	4.54
16	Causeway across the Cheyyar river at mile 81/8 of the Chittoor-Cuddalore Trunk Road.	0.86	1.08
17	Re-making the ghat portions of the Calicut-Vytri-Gudalur Road.	4.13	2.00
18	Improvements to the Madras-Calicut Trunk Road and extension (first section from Calicut southwards).	5.00	3.94
19	Improvements to the Gudalur-Vytri-Calicut Trunk Road (miles 74-79).	1.87	1.25
20	Bridge across the Paleru river at mile 168/2-3 of the Great Northern Trunk Road.	4.33	3.52
21	Bridge across the Manneru river at mile 160/7 of the Great Northern Trunk Road.	2.39	2.03
22	Bridge across the Kandivalasa Gedda at mile 96/2-3 of the Great Northern Trunk Road.	2.42	1.77
23	Bridge across the Budameru Gedda at mile 108/7-8 of the Great Northern Trunk Road.	1.40	1.09
24	Bridge across the Paradi Gedda at mile 33/2 of the Vizianagaram-Karada-Komatiapeta Road.	2.90	2.30
25	Bridge across the Musi river at mile 172/3-4 of the Great Northern Trunk Road.	3.50	1.84
26	Bridge across the Ogeru river at mile 223/7-8 of the Great Northern Trunk Road.	1.75	1.30
27	Bridge across the Vakkileru at mile 147/7-8 of the Chittoor-Kurnool Trunk Road.	1.16	0.83
28	Bridge across the Iruvaram river at mile 97/7 of Madras-Bombay Trunk Road.	0.90	0.94
29	Improvements to the Coimbatore-Hassanur Trunk Road.	2.00	1.64
30	Construction of a girder bridge over the Poini river at mile 76 of Madras-Bombay Trunk Road, near the site of the Rice Causeway, half the cost to be debited to local Government's share in the Road Account.	3.13	About to begin.
31	Construction of a concrete road over the Kistna Anicut at Bezwada.	0.14	Recently sanctioned.
32	Special improvements to the Tirvalam-Katpadi Road to bring it upto Trunk Road standard.	1.32	
33	Reconstruction of the bridge across the Eranjolly river on the Tellicherry-Coorg Trunk Road.	1.16	
Total		71.34	51.61
<p>B. Works financed by special grants from the Reserve with the Government of India in the Road Account.</p>			
34	Half the cost of item 30 above	3.13	About to begin.

**Mr. S. K. Hosmani:** When a certain project concerns two provinces, for instance, a bridge concerns both Bombay and Madras, who is responsible for the work? Is it the Central Government or the Governments of both the provinces?

**The Honourable Sir Frank Noyce:** The Central Government is not responsible for any work in the provinces of Madras and Bombay. That is a matter for the Local Governments.

**Prof. N. G. Ranga:** Is it not a fact that the petrol duty was levied in order to enable the Provincial Governments to abolish toll gates?

**The Honourable Sir Frank Noyce:** No, Sir; nothing of the kind.

**Prof. N. G. Ranga:** Is it not a fact that the Jayakar Committee has recommended that before petrol duty is levied, as a condition precedent, the toll gates should be abolished?

**The Honourable Sir Frank Noyce:** I cannot carry in my head the recommendations of the Jayakar Committee on that point, but, to the best of my knowledge, this 2½ annas duty was levied for additional road development. The abolition of toll gates would not promote the development of additional road.

**Dr. Ziauddin Ahmad:** Will the Honourable Member lay this matter before the Roads Committee and say that no grant would be given to any of the provinces if they levied a toll duty?

**The Honourable Sir Frank Noyce:** No, Sir; the question of toll gates is purely a matter for Provincial Governments.

**Seth Govind Das:** In how many provinces is the toll duty levied? Is it only in Bombay or in other provinces also?

**The Honourable Sir Frank Noyce:** I have no information on that point, but if my Honourable friend wishes to have it, I would suggest to him to put down a question on the subject.

**Prof. N. G. Ranga:** Is it not a fact that, if any Provincial Government wishes to impose toll gates it cannot do so without first consulting the Central Government?

**The Honourable Sir Frank Noyce:** No, Sir; it is not a fact. As I have said, this question is purely for the Local Governments to decide. The Government of India are not concerned with it.

#### SCHEME FOR THE ECONOMIC DEVELOPMENT AND IMPROVEMENT OF RURAL AREAS IN THE BOMBAY PRESIDENCY.

1282. **Mr. S. K. Hosmani:** Have the Government of Bombay submitted any scheme for the economic development and improvement of rural areas, to the Government of India for their approval? If so, will Government lay them on the table?

**Mr. G. S. Bajpai:** No, Sir.

**Mr. Lalchand Navalrai:** May I know if the Road Development Board in Bombay is nominated or elected?

**Mr. G. S. Bajpai:** This has nothing to do with road development.

**PROJECTS INCLUDED IN THE PROGRAMME OF WORKS FOR THE EXPENDITURE OF THE ADDITIONAL SUM MADE AVAILABLE FOR THE NEXT YEAR'S BUDGET.**

1283. \***Mr. S. K. Hosmani:** Will Government state the projects, with their estimated costs, included in the programme of works for the expenditure of the additional sum of Rs. 40 lakhs made available for the next year's budget?

**The Honourable Sir Frank Noyce:** The additional sum of Rs. 40 lakhs will be merged in the Reserve of the Government of India in the Road Account. It will, therefore, be governed by the terms of the Resolution on Roads adopted by this Assembly on the 21st April, 1984, in accordance with which no projects can be included in a programme for expenditure from the Reserve until they have been referred to the Standing Committee for Roads. As I explained in the House on Saturday, proposals were laid before that Committee a few days ago and the proceedings of the Committee will, as usual, be placed in the Library when printed.

**INCREASED INTEREST SHOWN IN THE DIESEL ENGINE UNITS FOR MOTOR VEHICLES.**

1284. \***Seth Haji Abdoola Haroon:** (a) Has Government's attention been drawn to the increasing interest being shown in the Diesel-engine units for motor vehicles?

(b) Are Government aware that much of the advantage claimed for these engines depends on the fact that the incidence of taxation is very much more on a petrol vehicle than on a diesel-engined vehicle? If so, what do Government propose to do in the matter?

**The Honourable Sir James Grigg:** (a) Government are aware that the use of Diesel engines for motor vehicles has increased very considerably in the United Kingdom during recent years and that a small number of vehicles, with these engines, has been imported into India.

(b) It is a fact that the tax on the fuel used by Diesel-engined vehicles is very much lower than the tax on motor spirit. Government are closely watching the imports of these vehicles and will take into consideration the advisability of measures to correct any appreciable adverse effect on their revenues.

**Dr. Ziauddin Ahmad:** Is it not a fact that the Government of India promised that they would watch the effect of the duty on the agricultural machines and the diesel oil engines? If they have been watching it, what is the effect?

**The Honourable Sir James Grigg:** I am prepared to take it from the Honourable Member that the fact stated in the first part of the question is correct, but this is the first time that it has been brought to my notice, and I must ask him to put down a question on the subject.

**Dr. Ziauddin Ahmad:** Apart from the question as to how many of them have been imported, have they watched the effect of this duty on the agricultural operations?

**The Honourable Sir James Grigg:** I must repeat, if the Honourable Member will put down a question, I will look into the matter, but this is the first time that it has been brought to my notice.

**FILM NAMED "INDIA SPEAKS" EXHIBITED IN AMERICA.**

1285. **Mr. Lalchand Navalrai:** (a) Are Government aware of the fact that a film "India Speaks" vilifying this country has been exhibited since a few months back in America and is being criticised by the Indian Press?

(b) Will Government be pleased to state what steps they have taken to stop such vilification and exhibition of this film, parts of which are as reported in the press, faked by the new trick processes?

(c) Is it a fact that the distributors of this film are negotiating to sell it in Continental countries, as described in the extract from a letter supplied by the *United Press* and published in the *Hindustan Times* of the 3rd March, 1935?

(d) Are Government not aware of the fact that in other countries such vilification is immediately protested against and stopped through the diplomatic channels of the countries concerned?

(e) Has the Secretary of State or the Government of India received any reports of His Majesty's diplomatic representatives, from the countries where this film is being exhibited or negotiated for sale? If so, will Government be pleased to place them on the table? If not, why not?

(f) If the reply to part (e) be in the negative, are Government prepared to get the information by cable and make it available to the Members of the Central Legislature? If not, why not?

(g) What measures do Government propose to take against the firm representing the American producer and distributor of this film in this country and for stoppage of the exhibition of this film everywhere it is being shown and negotiated for sale, through the diplomatic representatives of His Majesty?

**The Honourable Sir Henry Orsk:** I would refer the Honourable Member to the replies given by me to question No. 1088 and the short notice question on the same subject and supplementary questions asked on the 27th March which give all the information I have and the action which has been taken in the matter.

**Mr. Lalchand Navalrai:** May I know. . . . .

**Mr. President** (The Honourable Sir Abdur Rahim): This matter has been fully discussed. Next question.



**Mr. Lalchand Navalrai:** I do not think clause (g) of the question has been answered, whether anything has been done with regard to the firm which represents the American producer and distributor—whether anything has been done against him, or is this vilification to go on with impunity?

**The Honourable Sir Henry Craik:** I do not know what firm this is.

**Mr. Lalchand Navalrai:** Does not the Honourable Member know that there is a firm here representing the American producer and distributor?

**The Honourable Sir Henry Craik:** There is a firm here?

**Mr. Lalchand Navalrai:** Yes.

**The Honourable Sir Henry Craik:** No, I am not aware of that.

**Mr. Lalchand Navalrai:** I am very sorry then. May I request the Honourable Member to find out and do something to stop this vilification? Otherwise, there will be no obstruction to their doing anything they like.

**The Honourable Sir Henry Craik:** The Honourable Member seems to confuse the word; when he says producing he means manufacturing. . . .

**Mr. Lalchand Navalrai:** They are also manufacturing. The company is a Company which represent the producer and distributor—not that they actually make it here. Those Companies that have been producing and distributing in America have got a firm here representing them. I am told they also produce here. Therefore, I want to know if the Honourable Member is going to do anything with regard to this, or is he going to leave it as it is?

**The Honourable Sir Henry Craik:** I do not know what the Honourable Member wants me to do. The film has never been produced in India, or, as far as I know, anywhere except in America. I understand the Honourable Member's allegation is that the film, or, at any rate, part of it, was made in India. Even that is, I believe, a matter of pure conjecture, there is no evidence to that effect as far as I am aware.

(Mr. Lalchand Navalrai rose in his seat.)

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

INDIANS HOLDING COMMISSIONED RANKS IN THE INDIAN ARMY  
VETERINARY CORPS.

1286. **\*Mr. K. L. Gauba:** (a) Will Government be pleased to state the total number of Indians holding commissioned ranks in the Indian Army Veterinary Corps?

(b) What is the total strength of the officers in the Indian Army Veterinary Corps?

(c) How many Indians with M.R.C.V.S. (London) qualifications passed at the recent examination held at Lahore at the end of January 1935, for recruitment to the Indian Army Veterinary Corps?

(d) Out of these, how many have been recruited?

(e) Are Government prepared to expedite the employment of all the remaining passed candidates to the Indian Army Veterinary Corps?

(f) Are Government prepared to accelerate the employment of qualified Indians to the Indian Army Veterinary Corps?

(g) Are Government prepared to employ all those who recently passed the examination held at Lahore for such recruitment? If not, why not?

**Mr. G. E. F. Tottenham:** (a) and (b). There are three Indian Commissioned Officers and 107 Viceroy's Commissioned officers in the Indian Army Veterinary Corps. There are in addition 64 British officers of the Royal Army Veterinary Corps attached to the Indian Army Veterinary Corps.

(c) Eight.

(d) Two have just been commissioned.

(e) to (g). Government are considering a comprehensive scheme for the Indianisation of the Indian Army Veterinary Corps. It is hoped that this will enable some of the remaining six candidates, who qualified at the recent examination, to be offered commissions in the Corps.

**Mr. S. Satyamurti:** May I know when the absorption of these six will take place?

**Mr. G. E. F. Tottenham:** The matter will be considered as soon as this new scheme has received the sanction of the Secretary of State, which I hope will be before very long.

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

**Mr. S. Satyamurti:** I apologise to you and to the House for not being present this morning, when my questions were called. This is the first time it has happened, and I promise it won't happen again.

#### INDIANS EXTERNEED FROM OR NOT ALLOWED TO RETURN TO INDIA DURING THE LAST THREE YEARS.

1287. **\*Mr. S. Satyamurti:** Will the Honourable the Home Member be pleased to state:

- (a) the number and the names of Indians who have either been externeed from India or who have not been allowed to return to India, during the last three years;
- (b) the period for which they have been so externeed or prevented from returning to India;
- (c) the reasons for this action; and
- (d) whether Government propose to withdraw such orders; if so, when; if not, why not?

**The Honourable Sir Henry Craik:** (a) I presume the Honourable Member refers to those British Indian subjects abroad who have applied for and been refused passport facilities to return to India during the last three years. If so, the answer is one. This is the case of Sailendra Nath Ghose who applied more than once during this period to return to India on condition that he is granted an amnesty.

(b) to (d). I would invite the Honourable Member's attention to the reply given by me in regard to the case mentioned above on the 15th August, 1934, to Mr. S. C. Mitra's question No. 622 and to the supplementary questions and answers thereon. I have nothing to add to what was then stated by me on the subject.

**Mr. S. Satyamurti:** May I take it, therefore,—I am merely asking for elucidation—that no Indian has been externed, except the one gentleman whose name the Honourable the Home Member gave, who was outside India, and who asked for a passport to return to India but was refused?

**The Honourable Sir Henry Craik:** Yes, there was only one British Indian subject who has been refused permission to return.

**Mr. S. Satyamurti:** Did Mr. Subhash Chandra Bose apply during these three years for a passport to return to India, and was he refused until recently?

**The Honourable Sir Henry Craik:** He did return to India recently and he was given a visa.

**Mr. S. Satyamurti:** Did he apply earlier than the time he actually returned, and was he refused?

**The Honourable Sir Henry Craik:** That does not arise out of this.

**Prof. N. G. Ranga:** Will any mercy be shown to the gentleman who is still externed, during the coming Jubilee Celebrations?

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

**Sardar Sant Singh:** Is it or is it not a fact that the externment order against Sardar Ajit Singh of Lahore still exists?

**The Honourable Sir Henry Craik:** I must ask for notice.

PROVISION OF SEPARATE COMPARTMENTS FOR LEPERS IN RAILWAY TRAINS.

**\*Mr. S. Satyamurti:** Will the Honourable the Commerce Member be pleased to state:

- (a) whether he is aware that several lepers travel by railway trains; and
- (b) whether there is any proposal for providing separate compartments for them to travel in; if not, why not?

**Mr. P. R. Rau:** (a) Possibly.

(b) Under the Indian Railways Act, a Railway Administration may refuse to carry persons suffering from an infectious or contagious disorder, such as leprosy, except under prescribed conditions. The conditions prescribed prohibit any passenger suffering from an infectious or contagious disorder from being carried in any train, unless he has engaged a reserved compartment for himself and unless all necessary arrangements have been made to segregate him and his attendants from other persons during the whole time he is on the railway.

**Mr. S. Satyamurti:** Have Government any information whether, as a matter of fact, this rule is being enforced, whether there are any health inspectors or any other agency in the railway stations to examine passengers, and see if they are suffering from infectious or contagious diseases, and, if so, not allowed to travel in the ordinary carriages?

**Mr. P. B. Rau:** My Honourable friend knows that that suggestion is impracticable. It is impossible to have a health inspector examining all passengers to see which of them have been suffering from contagious or infectious disease.

**Mr. S. Satyamurti:** Do Government propose to take any other steps, either by surprise inspection, or by inspection at certain important and big stations, to see that this evil, which one knows does exist, is at least mitigated, if not eradicated altogether?

**Mr. P. B. Rau:** I am afraid it is very difficult to take any practical steps to provide for such inspection. It is impossible to empower the ordinary class of railway staff to examine passengers. They must be competent to find out whether a person is really suffering from leprosy or not.

**Mr. S. Satyamurti:** Will Government take any steps, for example, to find out the extent of the evil, will they sanction a special staff for a few important stations, for, say, three months, and see if the extent of the evil is so great as to justify any further action being taken?

**Mr. P. B. Rau:** We will have the matter examined, but I must add that, so far as Government are aware, no case has arisen yet to indicate the need for such an examination or for any segregation which that examination might lead to.

**Mr. S. Satyamurti:** Does the Government think that the evil does not exist, or, if it does, it is in such a small proportion that it can be ignored?

**The Honourable Sir Joseph Bhoré:** I will have the matter examined and looked into.

#### SALT PRODUCED IN INDIA.

1289. **\*Mr. S. Satyamurti:** Will the Honourable the Commerce Member be pleased to state:

- (a) the quantity of salt produced in India today;
- (b) the amount of salt which can be produced in India; and
- (c) whether Government have considered that by proper production and transport the entire demand of India cannot be met by purely indigenous supply?

**The Honourable Sir James Grigg:** (a) The annual production of salt in India, excluding Aden, is about 400 lakhs of maunds. If Aden is included, the total will be raised to about 450 lakhs.

(b) and (c). The attention of the Honourable Member is drawn to the report of the Salt Survey Committee. The Government have not had occasion to consider what amount of salt could be produced in India if considerations of price and quality were left out of account.

**Mr. S. Satyamurti:** Taking quality and price into consideration, have Government considered the possibility of satisfying Indian demand by the production of indigenous salt?

**The Honourable Sir James Grigg:** I do not quite follow the Honourable Member's question. We have not considered the possibility of making India self-contained in the matter of salt leaving out of account questions of price and quality.

**Mr. S. Satyamurti:** If I understand the Honourable Member aright, he will correct me if I am wrong, what I wanted was to find out if the Government considered, taking into account questions of price and quality, the possibility of making India self-sufficient in the matter of salt supply?

**The Honourable Sir James Grigg:** Yes, Sir, that was considered on several occasions by the Salt Committee of the last Legislative Assembly, and obviously the scheme which was produced rested on the fact that it was not possible to make India completely self-contained.

**Mr. S. Satyamurti:** Have the Government considered this matter and come to any conclusion, or are those conclusions only of committees appointed by the House?

**The Honourable Sir James Grigg:** Government were represented. In fact my predecessor was the Chairman of that committee.

**Mr. S. Satyamurti:** Will the Government of India now consider the possibility of increasing the import duty on salt, and making it run for say 3 or 5 years, and thus helping India to be self-sufficient in the matter of salt supply?

**The Honourable Sir James Grigg:** That can be debated on the Salt Additional Import duty debate. My *prima facie* answer to the question is in the negative.

**Seth Haji Abdoola Haroon:** Is it a fact that the Bengal Government are against this salt import duty?

**The Honourable Sir James Grigg:** My recollection is that, at the time of the imposition of the original  $4\frac{1}{2}$  annas duty, the Bengal Government protested against that action of the Government of India.

**Mr. C. N. Muthuranga Mudaliar:** May I know whether in places, where the monopoly system exists, Government are restricting the area as well as the quantity in each year?

**The Honourable Sir James Grigg:** I must have notice of that. Obviously that does not arise on this question.

**PURCHASES MADE ON BEHALF OF THE GOVERNMENT OF INDIA BY THE  
INDIAN STORES DEPARTMENT.**

**1290. \*Pandit Nilakantha Das:** (a) How many offices or officers besides those in the Indian Stores Department make purchases on behalf of the Government of India:

- (i) in the Railways,
- (ii) in the Army, and
- (iii) in other Departments?

What are their names and the items of purchases entrusted to them?

(b) What is the percentage of purchases in each of the three above cases made by the Indian Stores Department?

(c) What are the difficulties in the way of centralising all the purchases of the Government of India in the Indian Stores Department?

(d) Is it not a fact that the Indian Stores Department is being run at a loss to the tax-payer, to the extent of 10 to 11 lakhs of rupees a year, about more than 60 per cent. of the loss being incurred in the commercial, that is, purchase transactions and the rest in inspection?

(e) What is the objection to meeting the deficit of this Department by making many more State purchases through this Department?

(f) What is the objection to entrusting to the Stores Department the purchases of articles mentioned in Rules 7 and 8—specially Rule 8—of the "Rules for the supply of articles required to be purchased for the public service", appended to the resolution No. S. 217, dated 13th September 1928 (Department of Industries and Labour)?

(g) What is the normal percentage of the articles covered by the said Rule 8 to the entire amount of stores required by the "Naval, Military or Air Forces of the Crown in India"?

(h) What is the percentage of steel articles mentioned in Rule 8 to the entire amount of articles covered by that rule?

(i) What is the percentage of (i) leather, (ii) textile and (iii) other articles under the same?

**The Honourable Sir Frank Noyce:** Such information as can be readily collected has been called for, and a complete answer will be placed on the table of the House in due course.

**Mr. S. Satyamurti:** I want to ask one supplementary question on clause (d) of this question. What is the definite answer to that question?

**The Honourable Sir Frank Noyce:** The reply has been given on several occasions recently in this House and I have nothing to add.

**Mr. S. Satyamurti:** Has the loss continued, or has it been reduced?

**The Honourable Sir Frank Noyce:** I beg my Honourable friend's pardon. Is he asking for a reply to part (d)?

**Mr. S. Satyamurti:** Yes.

**The Honourable Sir Frank Noyce:** I thought he was asking for a reply to clause (c). I venture to suggest that he should wait for the complete answer which will be placed on the table of the House. I have not gone into the details of this question in view of the fact that a consolidated answer is being prepared, and I am not, therefore, prepared to answer any supplementary questions on it offhand.

**MAKING THE INDIA STORES DEPARTMENT, LONDON, AN AGENT OF THE  
INDIAN STORES DEPARTMENT, GOVERNMENT OF INDIA.**

1291. **\*Pandit Nilakantha Das:** What is the objection to making the India Stores Department, London, an Agent of Indian Stores Department, Government of India in all matters of purchases?

**The Honourable Sir Frank Noyce:** I cannot do better than refer the Honourable Member to pages 2396-97 of Volume VIII—No. 6 of the Legislative Assembly Debates, which contain my speech on this subject. The matter is still under consideration.

**DETAILED REPORT OF ALL GOVERNMENT PURCHASES.**

1292. **\*Pandit Nilakantha Das:** Are Government prepared to consider the advisability of compiling a detailed report of all their purchases together in one book, giving divisions such as (i) steel and iron, (ii) textile, (iii) leather and (iv) other industrial products, giving also details as regards their places of manufacture and places and manner of purchase with a survey as to how Indian industry is helped by State purchases and how it is contemplated to progressively help the Indian industry in future by State purchases?

**The Honourable Sir Frank Noyce:** Government regret that they cannot undertake to compile a report of the nature desired by the Honourable Member, as it would entail labour and trouble out of all proportion to the value of such a report. I may mention that, so far as the Indian Stores Department is concerned, all available information, on the points mentioned in the question, is published in the annual Administration Reports of that Department, copies of which are in the Library of the House.

**RESEARCHES UNDERTAKEN BY GOVERNMENT.**

1293. **\*Pandit Nilakantha Das:** (a) How many kinds of researches are undertaken by Government?

(b) In how many researches Indians are at the head, and guide the researches?

(c) Are Government prepared to consider the desirability of publishing a comprehensive report of all their research work explaining how Indian talent is used in it, and how it is contemplated to progressively use Indian talent in the work in future?

**Mr. G. S. Bajpai:** (a) to (c). Scientific and industrial research is carried on on a large scale by Government and a progressively increasing number of Indians is being employed in conducting it. Government do not consider that any useful purpose will be served by compiling a comprehensive

report of all research work conducted in India. The various scientific departments periodically issue reports, journals and other publications which are available to all who are interested in the matter.

**Mr. S. Satyamurti:** What is the result of this progressive realisation of Indians in these appointments? What is the number of Indians and Europeans?

**Mr. G. S. Bajpai:** I can only speak for the departments with which I am concerned. My Honourable friend's question covers the whole range of scientific activity. Take for example, the Imperial Council of Agricultural Research. It employs 142 research workers. Every one is an Indian. The Forest Research Institute, Dehra Dun employs eight, of whom three are Europeans and five are Indians. Then the Imperial Institute of Research at Pusa—four Indians and three Europeans.

**Mr. S. Satyamurti:** Why are these Europeans there? Is it because we cannot get qualified Indians?

**Mr. G. S. Bajpai:** The fact of the matter is that the research appointments at the Forest Research Institute and the Imperial Institute of Agricultural Research were originally filled by members belonging to the services, such as the Indian Agricultural Service. Those officers who were appointed have not yet attained the age of superannuation. My Honourable friend will agree that we cannot send them away.

**Mr. S. Satyamurti:** Therefore, are they kept because they cannot be sent away, or because they have any aptitude for research?

**Mr. G. S. Bajpai:** They are kept because of their aptitude for research and the question of filling their places does not arise till they retire in the ordinary course.

**Mr. S. Satyamurti:** How is it contemplated to progressively use Indian talent in this work? Is it the policy of Government to replace these Europeans by Indians as and when occasion arises?

**Mr. G. S. Bajpai:** The answer to that, if I may say so, is furnished by what I have said in regard to the Imperial Council of Agricultural Research. That is the most recent of these departments. As I have already informed the House, every research worker employed there is an Indian, so that the policy of Government is to employ Indian talent so far as it is available.

**Mr. S. Satyamurti:** I am glad to hear that.

#### POSITIONS UNDER GOVERNMENT (INCLUDING RAILWAYS) REQUIRING OUTSTANDING TECHNICAL QUALIFICATIONS TO SERVE AS HEADS.

1294. \***Pandit Nilakantha Das:** (a) What is the number of the positions under Government (including Railways) where outstanding technical experts are required to serve as heads? How many experts for big planning operations have been requisitioned during the last ten years (This statement may not be thoroughly exhaustive, if not possible, but it will have to include Engineers who plan big building undertakings, e.g., difficult Railway lines, big bridges, buildings, annicuts, etc.)?



(b) How many committees of investigation have been set up during the latest ten years (*e.g.*, the committee of investigation in connection with the Harding Bridge) for helping Government with expert opinion?

(c) In how many cases referred to in parts (a) and (b), respectively, has Indian talent been used as the head or the guide of the position or the committee, as the case may be?

(d) Are Government prepared to consider the desirability of publishing a yearly report, to explain how Indian talent is being used in their technical requirements, and what they are doing or propose to do to employ Indian technical talent to meet such necessity of the Government of India?

**The Honourable Sir Frank Noyce:** Information has been called for and will be placed on the table of the House in due course.

**PROVISION OF A RAISED PLATFORM FOR THE ASSAM BENGAL RAILWAY PASSENGERS AT MYMENSINGH.**

1295. \***Mr. Suryya Kumar Som:** Are Government aware of the fact:

- (a) that Mymensingh station, being the junction of the Eastern Bengal Railway and M. B. R. Branch of the Assam Bengal Railway, is not provided with raised platform for the Assam Bengal Railway passengers;
- (b) that there is no proper lighting arrangement for the Assam Bengal Railway passengers;
- (c) that the passengers, specially ladies, experience great hardship while entering the compartment and getting down from the same in view of the fact that there is no raised platform and sufficient lighting arrangement;
- (d) that the public has complained of this to the authorities;
- (e) whether they are prepared to consider the desirability of providing the station with a raised platform and proper lighting arrangements for the Assam Bengal Railway passengers, and to take immediate steps to that effect?

**Mr. P. R. Rau:** I have sent a copy of the question to the Agent, Eastern Bengal Railway, for consideration, but I would point out to the Honourable Member that the Local Advisory Committee is the natural channel for bringing such matters to the notice of the administration concerned.

**NOISE MADE BY TRAINS RUNNING ON THE SIRAJGUNGE, NARAYANGUNGE AND BAHADURABAD-NARAYANGUNGE LINES OF THE EASTERN BENGAL RAILWAY.**

1296. \***Mr. Suryya Kumar Som:** Will Government be pleased to state:

- (a) if it is a fact that the trains running on the Sirajgunge, Narayangunge and Bahadurabad-Narayangunge lines of the Eastern Bengal Railway make a roaring noise while in motion, making any sort of conversation impossible;

- (b) what this peculiar sound is due to;
- (c) whether it is a fact that abnormal jerking is experienced by passengers while in motion;
- (d) what this jerking is due to;
- (e) whether they are prepared to consider the desirability of replacing the rails by those of modern type; and
- (f) if the answer to part (e) be in the affirmative, when they propose to take steps?

**Mr. P. R. Rau:** (a) Reports have been received that in places this track is noisy.

(b) It is believed to be due to the rails, and the dampness of the locality has probably something to do with it. So far as Government are aware no satisfactory theory has yet been produced to account for this satisfactorily.

(c) and (d). No reports to this effect have been received. There is no connection, so far as I have been able to ascertain between roaring rail and jerky motion.

(e) and (f). A short length of rails has been replaced by more modern track as an experiment. It is too soon to say that this has cured the roaring. I am sending a copy of the question to the Agent, Eastern Bengal Railway, for consideration.

**RATE OF FARE CHARGED FOR PASSENGER TRAFFIC IN INDIA AND SPEED OF TRAINS ON THE ASSAM-BENGAL RAILWAY.**

**1297. \*Mr. Suryya Kumar Som:** Will Government be pleased to state:

- (a) the highest rate of fare charged for passenger traffic in India;
- (b) the rate charged by the Assam Bengal Railway and the Eastern Bengal Railway;
- (c) when the M. B. Branch of the Assam Bengal Railway was started;
- (d) whether it is a fact that even now there is no train on the M. B. Branch of the Assam Bengal Railway exclusively for passenger traffic and that some bogies are attached to the goods train to carry passengers;
- (e) whether it is a fact that due to the above arrangement the train takes longer time to cover a distance;
- (f) what is the general speed of a passenger train on the M. B. Branch of the Assam Bengal Railway and what is the time taken by a passenger train to cover the distance from Mymensingh to Netrokona; and
- (g) whether they are prepared to consider the desirability of immediate introduction of exclusively passenger trains on the M. B. Branch of the Assam Bengal Railway?

**Mr. P. E. Rau:** (a) and (b). The scales of fares in force over the various railways are on a telescopic basis, i.e., the rate charged per mile decreases as the distance for charge increases. Moreover, the scales applicable on each railway differ from those applicable over other railways. The actual fares charged for certain distances on one railway may, therefore, be higher for some distances and lower for others than on other railways. I am placing on the table a statement showing the basis of third class fares, which I presume is what the Honourable Member has in mind, on the principal railways, including the Assam Bengal and Eastern Bengal Railways.

(c) The Branch was opened for traffic on the 1st May, 1918.

(d) and (e). According to the current time table there are no exclusively passenger trains—three mixed trains run in each direction over the Mymensingh Bhairab Bazar Branch.

The time taken varies from 4 hours, 20 minutes to 6 hours 45 minutes.

(f) The average through speed of the six trains run on the Branch varies from about 11 to 17 miles per hour. The through trains from Mymensingh to Netrokona take one hour 40 minutes, two hours 18 minutes and two hours 24 minutes respectively.

(g) I am communicating the Honourable Member's suggestion to the Agent of the Assam Bengal Railway for consideration.

*Statement showing the basis of third-class fares on Class I Railways.*

		Pies per mile.
Assam Bengal Railway	1—300 miles	4
	+ Over 300 miles	3 1/2
Bengal Nagpur Railway	1—300 miles	4 1/2
	+ Over 300 miles	3 1/2
	Mail and Express.	
Bengal and North Western Railway	1—300 miles	3 1/2
	+ Over 300 miles	2 1/2
Bombay, Baroda and Central India Railway	1—50 miles	2 1/2
	+ Over 50 miles	2
	Mail and Express.	
Burma Railways	1—50 miles	4 1/2
	+ 51—200 miles	4
	+ 201—300 miles	3 3/4
	+ Over 300 miles	3
		Ordinary.
Eastern Bengal Railway	1—5 miles	3 1/2
	+ 5—200 miles	3 1/2
	+ 201—300 miles	3
	+ Over 300 miles	2 3/4
East Indian Railway	1—300 miles	3 1/2
	+ Over 300 miles	2 1/2
Eastern Bengal Railway	1—300 miles	3 1/2
	+ Over 300 miles	2
	1—50 miles	3 1/2
	+ 51—300 miles	2 3/4
Eastern Bengal Railway	+ Over 300 miles	1 3/4

*Statement showing the basis of third class fares on Class I Railways.*

		Pies per mile.
<b>Mail and Express in local booking.</b>		
Great Indian Peninsula Rail- way	1—50 miles . . . . .	5
	+ Over 50 miles . . . . .	3
<b>Ordinary trains in local booking and all trains in through booking.</b>		
Jodhpur Railway	1—50 miles . . . . .	4
	+ Over 50 miles . . . . .	3
	1—50 miles . . . . .	4
	+ 51—150 miles . . . . .	3 1/2
	+ 150—300 miles . . . . .	3 1/4
	+ Over 300 miles . . . . .	2 3/4
<b>Mail and Express.</b>		
Madras and Southern Meh- ratta Railway	1—50 miles . . . . .	4 1/2
	+ 51—250 miles . . . . .	4
	+ Over 250 miles . . . . .	3 1/2
<b>Ordinary.</b>		
	1—50 miles . . . . .	4
	+ 51—150 miles . . . . .	3 1/2
	+ 151—250 miles . . . . .	3
	+ Over 250 miles . . . . .	2 1/2
<b>Broad Gauge.</b>		
H. E. H. the Nizam's State Railway	1—150 miles . . . . .	3 1/2
	+ Over 150 miles . . . . .	3
<b>Metre Gauge.</b>		
North Western Railway	All distances . . . . .	3
	1—50 miles . . . . .	3
	+ 51—300 miles . . . . .	2 3/4
	+ Over 300 miles . . . . .	2 1/2
Rohilkund and Kumaon Rail- way	All distances . . . . .	2 1/2
<b>Mail and Express.</b>		
South Indian Railway	1—300 miles . . . . .	4
	+ Over 300 miles . . . . .	3 1/2
<b>Ordinary.</b>		
	1—150 miles . . . . .	3 1/2
	+ 151—300 miles . . . . .	3
	+ Over 300 miles . . . . .	2 1/2

**Prof. N. G. Ranga:** Will Government ask the Agent to report upon the action that he proposes to take on all these three questions, Sir?

**Mr. P. B. Rau:** I have not asked for any report, Sir.

**PROVISION FOR RETURN TICKET SYSTEM ON THE MYMENSINGH-BHAIRAB BAZAR BRANCH OF THE ASSAM BENGAL RAILWAY.**

1298. \***Mr. Suryya Kumar Som:** Is there any provision for return ticket system on the M. B. Branch of the Assam Bengal Railway? If not, are Government prepared to introduce the same without delay?

**Mr. P. E. Rau:** From the current time table it appears that a large number of return tickets are issued over the Assam Bengal Railway including the Mymensingh Bhairab Bazar Branch. The second part of the question does not arise.

**ACCOMMODATION FOR INTERMEDIATE CLASS PASSENGERS ON THE ASSAM BENGAL AND EASTERN BENGAL RAILWAYS.**

1299. \***Mr. Suryya Kumar Som:** (a) Are Government aware that accommodation for the intermediate class passengers on the Assam Bengal Railway and Eastern Bengal Railway is very limited and is quite insufficient for the number of passengers travelling with intermediate class tickets, and that many persons have to travel in the third class compartment for want of space?

(b) Are the passengers entitled to occupy the immediate upper class compartment when there is no space in the compartment for which they hold tickets?

(c) Are Government prepared to arrange for the return in cash of the excess fare to the passenger who is compelled to travel in a lower class for want of accommodation in the class for which the ticket is held? If not, why not?

**Mr. P. E. Rau:** (a) Government have no information, but I am bringing the Honourable Member's question to the notice of the Agents of Assam Bengal and Eastern Bengal Railways for consideration.

(b) Not unless they pay the difference in fare.

(c) A refund of the difference in fares is made by the Administration provided the guard's certificate is produced to show that the guard was informed before the commencement of the journey. I presume, however, my Honourable friend's suggestion is that a refund of the difference in fares should be made immediately either during the course of the journey or at destination. Government consider that such an arrangement is likely to lead to serious abuses arising.

**Prof. N. G. Ranga:** Are Government considering any reduction in third class and intermediate class fares on these particular railways, namely, the Assam Bengal and Eastern Bengal Railways?

**Mr. P. E. Rau:** I have seen no such proposals.

**AMOUNT BORROWED BY THE BOMBAY GOVERNMENT FOR THE SUKKUR BARRAGE.**

1300. \*Seth Haji Abdoola Haroon: (a) With reference to the statement laid on the table in reply of my question No. 542 of the current session will Government please state what amount was borrowed by Bombay Government for the Sukkur Barrage in each year, from 1921-22 to 1931-32?

(b) Will Government please state whether they are charging interest as per their statement up to 1933-34?

(c) If the reply to part (b) be in the affirmative, will Government please state on what basis they are charging such high rate of interest on the Sukkur Barrage project?

**The Honourable Sir James Grigg:** (a) A statement is laid on the table.

(b). Yes.

(c) The rates are based on the cost of borrowing by the Government of India during the years in question. As already stated by me in reply to the Honourable Member's question No. 542, the full benefit of the conversion operations of the Government of India has been passed on to the Provincial Government. The benefit of future conversions will similarly be passed on.

*The amounts borrowed by the Government of Bombay for the Lloyd Barrage Project during the years 1921-22 to 1931-32 are as follows:*

	Rs.
1921-22 . . . . .	81,43,529
1922-23 . . . . .	38,14,410
1923-24 . . . . .	38,89,245
1924-25 . . . . .	68,42,542
1925-26 . . . . .	2,52,85,000
1926-27 . . . . .	99,45,000
1927-28 . . . . .	1,72,24,000
1928-29 . . . . .	3,01,54,000
1929-30 . . . . .	3,21,57,000
1930-31 . . . . .	3,44,10,000
1931-32 . . . . .	3,08,76,000

**Seth Haji Abdoola Haroon:** Are Government aware how much the Bombay Government is charging as interest on account of the Sukkur Barrage?

**The Honourable Sir James Grigg:** No, Sir. I am not aware of that without notice. If the Honourable Member will put down a question, I will look into it.

**Seth Haji Abdoola Haroon:** Is it a fact that in the case of the money borrowed, say, in 1921, 1922, 1923 and 1924 the interest rates were very high at that time, and those loans have been already paid up by the Government of India; and today, the Government of India are borrowing at cheap rates of interest. That being so, do Government consider the desirability that, according to the present rate of interest, they should charge a special low rate of interest with regard to the barrage loans?

**The Honourable Sir James Grigg:** If the loans of any particular year, out of which money was advanced to the Bombay Government, have been completely paid off and replaced at a lower rate of interest, the full benefit has been given to the Bombay Government; but in some cases the loans outstanding from these years have only been partially repaid, and therefore the adjustment of interest has been only partial. As regards the Honourable Member's question which he asked a little while ago and in reply to which I said I would look into it, I may inform him that the Bombay Government charges to the barrage precisely the same rate as the Government of India charges it.

**ROADS IN THE SUKKUR BARRAGE AREA.**

1301. **\*Seth Haji Abdoola Haroon:** (a) Is it a fact that the Government of India sent an expert Road Engineer in Sind to survey the Sukkur Barrage area? What is the condition of roads in that area?

(b) If the reply to the first part of (a) above be in the affirmative, did the Road Engineer submit his report? If so, will that report be circulated to the Members of this House? If so, when?

(c) Have Government made any decision on that report? If so, what?

(d) Are Government aware that on account of paucity of roads, or shortage of roads, in the Sukkur Barrage area zamindars are experiencing difficulty, as they have to undergo high charges for carting or sending on camel-back, their produce to the market, and are unable to pay the land revenue? If so, are Government prepared to do something to overcome their difficulty and commence to construct the roads?

**The Honourable Sir Frank Noyce:** (a) Yes. The condition of roads is defective.

(b) Copies of the report on Road Development in Sind by Mr. S. G. Stubbs, O.B.E., I.S.E., have been placed in the Library.

(c) No. Government have examined the Report and have also sent copies to the Local Government for examination. They have invited the views of the Local Government thereon.

(d) I am not prepared to accept the Honourable Member's suggestions in their entirety, but roads in Sind are undoubtedly inadequate, and it is for that reason that the Government of India defrayed the cost of the special investigation. The proposals in the Report referred to are intended to reduce the cost of transport for agricultural marketing.

**Mr. Lalchand Navakral:** May I know from the Honourable Member whether, in view of the recommendation of Mr. Stubbs that in view of the condition of the roads being bad, preliminary steps should be taken to appoint a Secretary to begin with the work, Government are going to do that soon?

**The Honourable Sir Frank Noyce:** As I have already explained to my Honourable friend, Government have sent copies of the report to Local Government for examination. They must await their views before they decide what steps should next be taken.

**Seth Haji Abdoola Haroon:** Is it a fact that this report was submitted about six to eight months ago, and that still the Bombay Government have not come to any decision yet?

**The Honourable Sir Frank Noyce:** I am not quite sure when the report was submitted, but I may explain to my Honourable friend for his information that as soon as we got it, we had it examined and we have sent our own comments to the Local Government in order to facilitate their examination of the report. More than that, we could not do.

**Seth Haji Abdoola Haroon:** Are Government prepared to advise the Road Board Committee at Delhi that, since we have sanctioned about Rs. 40 lakhs for the Road Board Committee from excess revenue, they should spend more money on these bad roads in Sind?

**The Honourable Sir Frank Noyce:** No, Sir. Our attitude towards the roads in Sind is that we must know the views of the Local Government before we decide what steps should next be taken. The roads in Sind are a special problem, and that problem probably requires special treatment, until we know exactly what it is, we cannot say what expenditure on road development in Sind should be incurred; but I need hardly assure my Honourable friend that the subject of road development on suitable lines there will receive our sympathetic consideration.

**Mr. Lalchand Navalrai:** Will the Honourable Member expedite the report being made by the Bombay Government?

**The Honourable Sir Frank Noyce:** I cannot do that. I am quite prepared to ask them to hurry it up, but I cannot bring any more pressure than that.

**Mr. Lalchand Navalrai:** Thank you.

**Seth Haji Abdoola Haroon:** Is the Honourable Member prepared, when they distribute the amount of Rs. 40 lakhs to the Bombay Government, to advise them that out of this money they must spend more money on Sind than in other parts of the Bombay Presidency?

**The Honourable Sir Frank Noyce:** We know, Sir, that more money will have to be spent on road development in Sind. We cannot say what the most suitable method of meeting that expenditure will be until we know more exactly the extent and nature of the problem. As soon as we know that, we will see how best it can be solved. I really am not in a position to say more than that when we know the nature of the problem, we will see how the necessary funds can best be found.

**Seth Haji Abdoola Haroon:** Is the Honourable Member aware that the Government of India advanced about Rs. 26 crores for the Sukkur Barrage, and that if the roads are not constructed properly there, the Sukkur Barrage might become a failure, and that that amount the Government of India might not get back?



**The Honourable Sir Frank Noyce:** I cannot usefully add to what I have already said. We do know that this is a very important problem and we are giving it and shall continue to give it our most serious consideration. We know that roads are a vital necessity for the proper development of the Sukkur Barrage and we shall take action accordingly.

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

**FILES AND RECORDS OF THE OFFICE OF THE CENTRAL BOARD OF REVENUE FOUND MISSING.**

**1302. \*Seth Haji Abdoola Haroon:** (a) Is it a fact that during the last Simla season a number of files and records belonging to the office of the Central Board of Revenue were found missing?

(b) Is it a fact that the Simla Police took up investigations about the missing files and records?

(c) Is it a fact that during enquiries the case was withdrawn from the Police? If so, by whom and why?

(d) Is it a fact that besides the loss of files the following thefts were also committed in the Board's office:

(i) members of the Boards lost some of their personal articles left in their rooms in the Board's office;

(ii) one of the members of the Board lost his fountain pen in the Board's office;

(iii) one of the members of the Board lost a large sum of cash left in his room in the Board's office; and

(iv) some of the liveries, or similar other property were misappropriated by one of the *daftries* of the Board's office?

(e) Are Government prepared to send for the report of the police or the Superintendent of Police and lay it on the table?

**Mr. A. H. Lloyd:** (a) Yes.

(b) Yes.

(c) Yes. The Board withdrew the case from the Police as it was decided to conduct a departmental enquiry in the matter.

(d) (i). Yes.

(d) (ii). Yes.

(d) (iii). Yes.

(d) (iv). No. A *daftry* of the Central Board of Revenue omitted, on the return from leave of a certain inferior servant of that office, to issue to him certain articles of uniform which were due to be issued to him. This charge is not regarded as a very serious one.

(e) No.

**CADETS SELECTED FOR ENTRY INTO THE TRAINING SHIP "DUFFERIN" FROM THE SHIP'S ESTABLISHMENT.**

**1303. \*Mr. B. Das:** Will Government be pleased to state:

(a) the number of cadets selected for entry into the Training Ship "Dufferin" from the ship's establishment up to date, year by year;

- (b) the number of cadets who passed the final examination, year by year;
- (c) the number of cadets who were taken up as apprentices, year after year, giving separate figures of the cadets taken up as apprentices by different Shipping Companies, year after year;
- (d) the number of apprentices thus taken up as mentioned in part (c) above who obtained their certificate of competency as second mate;
- (e) the number of cadets, thus obtaining their certificate of competency as second mate, who found employment:
- (i) in the Bengal Pilot Service,
  - (ii) in Indian shipping companies, giving separately the number of cadets employed by each Indian Company, together with the number and tonnage of the vessels of that shipping company engaged in the coastal trade,
  - (iii) in the British shipping companies, giving separate figures of the number of cadets employed as officers by each of the British shipping companies together with the number and tonnage of the steamers of that Company engaged in the coastal trade, and
  - (iv) in the service of the Port Trusts in India?

**The Honourable Sir Joseph Bore:** Sir, I beg to lay on the table a statement giving the information required. As regards the latter portions of part (e) (ii) and (iii) of the question I would refer the Honourable Member to the reply given on 29th March, 1935, to Mr. Satyamurti's question No. 1199.

*Statement showing the number of cadets admitted to, and passed out from the Indian Mercantile Marine Training Ship "Dufferin", Bombay, since its establishment, and their employment as apprentices and officers in the service of the British and Indian Shipping Companies and Port Trusts, etc.*

(a) June, 1927 . . . . .				80
January, 1929 . . . . .				35
January, 1930 . . . . .				33
January, 1931 . . . . .				33
January, 1932 . . . . .				33
January, 1933 . . . . .				33
January, 1934 . . . . .				33
January, 1935 . . . . .				50
			Total	280
(b) Passed Final Examination, 1930 . . . . .	17	Sea time only		10
1931 . . . . .	29	" " "		5
1932 . . . . .	25	" " "		4
1933 . . . . .	29	" " "		4
1934 . . . . .	20	" " "		6
Total	120	" " "		29

*Sea time only* implies a failure in a non-technical subject but admits of the training on the "Dufferin" as qualifying for apprenticeship at sea.

(c) *Apprentices*—

British Shipping Companies.

	1930.	1931.	1932.	1933.	1934.
British India Steam Navigation Co. . . . .	8	7	7	8	5
P. & O. Steam Navigation Co. . . . .	2	2	2	2	2
Asiatic Steam Navigation Co. . . . .	2	2	1	2	2
Mogul Line . . . . .	1	2	3	2	2
Nourse Line . . . . .	0	2	2	0	2
Burma Oil Company . . . . .	0	2	0	0	2
<b>Total</b> . . . . .	<b>13</b>	<b>17</b>	<b>15</b>	<b>14</b>	<b>15</b>

Total number of cadets taken up as apprentices by British Companies . . . . . 74.

Indian Shipping Companies.

Scindia Steam Navigation Co. . . . .	6	7	7	8	6
Cowasjee Dinshaw . . . . .	1	1	1	0	1
Bombay Steam Navigation Co. . . . .	0	1	1	0	0
<b>Total</b> . . . . .	<b>9</b>	<b>9</b>	<b>9</b>	<b>8</b>	<b>7</b>

Add one cadet engaged by Eastern Steam Navigation Co. as junior uncertified officer on coast after 5th term on "Dufferin" in 1931 . . . . . 1

Total number of cadets taken up as apprentices by Indian Companies . . . . . 43

Number of cadets taken as apprentices by the British and Indian Companies combined:

Total 1930 . . . . .	22
" 1931 . . . . .	27
" 1932 . . . . .	24
" 1933 . . . . .	22
" 1934 . . . . .	22
<b>Grand Total</b> . . . . .	<b>117</b>

(d) Out of 22 cadets who went to sea in 1930 as apprentices, 21 completed their sea time and passed for 2nd Mate in 1933 and 1934.

Out of the 26 who went to sea in 1931, with one or two exceptions, all have just completed their sea time and 25 have taken or are about to take their examination. Information to date shows that 14 have passed for 2nd Mate.

(e) Number of cadets holding certificates of competency as 2nd Mate who found employment in—

(i) Bengal Pilot Service . . . . .	7
(ii) Indian Shipping companies—	
Scindia Steam Navigation Co. . . . .	11
Eastern Steam Navigation Co. . . . .	1
(iii) British Shipping companies—	
British India Steam Navigation Co. . . . .	2
Asiatic Steam Navigation Co. . . . .	2
(iv) Port Trusts in India—	
Calcutta Port Commissioners . . . . .	1

**Mr. B. Das:** May I inquire, Sir, whether the Honourable Member feels satisfied that the employment of the "Dufferin" trained candidates in the shipping companies is satisfactory?

**The Honourable Sir Joseph Bhore:** I think I told the House the other day that, to the best of my recollection, until last year all fully qualified *ex-“Dufferin”* candidates had succeeded in getting employment.

**Mr. T. S. Avinashilingam Chettiar:** Have they got an employment which will suit their qualifications?

**The Honourable Sir Joseph Bhore:** I think so.

RECOMMENDATIONS OF THE INDIAN MERCANTILE MARINE COMMITTEE  
REGARDING EMPLOYMENT OF CADETS COMING OUT OF THE TRAINING  
SHIP “DUFFERIN”.

1304. **\*Mr. B. Das:** (a) Will Government be pleased to state whether the Indian Mercantile Marine Committee recommended that it should be made obligatory on the shipping companies engaged in the coastal trade to employ at least 50 per cent. of the cadets coming out of the Training Ship “Dufferin” and obtaining their certificate of competency as Second Mate as Officers on the steamers of the said companies?

(b) If the answer to part (a) be in the affirmative, will Government be pleased to state whether it will be possible for them to carry out the above recommendation of the Indian Mercantile Marine Committee in view of paragraph 354 of the Joint Parliamentary Committee Report?

(c) If the answer to part (b) be in the negative, will Government be pleased to state the steps that they propose to take in case the cadets coming out of the Training Ship “Dufferin” and obtaining their certificate of competency as Second Mate do not find employment as officers?

**The Honourable Sir Joseph Bhore:** Sir, I would refer the Honourable Member to the reply given on the 28th March, 1935, to Pandit Govind Ballabh Pant's question No. 1129.

APPORTIONMENT OF WATER IN THE TUNGABHADRA RIVER BETWEEN  
MADRAS, MYSORE AND HYDERABAD GOVERNMENTS.

1305. **\*Mr. C. N. Muthuranga Mudaliar:** (a) Will Government be pleased to state whether it is a fact that the Madras Government have requested the Government of India to appoint a Commission to go into the question of apportionment of water in Tungabhadra river between Madras, Mysore, and Hyderabad Governments?

(b) Has such a Commission been appointed? If not, when do Government propose to appoint one?

**The Honourable Sir Frank Noyce:** (a) Yes. The Government of Bombay are also concerned.

(b) The matter is under consideration. The reference from the Government of Madras was received in February last, and I need hardly say that it will be necessary to consult the other Government concerned before coming to a decision.

**Prof. N. G. Ranga:** Have the concerned Governments, namely, the Governments of Mysore and Hyderabad, been addressed with regard to this matter?

**The Honourable Sir Frank Noyce:** Obviously, the Governments of Madras and Mysore and Hyderabad already know all about it. As I said, the Government of Bombay are also concerned but to the best of my knowledge they have not yet been addressed. The examination of the letter from the Madras Government is proceeding.

**Prof. N. G. Ranga:** How long will the Government of India take to complete the consideration of this letter from the Madras Government and then address the Governments concerned?

**The Honourable Sir Frank Noyce:** That, Sir, I cannot say. The question is a very difficult one, and as the Honourable Member is fully aware, we have, for the last two and a half months, been very fully occupied with the business of this House.

**QUANTITY OF GOLD PLEDGED IN THE IMPERIAL BANK OF INDIA BRANCHES AT CUDDAPAH, NANDYAL AND BELLARY BY THE PEOPLE OF THOSE PLACES.**

1306. \***Mr. C. N. Muthuranga Mudaliar:** Will Government be pleased to state:

- (a) the quantity of gold pledged in the Imperial Bank of India Branches at Cuddapah, Nandyal and Bellary by the people of those places for the past five years; and
- (b) the quantity of gold sold to the bank out of the mortgaged gold?

**The Honourable Sir James Grigg:** (a) and (b). Government have no information.

**Prof. N. G. Ranga:** Will Government call for this information?

**The Honourable Sir James Grigg:** No, Sir.

**Prof. N. G. Ranga:** Why, Sir?

**The Honourable Sir James Grigg:** That is a matter for debate.

**ENQUIRY INTO THE IMPORTATION OF RICE INTO THE MADRAS PRESIDENCY.**

1307. \***Mr. C. N. Muthuranga Mudaliar:** Will Government be pleased to state:

- (a) whether an officer has been deputed by the Government of India to enquire into the importation of rice into the Madras Presidency;
- (b) whether the said officer has submitted his report;
- (c) what are the main recommendations of the officer in that report;

(d) whether they are prepared to place the report on the table of this House; and

(e) what action they propose to take on the report?

**Mr. G. S. Bajpai:** (a) The Statistician to the Imperial Council of Agricultural Research was deputed in July, 1984, to obtain certain information regarding the prices of various grades of rice in the Madras Presidency.

(b) Yes.

(c) The investigation was purely exploratory and the officer was not required to make any recommendations.

(d) The report was not prepared in a form that would lend itself to publication.

(e) I would invite the Honourable Member's attention to the Bill to amend the Indian Tariff Act, 1934, which was introduced by the Honourable the Commerce Member on the 13th of March.

**Prof. N. G. Ranga:** Are Government aware that an enormous quantity of Siamese rice has been imported into this country during the last month?

**Mr. G. S. Bajpai:** No, Sir, I am not aware of that.

**Dr. T. S. S. Rajan:** Is it not a fact that there has been a considerable increase in the paddy that has been imported during the last fortnight?

**Mr. G. S. Bajpai:** I have not seen the figure for the last fortnight. I am sorry.

#### ADEQUATE PARTICIPATION OF SHIPPING, OWNED, CONTROLLED, AND MANAGED BY INDIANS IN THE COASTAL AND THE OVERSEAS TRADE OF INDIA.

1308. **\*Mr. N. V. Gadgil:** (a) Will Government be pleased to state if it is their policy to provide for an adequate participation of shipping, owned, controlled and managed by Indians in the coastal and the overseas trade of India, and is it a fact that that Government declared in a communiqué issued on the 6th January, 1980, that the responsibility for the development of such Indian shipping rested on Government themselves?

(b) If the answer to part (a) be in the affirmative, will Government be pleased to state what is the Indian and non-Indian tonnage engaged in the coastal trade of India, and whether they consider the employment of such Indian tonnage as adequate participation of Indian shipping in the coastal trade of this country?

(c) Will Government be pleased further to state the tonnage owned, controlled and managed by Indians engaged in the overseas trade of India and whether Government consider that the engagement of such tonnage in the overseas trade as an adequate participation of Indian shipping in the overseas trade of this country?

(d) If the answer to part (b) be in the negative, will Government be pleased to state what steps they propose to take to see that there is an adequate participation of Indian shipping in the coastal trade of India?

(e) If the answer to part (c) be in the negative, will Government be pleased to state what steps they propose to take to see that there is an adequate participation of Indian shipping in the overseas trade of India?

**The Honourable Sir Joseph Bhoré:** (a) Yes.

(b) and (c). Information regarding the exact amount of Indian and non-Indian tonnage engaged in the coastal and overseas trade of India is being collected and will be laid on the table in due course.

(d) and (e). I would refer the Honourable Member to the answers given by me on the 27th February last to the supplementary questions asked in connection with question No. 682 by Mr. N. V. Gadgil.

**Mr. S. Satyamurti:** Is there any step which the Government are now contemplating with regard to the increase of the participation by Indian shipping in the coastal trade of India?

**The Honourable Sir Joseph Bhoré:** I think I made it clear to the House that quite recently the Government of India had intervened in this matter and secured further participation in the coastal trade for Indian shipping. At the present moment, there is no further action contemplated by them.

**Mr. N. V. Gadgil:** Does the Honourable Member know that only last Saturday Mr. Walchand Hirachand issued a statement that his Company, namely, the India Steam Navigation Company, accepted the arrangement as there was no alternative to it?

**The Honourable Sir Joseph Bhoré:** I am not concerned with what Mr. Walchand Hirachand says.

**Mr. S. Satyamurti:** May I ask, Sir, the Honourable Member if the percentage of the tonnage of Indian shipping is not roughly about 21 per cent., to his knowledge?

**The Honourable Sir Joseph Bhoré:** I should not like to commit myself until the figures are definitely placed before me.

**Mr. S. Satyamurti:** Is the Honourable Member satisfied with the percentage?

**The Honourable Sir Joseph Bhoré:** My Honourable friend must realise that, in a matter of this description, it is unavoidable that progress should be slow. He cannot, in a moment's time or within the space of a few years, expect a complete turnover from British-owned to Indian-owned shipping. Progress must be slow, and my Honourable friend must possess his soul in patience.

**Mr. S. Satyamurti:** How long does the Honourable the Commerce Member expect us to possess our souls in patience, till we get, say, 50 per cent. of the coastal trade for our shipping companies?

**The Honourable Sir Joseph Bhoré:** The Honourable the Commerce Member is quite satisfied that there has been definite and regular progress within the past few years.

**Mr. S. Satyamurti:** Is there any guarantee for future progress?

**The Honourable Sir Joseph Bhoré:** I can guarantee nothing for the future.

**Dr. Ziauddin Ahmad:** What is the rate of progress by which we can calculate?

**The Honourable Sir Joseph Bhoré:** The rate of progress is to be judged by the commonsense of the individual.

**Mr. S. Satyamurti:** Which individual, Sir?

**The Honourable Sir Joseph Bhoré:** Those individuals who possess commonsense.

#### RECOMMENDATIONS OF THE ROYAL COMMISSION ON AGRICULTURE.

1309. **\*Mr. Ram Narayan Singh:** Will Government be pleased to state whether they have given effect to the recommendations of the Royal Commission on Agriculture and if so, to what extent, with what result and in which part of the country?

**Mr. G. S. Bajpai:** Attention of the Honourable Member is invited to the four reports, issued by Government, showing the progress made in giving effect to the recommendations of the Royal Commission on Agriculture in India. Copies of these reports are available in the Library of the House.

**Prof. N. G. Ranga:** Will these reports be made available to the Members of this House?

**Mr. G. S. Bajpai:** They are already available to the Members of the House in the Library of the House.

**Prof. N. G. Ranga:** Will they be supplied to us?

**Mr. G. S. Bajpai:** If any individual Member applies to me for a copy, I will try to meet his wishes.

**Prof. N. G. Ranga:** Is it not a fact that the Royal Commission on Agriculture has suggested the undertaking of a Rural Insolvency Act, and I would like to know what action Government have taken in this behalf?

**Mr. G. S. Bajpai:** My Honourable friend cannot reasonably expect me to answer that question without previous notice.



**EXPENDITURE INCURRED BY GOVERNMENT IN RESPECT OF THE INDIAN LAC CESS COMMITTEE AND OF THE INDIAN LAC RESEARCH INSTITUTE.**

1310. \***Mr. Ram Narayan Singh:** (a) What is the total expenditure hitherto incurred by Government in respect of the Indian Lac Cess Committee and of the Indian Lac Research Institute?

(b) What is the actual benefit hitherto obtained by the Indian lac cultivators from the activities of the said committee and lac institute?

**Mr. G. S. Bajpai:** (a) None. The expenditure is met from the Indian Lac Cess funds which are derived from a cess on exports of lac and refuse lac.

(b) The attention of the Honourable Member is invited to the publication of the Institute entitled 'Lac and Indian Lac Research Institute', a copy of which is available in the Library of the House.

**CONVERSIONS FROM ONE FAITH TO ANOTHER FOR SECURING GOVERNMENT SERVICE.**

1311. \***Dr. N. B. Khare:** (a) Is it a fact that a student in the Thompson Civil Engineering College, Roorkee, secured admission to that college after being converted from Hinduism to Sikhism, and secured an appointment in the superior service being considered a member of a minority community?

(b) Have such instances of conversions from one faith to another for securing Government service been brought to the notice of the Home Department by the Public Service Commission? If so, what action has the Home Department taken in this matter?

(c) Will the Home Department kindly submit these cases of conversion from one religion to another for the sake of service, for the information of this House?

(d) Is it not a fact that the attitude of Government in this matter is contrary to their policy of neutrality in religious matters?

**The Honourable Sir Henry Craik:** (a) No such case can be traced.

(b) Yes. The practice has been (1) to take no account of a change of religion or a changed declaration of religion occurring after an examination has commenced for the purpose of deciding whether the person in question is eligible on the results of that examination for an appointment reserved for minority communities; and (2) when a candidate's religion is doubtful, to take the advice of the District Magistrate, or Deputy Commissioner concerned. The question as to what procedure should be followed in such cases in future is under consideration.

(c) I lay on the table a list of doubtful cases of conversion dealt with by the Public Service Commission in accordance with the above practice.

(d) No.

*List of doubtful cases of conversion dealt with by the Public Service Commission.*

Candidate.	Religion to which the candidate claimed or intended to be converted.	Examination at which the candidate appeared or intended to appear.	Action taken (if any).
1. A. B.	Sikhism	Superior Telegraph Engineering and Wireless Branches of the Posts and Telegraphs Department, 1933.	His claim to Sikhism was rejected by the Government of India on advice of the Commissioner, Deputy Commissioner, Lyallpur, and the Government of the Punjab.
2. C. D.	Sikhism	Ministerial Service, 1933	Final orders were not passed as he did not attain a sufficiently high rank in the examination to make his appointment likely.
3. E. F.	Sikhism	Do.	His claim was accepted on the recommendation of the Deputy Commissioner, Lahore.
4. G. H.	Sikhism	Do.	His claim was rejected.
5. I. J.	Sikhism	Indian Civil Service and Indian Police Service, 1931.	Final orders were not passed as the occasion to recommend him for appointment did not arise.
6. K. L.	Sikhism	Ministerial Service, 1931	His claim was rejected in accordance with Government of India's ruling that no account should be taken of a change of religion or a changed declaration of religion occurring after an examination had commenced.
7. M. N.	Christianity	No examination (it was a hypothetical inquiry).	He was informed as in Government of India's ruling quoted in No. 6 above.
8. O. P.	Any religion of a minority community.	Indian Railway Service of Engineers, etc., 1931.	Do.
9. Q. R.	Mohamedanism	Do.	Do.

**WOMEN'S MEDICAL SERVICE.**

1312. \*Dr. N. B. Khare: (a) Will Government please state (i) how the Women's Medical Service was created, and (ii) under what statute the recruitment to that service is made?

(b) Is the Women's Medical Service analogous to the Indian Medical Service, and are women doctors in this service held eligible to go on war service, if necessary, like the Indian Medical Service officers?

(c) Will Government please state the names of women doctors, European, Anglo-Indian and Indian, recruited in the Women's Medical Service since its inception to the present date, with their pay and allowances, and the institutions to which they are attached?

**Mr. G. S. Bajpal:** (a) The service was created in 1913 as part of the Countess of Dufferin's Fund, with the help of a recurring grant made by the Government of India. The service is regulated, as to recruitment and other conditions, by the General Rules and Regulations of the Council of the Fund which are available in the Library of the House.

(b) No.

(c) Government regret that the information, for a period covering more than 20 years, is not readily available. Information regarding officers employed at present is laid on the table. As regards pay and allowances, Honourable Member's attention is invited to rule 8 of the rules referred to in the reply to part (a).

*Statement.*

List of Doctors in the Women's Medical Service in 1935 and the posts held by them.

Name of Doctor.	Nationality.	Post.
1. Dr. Naoroji . . .	Indian . . .	Medical Officer-in-Charge, Zenana Hospital, Bhuj, Cutch. (Secounded.)
2. Dr. M. V. Webb . . .	British . . .	Chief Medical Officer, Women's Medical Service.
3. Dr. H. M. Franklin . . .	Do. . . .	Professor of Surgery, Lady Hardinge Medical College, New Delhi.
4. Dr. C. L. Houlton . . .	Do. . . .	Principal, Lady Hardinge Medical College, New Delhi.
5. Dr. M. C. Murphey . . .	Anglo-Indian . . .	Senior Medical Officer, Women's Medical Service, U. P., and Assistant to Inspector General of Civil Hospitals. (Secounded.)
6. Dr. D. Kamalakar . . .	Indian . . .	Medical Superintendent, Lady Hardinge Hospital, Jubbulpore.
7. Dr. Hamilton-Browne . . .	British . . .	Medical Superintendent, Dufferin Hospital, Karachi.
8. Dr. H. Lazarus . . .	Indian . . .	Medical Superintendent and Principal, Victoria Hospital and Lady Willingdon Medical School, Madras, (Secounded.)
9. Dr. G. Stapleton . . .	British . . .	On leave.
10. Dr. G. Brindley . . .	Do. . . .	On leave.
11. Dr. deMenezes . . .	Indian . . .	Medical Superintendent, Dufferin Hospital, Nangpur, C. P.
12. Dr. Keess . . .	Anglo-Indian . . .	On leave.
13. Dr. R. Young . . .	British . . .	Director, Maternity and Child Welfare Bureau, Red Cross Society, (Secounded.)
14. Dr. A. R. H. Greig . . .	Do. . . .	On leave.
15. Dr. D. Bolton . . .	Anglo-Indian . . .	Municipal Zenana Hospital, Peshawar.
16. Dr. N. R. Mucadam . . .	Indian . . .	Medical Superintendent, Lady Elgin Hospital, Jubbulpore.
17. Dr. G. P. Patel . . .	Do. . . .	Medical Superintendent, Lady Reading Hospital, Simla.
18. Dr. L. Ghosh . . .	Do. . . .	Professor of Pathology, Lady Hardinge Medical College, New Delhi.
19. Dr. R. E. Roulston-Mitton.	British . . .	On leave.

Name of Doctor.	Nationality.	Post.
20. Dr. L. Torrance-Allen	British	Medical Superintendent, Dufferin Hospital, Calcutta.
21. Dr. Dodhi	Indian	Medical Superintendent, Lady Elgin Hospital, Gaya.
22. Dr. E. Wingate	British	Medical Superintendent, Zenana Hospital, Jaipur. (Secounded.)
23. Dr. Alankaram	Indian	R. M. O., Lady Reading Hospital, Simla.
24. Dr. Reuben	Do.	Offg. Medical Superintendent, Women's Hospital, Chhindwara.
25. Dr. Singham	Do.	On leave.
26. Dr. McDermott	Anglo-Indian	Professor of Anatomy, Lady Hardinge Medical College, New Delhi.
27. Dr. U. Morton	Do.	Principal, Women's Medical School, Agra. (Secounded.)
28. Dr. H. Acheson	British	Medical Superintendent, Lady Aitchison Hospital, Lahore.
29. Dr. Proctor-Sims	Do.	Medical Superintendent, Lady Sandeman Hospital, Quetta.
30. Dr. G. Alphonso	Anglo-Indian	Medical Superintendent, Dufferin Hospital, Cawnpore.
31. Dr. D. P. Bali	Indian	On leave.
32. Dr. C. Wischam	Anglo-Burmese	On leave.
33. Dr. I. Callender	British	On leave.
34. Dr. J. Orkney	Do.	All-India School of Hygiene, Calcutta.
35. Dr. Pichamuthu	Indian	Medical Superintendent, Women's Hospital, Vizagapatam.
36. Dr. S. Matthew	Do.	Medical Superintendent, S. M. V. Hospital, Surat.
37. Dr. Neal-Edwards	British	Lecturer in Surgery, Women's Medical School, Agra.
38. Dr. P. V. L. Epps	Do.	Professor of Medicine, Lady Hardinge Medical College, New Delhi.
39. Dr. H. Herbert	Do.	Medical Superintendent, Dufferin Hospital, Allahabad.
40. Dr. J. Thomson	Do.	Professor of Midwifery, Lady Hardinge Medical College, New Delhi.
41. Dr. M. Nolan	British	Medical Superintendent, Dufferin Hospital, Benares.
42. Dr. S. Shrikhande	Indian	Clinical Pathologist, Lady Hardinge Medical College, New Delhi.
43. Dr. L. Arratoon	Armenian	Resident Medical Officer, Dufferin Hospital, Calcutta.
44. Dr. H. Keane	Anglo-Indian	Medical Superintendent, Victoria Zenana Hospital, Delhi.
45. Dr. D'Abreu	Do.	Medical Superintendent, Dufferin Hospital, Amraoti.
46. Dr. K. Ghosh	Indian	Lecturer on Ophthalmology, Lady Hardinge Medical College, New Delhi.
47. Dr. D'Monte	Do.	Municipal Zenana Hospital, Dera Ismail Khan.
48. Dr. H. B. Patil	Do.	Lecturer in Pathology, Women's Medical School, Agra.
49. Dr. B. N. Joly	British	Lecturer in Medicine, Women's Medical School, Agra.
50. Dr. Hulke	Do.	Medical Superintendent, Dufferin Hospital, Lucknow.

**Dr. T. S. S. Rajan:** Is it a fact that a large number of missionary women doctors have been recruited for this service?

**Mr. G. S. Bajpai:** I can inform my Honourable friend what the racial proportions in the service are. I am not in a position to say how many of the persons have been missionaries in the past. I do not know that.

**Mr. N. M. Joshi:** May I ask what control do Government have over this service?

**Mr. G. S. Bajpai:** Government have no control over this service. The service is recruited and maintained by the Countess of Dufferin Fund which is an Association registered under Act XXI of 1860.

**Mr. N. M. Joshi:** May I ask whether the Government give grants for this Indian Medical Service?

**Mr. G. S. Bajpai:** That is perfectly true. Government do give a grant of roughly Rs. 3 lakhs 70 thousand a year.

**Mr. N. M. Joshi:** In view of the fact that Government are spending more than three lakhs on the service, will they consider the question of bringing this service under their own control?

**Mr. G. S. Bajpai:** We will consider that suggestion.

**Mr. T. S. Avinashlingam Chettiar:** Will Government consider the advisability of reserving half the number of posts for Indians?

**Mr. G. S. Bajpai:** If my Honourable friend were to look at the position of the service, he will find that the demand has not only been acceded to, but exceeded.

#### ELECTION OF A MEMBER TO THE STANDING COMMITTEE ON PILGRIMAGE TO THE HEDJAZ.

**Mr. G. S. Bajpai** (Secretary, Department of Education, Health and 12 Noon. Lands): Sir, I beg to move:

"That this Assembly do proceed to elect in such manner as the Honourable the President may direct, one Muslim Member to sit on the Standing Committee on Pilgrimage to the Hedjaz in the vacancy caused by the death of Mr. T. A. K. Sherwani."

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

"That this Assembly do proceed to elect in such manner as the Honourable the President may direct, one Muslim Member to sit on the Standing Committee on Pilgrimage to the Hedjaz in the vacancy caused by the death of Mr. T. A. K. Sherwani."

The motion was adopted.

**Mr. President** (The Honourable Sir Abdur Bahim): I may inform Honourable Members that, for the purpose of election of a Member to the Standing Committee on Pilgrimage to the Hedjaz, the Notice Office will be open to receive nominations up to 12 Noon on Wednesday, the 3rd April, and that the election, if necessary, will, as usual, take place in the Secretary's Room on Friday, the 5th April, 1935, from 10-30 A.M. to 1 P.M. The election will be conducted in accordance with the principle of proportional representation by means of the single transferable vote.

#### THE CANTONMENTS (AMENDMENT) BILL.

**Mr. G. R. F. Tottenham** (Army Secretary): Sir, I beg to move for leave to introduce a Bill further to amend the Cantonments Act, 1924, for certain purposes.

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

"That leave be granted to introduce a Bill further to amend the Cantonments Act, 1924, for certain purposes."

The motion was adopted.

**Mr. G. R. F. Tottenham**: I introduce the Bill.

#### THE INDIAN TEA CESS (AMENDMENT) BILL.

**The Honourable Sir Joseph Bhore** (Member for Commerce and Railways): Sir, I beg to move for leave to introduce a Bill further to amend the Indian Tea Cess Act, 1903, for a certain purpose.

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

"That leave be granted to introduce a Bill further to amend the Indian Tea Cess Act, 1903, for a certain purpose."

The motion was adopted.

**The Honourable Sir Joseph Bhore**: Sir, I introduce the Bill.

#### DECLARATION BY THE GOVERNOR GENERAL IN COUNCIL REGARDING THE CUSTOMS SUPPLEMENTARY DEMAND REFUSED BY THE LEGISLATIVE ASSEMBLY.

**The Honourable Sir James Grigg** (Finance Member): Sir, I lay on the table the Declaration by the Governor General in Council under section 67A(7) of the Government of India Act regarding the Customs Supplementary Demand refused by the Assembly as essential for the discharge of his responsibilities.

"In pursuance of Section 67A(7) of the Government of India Act, the Governor General in Council is pleased to declare that the Supplementary Demand of Rs. 11,01,000 which has been refused by the Legislative Assembly is essential to the discharge of his responsibilities."

(Signed) P. C. TALLENTS,

Secretary to the Government of India.

30th March, 1935.

1900  
THE INDIAN FINANCE BILL—contd. ✓

**Mr. President** (The Honourable Sir Abdur Rahim): The Indian Finance Bill will now be considered clause by clause. The question is:

“That clause 2 stand part of the Bill.”

**Seth Govind Das** (Central Provinces Hindi Divisions: Non-Muham-  
madan): Sir, I beg to move the amendment which stands in my name:

“That clause 2 of the Bill be omitted.”

Sir, the salt tax is very very old grievance of the people of this land, and even a moderate of moderates like the late Mr. Gokhale opposed this tax and fought for its abolition. As it is a very old grievance, no new arguments need be advanced in favour of its abolition or in favour of its retention. I shall, therefore, be very brief.

Sir, as far as the Congress is concerned, it is pledged for the removal of the salt tax. The Congress does not want this prime necessity of life to be taxed, and when indigenous salt is not taxed, there will be no need to levy a tax on imported salt, because our indigenous salt would be sold so cheap that outside salt will not be able to compete with it.

The principle on which the retention of this tax is advocated is that every person must pay some tax or other to the State. The Duke of Argyll was perhaps the first person who advocated this principle. It is said, that the tax on salt is the only tax which the poor people of this country have to pay. But the question is whether it is a fact that this is the only tax which the poor people of this country have to pay. In fact all the taxes, directly or indirectly, are paid by the poor people of this land. Who pays the land revenue? Not those big *zamindars* and *taluqdars* and *malguzars* who live in palatial buildings but those poor farmers and labourers who work in the field. Who pays most of the income-tax? Not those industrial magnates who live in big *kothis* or bungalows, but those poor workers who have to work in the factory. Sir, I have a personal experience of paying this land revenue and this income-tax. I belong to a family which used to pay, not thousands, but lakhs as land revenue and income-tax, and I know, Sir, that we are only middlemen. These taxes are paid through us, no doubt, but we do not pay them. In fact, the poor people have to pay these taxes. And then, Sir, the excise duty on sugar, the excise duty on matches, the excise duty on kerosene,—all these taxes are paid directly or indirectly by the poor people in this country. And what benefit does the poor man derive from this Government,—specially the poor man who lives in a broken hut or under the shade of a tree? This huge army is of no use to him, this highly paid Civil Service is of no use to him, these Courts are of no use to him; the whole administration is of no use to him. And yet he has to pay the tax on the salt which he eats with his dry bread. I say that a greater injustice than the salt tax is not possible in this poor country.

Sir, if the Government want to retain this tax, I shall support them on one condition, and that is that they should earmark this amount for the benefit of the people of this country. Let them earmark it for the poor people of this land; let the whole amount be spent on rural uplift, according to the suggestion of my Honourable friend, Nawab Sir Mehr Shah,

[Seth Govind Das.]

under the presidentship of Mahatma Gandhi; and then I at least shall support this tax. But, unless that is done, and so long as this money taken from every morsel of the poor man's bread is spent on the gluttony of the highly paid services, I or any Congressman can never support it.

Sir, as I said in the beginning salt is the prime necessity of life. Many eminent doctors in this country have said that one of the reasons for the poor physique of the people of this land is that they do not get sufficient salt to eat. Medical men say that at least 20 pounds of salt per head should be consumed every year, but I have seen figures of various provinces, and I can say that in some provinces not even ten pounds of salt is consumed per head every year. The reason is quite clear that for the poor people the price of salt is too high. It is said, Sir, that the amount which falls on every individual under this tax is so small that even the poorest cannot feel it. It is very well for those who get hundreds of rupees per day to advance this argument, but for a poor man who does not earn even two annas a day, the price at which salt is sold is too high. And if the poor do not feel it, will the Honourable the Finance Member tell me why it is that whenever this tax is reduced, the consumption of salt goes up, and whenever it is enhanced, the consumption comes down? Here, Sir, I shall give some figures to the Honourable the Finance Member. In the year 1902, the salt tax was Rs. 2-8-0 and the consumption was 3.2 crores of maunds. In 1903-04, when the tax was reduced to Rs. 2, the consumption rose to 3.82 and 3.97 crores of maunds. In 1906, when the tax was further reduced to Rs. 1-8-0 the consumption rose to 4.11 crores of maunds. In 1907-15, when the tax was brought down to Re. 1, the consumption grew to 4.27 and 5.22. Now, Sir, let it not be said that, because the population was increasing, therefore this consumption rose, because, in the next year, 1916, when the salt was again taxed at Rs. 1-4-0, the consumption immediately came down. This shows and proves to the hilt that whenever the salt tax is reduced, the consumption goes up, and whenever it is increased, the consumption goes down. The Taxation Inquiry Committee has accepted it. It said:

"It is usually the case that the consumption increases with the decrease in the duty."

Now, Sir, salt tax is not a proper tax and this is accepted even by eminent Englishmen, and I shall give some opinions here. The Bristol Chamber of Commerce once said:

"If it were necessary to abolish the salt tax at home, it appears that millions of Your Majesty's subjects in India have a much stronger claim in their case, wretchedly poor as they are and essentially necessary as salt is to their daily sustenance."

Sir James Westland, once the Finance Member of the Government of India, said:

"It is with the greatest reluctance that Government finds itself obliged to have recourse to the salt duty."

And the present Premier, Mr. MacDonald, once said:

"The salt tax has been long regarded as a blemish on our Indian fiscal system; the salt tax is exaction and oppression."



Then, another great injustice is that Government want to keep the monopoly of salt trade and at the same time want to tax it. Under the Gandhi-Irwin Pact, the concessions that were given in this respect to some people living near about the sea have also been withdrawn. And, then, how much do they tax it? Government accept that the cost of preparing salt per maund is not more than two annas, and the tax per maund is Rs. 1-4-0, which comes to about one thousand per cent. Will the Honourable the Finance Member tell me if there is any other commodity in the whole world which is being taxed at such an exorbitant rate?

Another wonder is that Government place the salt and liquor tax on the same basis,—salt which is the very nectar of life, and liquor which is poison for it. Up to the 1st April, 1924, salt and *abkari* formed one and the same department in every province. A Government which considers the salt tax and the liquor tax as the same kind of tax can never claim to be the trustees of any country.

Professor Fawcett once said that a man's right to eat salt must be as free as his right to breath air or to drink water. The whole fight for freedom, in 1930, was based on this moral issue. I shall, in the end, quote what Mahatma Gandhi said in this respect in the year 1930 and then resume my seat, because, as I said at the outset that, this being an old old grievance, no big speech in support of its abolition is required. This is what Mahatma Gandhi said:

"I regard this tax to be the most iniquitous from the poor man's standpoint. As the independence movement is essentially for the poorest in the land, the beginning will be made with this evil. The wonder is that we have submitted to the cruel monopoly so long.....I hope there will be tens of thousands ready in a disciplined manner to take up the work after me and in the act of disobeying the Salt Act lay themselves open to penalties of a law that should never have disfigured the Statute-book."

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

"That clause 2 of the Bill be omitted."

**Dr. T. S. S. Rajan** (Tanjore *cum* Trichinopoly: Non-Muhammadian Rural): Sir, it is really a matter of regret that I have got to stand up today to advocate the abolition of a tax that should have been abolished long ago. Unfortunately, I was one of those who took part in the movement of salt *satyagraha*, and I am aware, at the time, of the reasons which the Government stated against the picking of salt by the poor people. They issued a communiqué to the effect that the salt, which was available in the Vedranayam swamps—a huge swamp of over 45 miles in length, wherein sea water was brought in by the action of the waves and was impounded by nature and the brine got accumulated and salt of a beautifully white crystal—as white as any that you can find anywhere—was found there, not in small quantities, but by thousands of tons. What happened was that, after each monsoon, those thousands of tons of salt, which would have provided salt for this country—not only for this country but for the whole continent—was allowed to be washed away by the monsoon. There is a season for collecting it, and collected in that season it would have provided free salt, not manufactured but given by nature: the Government issued a circular at the time saying that that salt contained a large quantity of magnesium in it and was,

[Dr. T. S. S. Rajan.]

therefore, injurious to health. I was inclined then to take that statement at its face value: but I had only to wait one month to see whether it was borne out by the facts. What happened was this: this salt which was removed by thousands of people was distributed free to all the neighbouring villages and the poor people, who were in such sad need of salt and for which they could not pay, greedily got at the salt that was given free to them and they began to use it: and when I saw them using it for months and months with impunity, I could not reconcile myself to the scientific finding of the Government that it contained more magnesium salt, and, therefore, was injurious to the health of those people. But, at the conclusion of the Gandhi-Irwin agreement, a free concession was permitted to this effect that every man who cared to collect salt could take one head load of it, as much as he could carry not only for his own use but to go about in the neighbouring villages and sell it for what it was worth. In the Vedaranyam tract for about six months, subsequent to the Pact, it was a sight for everybody to see: on an average from two to three thousand people round about the two taluks situated near by were found on the sea coast night and day—men, women and children, all marching to and fro, not to manufacture salt but simply to lift the salt that was lying there: they lifted salt to the extent a man could carry—a big head load would usually fetch 8 to 12 annas: he had only to walk 10 or 15 miles to the sea coast, take this bag of salt and walk back and sell it in the nearest place. In fact a man could, in three days, take a big bagful to the nearest place and sell it. This huge trade was going on for about six months, and I have been credibly informed that the amount of salt that has been so far taken by the people was worth about 14 lakhs. This is exactly what happened, and all that quantity of salt, taken by nearly 2,000 people every day and distributed broadcast all over the villages, was consumed by the people and no after effect of any sort happened: they were all hale and hearty, enjoying the gift that was given as a result of the Gandhi-Irwin Pact. What happened? The people who were taking away this salt were all poor, miserably poor people who had to walk 20 miles and more for a headload of salt. Such is the poverty round about this area, because the lands being saline they could not cultivate them and yet they had to live. These poor people found salt in abundance in the very place where they lived, at their very door practically and it was being drained away by the sea year after year, and they could not, being poor, naturally resist the temptation to lift. In fact, of the thousands who came to take salt, a few brought a carriage in order to load it with salt and take it away—they kept the carriage a furlong away from the place where they picked salt: they were caught and they were prosecuted and fined. But what happened? Subsequently, this was considered as an infringement of the rules of the Gandhi-Irwin Pact with the result that the whole taluk, the whole salt swamp extending for over 40 miles and all the neighbouring districts were denied this privilege for that one mistake. We raised questions in this House with regard to the petitions that were submitted to the Local Government asking that those cases may be reconsidered and the poor people granted the privilege of lifting the salt free. We were told the other day that the Local Government were the final authorities and the Government of India had nothing to do with it and they cannot take any action for the revision . . . . .

**The Honourable Sir James Grigg** (Finance Member): That is not quite the case: I said that we were devolving the matter on to the Local Governments and not that they are by law the final authority; but for the time being they are, in fact, the final authority: there is very little distinction, I agree.

**Dr. T. S. S. Rajan**: Am I to understand that you are going to reconsider the decision of the Local Government?

**The Honourable Sir James Grigg**: No.

**Dr. T. S. S. Rajan**: That is exactly what I am stating. In fact, here is a case in which the Local Government have said that these people after enjoying this privilege, have lost it and there the matter ends. These people have applied to the Local Government in an enormous number of cases: they have said that the men responsible for committing offences have been punished according to law: and I do not, therefore, see how that privilege that was given can now be taken away from thousands, for the fault of a few who have been punished according to law: in fact, after having punished the offenders, you are now punishing thousands and thousands who honestly did honest work, for no fault of theirs. I have told you the conditions in which the salt is there, how pure it is: Government have not manufactured it: everybody can lift the salt there which is available in such large quantities. Look at the criminal waste which the country is suffering by allowing such salt to be washed away every monsoon for the benefit of nobody except perhaps the sea—I do not know whether the sea gets more rich in brine on account of this salt being washed away into it. I ask whether any Government would deprive the people of this privilege. Are they entitled, in the name of humanity, in the name of everything that is good and holy in this land, are they entitled to come and say: "No, you shall not take this salt; you must pay Rs. 1-4-0 for it"? It is an atrocious privilege which the Government is demanding from the poor man; and, after having seen the nature of the salt that is there—the people have got on very well in health; I ask you whether the people should be deprived of a privilege that has been got after a decent fight, an honest fight and a decent and gentlemanly agreement between Mahatma Gandhi and Lord Irwin. The only condition on which that privilege could be taken away was abuse of the privilege: and the abuse of the privilege was this: if a man has abused it, he is liable to punishment and he has been punished. Why go and inflict punishment upon lakhs and lakhs of poor village people who are removing this salt? I say, Sir, this tax is atrocious; it must go, because this salt is given to us by Nature in our own country, it is given to us by Merciful Providence, and the poor men are dying to take away as much salt as they can which is lying in front of them, and they are asked to pay a tax, and the privilege of their getting free salt is withdrawn. When we come to this House and say that these poor people have submitted memorials asking the Government to restore to them this privilege, we are told that the Local Government have taken action on it and that the Government of India do not want to interfere. Whatever it is, the poor man's grievance in this House has not received the due answer that it should, and that is, that the privilege they have been asking to

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be restored to them; a privilege which has been denied to them for no fault of their own. I put it to this House, whether such a tax as this is permissible at all and can be justified by anybody? Therefore, I think, it is a most obnoxious tax and it ought to be removed, and the sooner it is removed the better it is for everybody. The blessings of the poor men in this country and the blessing of God will be on those who will remove this tax.

**Mr. N. M. Joshi** (Nominated Non-Official): Mr. President, I may have spoken more than ten times on the question of the salt tax, but I feel that it is my duty to continue making speeches on the salt tax. However unpleasant and wearisome the duty may be, I have to do it. I hope, Sir, that the time will soon come when we shall have no more discussion on the salt tax. I object to the salt tax on several grounds of principle. In the first place, I am opposed to most forms of indirect taxation, and salt tax is an indirect tax. It falls upon people without any regard to their ability to pay taxation to Government. Right taxation should come out of a surplus, but, unfortunately, salt tax falls upon subsistence. Then, Sir, in my view a right taxation should never fall upon people who have no voice in Government. Salt tax, being an indirect tax, has all the defects which I have mentioned. I am, therefore, opposed in principle to the Government levying salt tax.

Then, Sir, when we come to the question of reduction of taxation we must consider which is the tax which should receive precedence. This question, Sir, was considered by the Taxation Inquiry Committee and they came to the definite conclusion that the order of precedence should be that indirect taxes, which fall upon the prime necessities of life of the poor people, should come first, and they mentioned sugar, kerosene oil, matches and so on. I know that the Taxation Inquiry Committee, which consisted of very wealthy people, did not recommend the reduction of salt tax as one which should have priority when the question came up for the reduction of taxes, but, Sir, it must be said to the credit of Dr. Paranjpye that he was the one man who recommended that the reduction of salt tax should take precedence over any other tax. Sir, I feel that the policy which the Government of India are following, in fixing the order of precedence in the matter of reduction of taxation, is a wrong policy. They should follow the policy laid down by the Taxation Inquiry Committee. They do not pay much attention to the recommendations made by the Taxation Inquiry Committee. On the other hand, the policy which they follow, in fixing the order of precedence, is to reduce taxes on those people who have the greatest political influence. Sir, I feel it is a wrong policy for the Government of India to follow. A Government that follows the policy of reducing taxation on the ground that those taxes fall upon people who have got political influence is not worth maintaining. I would, Sir, not pay a single farthing to that Government which forgets its duty towards its poor subjects and reduces the taxation, because the particular taxation falls upon people who have votes in this Legislature, and, therefore, I say that the Government of India is making a great mistake in the matter of fixing the priority as regards the reduction of taxation. I would like the Government to reduce the tax on salt when they get an opportunity to do so, and I favour the reduction of tax on salt not only on the ground that it is an indirect

taxation, but it is a prime necessity of life, as my friend, Seth Govind Das, said. Even if rice is taxed, even if our wheat is taxed, poor people can eat *bajri* or *jowari*, but if salt is taxed, what substitute can they find for salt? I, therefore, feel that the salt tax is the worst kind of tax and I would like the Government of India to begin the policy of reduction of taxation by reducing the salt tax. Moreover, if the Legislature has to exercise its right and its power to reduce taxation, I would like the Members of the House to read the Finance Bill very carefully and find out which other indirect tax they could reduce to the greater benefit of the poor people than the salt tax. We may have a desire to reduce several other taxes, perhaps we may reduce the taxes recommended by the Taxation Inquiry Committee, but, unfortunately, we cannot do that under the Finance Bill. Therefore, Sir, if we are to exercise our power in showing the direction to Government, in the matter of fixing the priority for the reduction of taxation, we cannot do anything better than ask the Government to reduce the salt tax. Sir, I do not wish to speak at the moment on the merits of the salt tax, because the question has been discussed very thoroughly. The Taxation Inquiry Committee itself has said that in Great Britain the *per capita* consumption of salt is I think 17 lbs., while in India it is 12 lbs. There should be no difference in the matter of consumption of salt. In India the average quantity of salt consumed *per capita* is, I think, less than the quantity of salt given to prisoners in jail in several other countries. I do not wish to speak on that point at all. I feel that this salt tax is a very bad tax, and that in accordance with the principles laid down by the Taxation Inquiry Committee we should begin with the reduction of salt tax, because that is the only thing in our hands under the present Finance Bill. Sir, it is said several times that the reduction of salt tax will not benefit the poor people beyond a few annas. I think the computation made by the Taxation Inquiry Committee is that the salt tax imposes a burden of three annas and four pies or something of that kind on the poor people. It may be a small burden, but what we have to consider is what is the total income of the poor people out of which three annas are taken. And, if we consider the amount of burden thrown, and the ability of the people to pay, three annas may be a much heavier burden on a man whose cash annual income is not generally more than Rs. 20 or Rs. 25 a year than income-tax or super-tax upon people whose annual income is 100,000 rupees a year. I feel that a man whose annual income is more than 20 or 25 thousand rupees need not feel the burden of any tax. He can pay the whole amount which is over Rs. 25,000 a year, and still he will not feel the burden at all so far as his personal comforts are concerned. I, therefore, feel that it is wrong to argue that the salt tax imposes a very small burden of three annas or three and a half annas *per capita*. ]

As regards the motion which is now before the House, let me say this. Although I am against the salt tax altogether on principle, I feel I would not be justified in voting for the motion which my Honourable friend has made, and it is for this reason. At present we get more than Rs. 8 crores from the salt tax. If we abolish the salt tax, then it is quite possible that the Governor General under his powers may certify the Finance Bill. That is a thing that I do not want. I do not want that the Governor General should certify the salt tax and that the Government

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should get the whole of the salt tax. I would, therefore, like the Legislature to reduce the salt tax by some amount, say, Rs. 2 or 3 crores, which is practically the surplus of the present budget, so that the Governor General will have absolutely no excuse for certifying the Finance Bill. Let me make it quite clear. Even if the whole salt tax is abolished, I feel the Governor General will not be justified in certifying the Finance Bill, because the Government of India could have made much better proposals for taxation. They could have increased the income-tax, they at least need not have reduced the income-tax at all.

**Mr. N. V. Gadgil** (Bombay Central Division: Non-Muhammadan Rural): Salary cut. }

**Mr. N. M. Joshi:** Therefore, I feel that even if the salt tax is abolished, the Governor General would not be justified. But I fear that if we abolish the whole of the salt tax, it is quite possible that the Governor General may certify the Finance Bill. I wish that there should be no possibility of that kind when we are going to pass some proposals as regards salt tax. I would, therefore, recommend to Members of the Congress Party and to the Members of this House that, instead of trying to abolish the salt tax altogether, which, I am afraid, will lead to certification, they should, by their votes, reduce the salt tax by a substantial amount. If I may make any definite recommendation, I would recommend that they should reduce the salt tax by eight annas, that is, maintain the salt duty at twelve annas per maund. That will reduce the burden of taxation by Rs. 2½ crores or about that, and I think our budget can very well stand that loss of revenue. I hope the House will accept my proposal.

**Mr. Lalchand Navalrai** (Sind: Non-Muhammadan Rural): Sir, I am not one those who fear that if the salt tax is abolished, it will be restored by His Excellency the Governor General. Sir, we know that such a procedure has taken place several times. In 1922-23, the salt tax was abolished by this House.

**Mr. N. M. Joshi:** Not abolished.

**Mr. Lalchand Navalrai:** Here it is. It was abolished, but it was restored.

**Mr. N. M. Joshi:** It was not abolished.

**Mr. Lalchand Navalrai:** I stand corrected, but I find in this debate.

**Mr. A. H. Lloyd** (Government of India: Nominated Official): It was reduced from Rs. 2-8-0 to Rs. 1-4-0.

**Mr. Lalchand Navalrai:** At one time it was abolished altogether, that is my impression from what I have read in this report. However, I am open to correction on that. In 1929, again, an attempt was made to abolish it, but the Government reduced it to some extent. We should know for certain whether the Government are going to reduce this salt tax

to any extent now. In pre-British days, there was no salt tax. People were making salt, selling salt, and they were self-contained. In the British regime, the salt tax was imposed. No doubt it has been in existence for a long time, but may I also say that the public have always agitated against it and shown their discontent. The discontent has at times gone so far that it was necessary for the Secretary of State of those days and the present Premier to express their own dissatisfaction with this tax. I will read one or two passages. It will be found in the Debates of 1929, Volume III, page 2313, where Lord Cross said this:

"I do not propose to comment at length on any of the measures adopted by your Government except the general increase in the salt duty. While I do not dispute the conclusion of your Government that such an increase was, under the circumstances, unavoidable, I am strongly of opinion that it should be looked upon as temporary and that no effort should be spared to reduce the general duty as speedily as possible to its former rate."

Further on, he said:

"I will not dwell on the great regret with which I should, at any time, regard the imposition of additional burdens on the poorest classes of the population through the taxation of a necessary of life; but apart from all general considerations of what is in such respects right and equitable, there are, as Your Excellency is well aware, in the case of the salt duty in India, weighty reasons for keeping it at as low a rate as possible."

**Mr. A. H. Lloyd:** What year was that?

**Mr. Lalchand Navalrai:** This was in 1929.

**Mr. A. H. Lloyd:** I was talking of Lord Cross.

**Mr. Lalchand Navalrai:** Only a year or so before 1929, I believe.

**The Honourable Sir James Grigg:** No, no. It was in the eighties.

**Mr. Lalchand Navalrai:** Very good, then, it is much more in my favour. Then, from the very early times, there have been such remarks and such directions, and yet those directions have not been complied with by the Government of India. There has been so much agitation that it was necessary, even for the Congress people at one time, to undertake campaigns to go and make salt. There can be no better index to the discontent. Then the point now arises whether this salt tax should be wholly abolished or it should be reduced. In the first place, my own opinion, looking to the condition of the salt industry now, is that it requires to be developed in India. There can be no doubt that facilities have not, up to now, been given for the purpose of increasing salt production in India. Bengal has always been crying that they should be given funds and that they should be given help to increase the indigenous salt there. There has been a protection Act enacted. That provided that the money, that will come out of it, will be given to Bengal. . . .

**Mr. A. H. Lloyd:** There is nothing about it in the Act.

**Mr. Lalchand Navalrai:** There was the report of the Committee then.

**Mr. A. H. Lloyd:** There was a Resolution.

**Mr. Lalchand Navalrai:** It may be a Resolution. I am speaking from memory. Therefore, what I mean to say is that no one in India wants that there should be foreign salt imported into India, but the only question is that the Government of India should allow those industries that are already existing in India to be developed more and more. Karachi has got an industry. Karachi has been putting a great output, but if it is helped more, then it would also help the country and Bengal as well. Karachi has been selling in Bengal at a low price and it is not a price which can be called exorbitant. I would much like that the import duty on foreign salt should remain so that the foreign salt may not come into India at all.

**An Honourable Member:** It is not coming now.

**Mr. Lalchand Navalrai:** It is coming. I have got facts and figures to show that it is coming still. If you remove the imposition of the import duty, then it will come more and more. On that point I have to refer to what the attitude of the Finance Member is on this point of the duty. When he came to India, this question arose as to whether there should be an import duty on this salt, in order to see that the foreign salt is not introduced in India. It so happened coincidentally that the Honourable the Finance Member went to Bengal and we already knew what the view of the Governor there was, and I am sorry to say that when he returned from there, at least to my mind, it appeared that he returned somewhat prejudiced as to whether the imposition of this import duty should continue. Then, a Resolution was placed before the House by Mr. Neogy and some others, but it was not pushed on, because the Honourable the Finance Member proposed that there will be a talk with them. I do not know what happened then.

**The Honourable Sir James Grigg (Finance Member):** May I correct my Honourable friend? The Resolution put down by Mr. Neogy and his friends entirely related to the distribution of the proceeds of the additional salt import duty and had nothing whatever to do with the abolition or retention of it.

**Mr. Lalchand Navalrai:** This is a question which can never. . . .

**The Honourable Sir James Grigg:** You obviously cannot distribute the proceeds if there are not any.

**Mr. Lalchand Navalrai:** Their complaint is that the money that is allocated to Bengal, from import duty, is being used for other local purposes by the Government of Bengal. That is the main contention. Therefore, what I am submitting is this, that I was sorry to find the attitude of the Honourable Member which was rather halting. We have seen the budget speech and what do we find? He seems to doubt if protection duty on salt is of any utility. I am not quoting his exact words but the impression is that he said that if the House was going to continue it he had no objection. This is very halting. Unless the Government's idea is to make those Italians send very much more quantity of salt from the Red Sea, unless that is the view of the Government, the Government ought to be in a very strong position and they should see that the industry is developed in India. Now, the English proverb is "be true to your salt". Now, the other day,



Sir Frank Noyce, who is not here in his seat now, said in reply to a question that the Britishers are not foreigners. Now, with regard to the salt duty under the Salt Act, let me see if the Britishers who have come here are Indians and whether they are true to their salt or not. If the Honourable the Finance Member is true to Indian salt, he must come forward and give some relief to India from a tax which is unpopular.

**An Honourable Member:** They take table salt.

**Another Honourable Member:** They take somersault!

**Mr. Lalchand Navalrai:** It is that mischief that I want to see eradicated. I do not want to see that table salt on the table. I want to see Indian salt on the table, and it can only be done by this import duty being increased and excise duty reduced. At first, there was an import duty of four annas, then it was reduced to two annas. Now, when the foreign salt has more or less stopped, they are showing a halting attitude. The Honourable the Finance Member says "I will leave it to the House to decide".

**The Honourable Sir James Grigg:** I did not say that. The Honourable Member does not encourage me to make jokes again?

**Mr. Lalchand Navalrai:** I am not quoting the exact words, but the idea is there. If that is not the case, I will sit down to hear an explanation.

**The Honourable Sir James Grigg:** What I said was that I would bring in a Bill to extend the duty for another year and that will be the policy of the Government placed before this House. The rest of the remarks was rather by way of flippancy. I am very sorry that I was flippant, especially in view of the fact that it has provoked the Honourable Member to make a long speech which is completely *mal à propos*.

**Mr. Lalchand Navalrai:** I am very glad he virtually admits what I am saying. He wants to emphasize the first portion of his speech and not the latter portion. Anyway, let me now see the goodwill and wait and see whether the tax now under discussion is abolished or reduced. There are graded amendments to say that the tax should be reduced to one rupee, ten annas down to four annas. Let us see where the Honourable Member draws the line. It is a tax which is tormenting the people. In a place like this, where salt is available in one's neighbourhood, it is a pity that people should be driven to purchase foreign salt and their own salt should be taxed. This is adding insult to injury. With these words, I will support this motion though I have also an amendment to say that it should be reduced.

**Mr. A. H. Lloyd:** Sir, although the Honourable Member who moved this motion put it forward as part of the Congress creed, with what I may be permitted to describe as a *quasi-religious* sanction, I still feel emboldened to ask the House to consider the matter purely as a practical business proposition. I am emboldened to adopt this attitude, Sir, by memory of the observations which the Honourable the Deputy Leader of the Opposition made in the general discussion on the Finance Bill, when he said that, although it was revolting to him to provide any means at all for this alien administration, yet he would be prepared to

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examine the Finance Bill on its merits in a practical way. Now, if we are going to approach this as a purely practical proposition, it might be almost enough for me to answer that the cost of this amendment, if it is accepted by the House, will be 8,13 lakhs.

**Mr. S. Satyamurti** (Madras City: Non-Muhammadan Urban): What about the cost of collection? Is it not about one crore and odd?

**Mr. A. H. Lloyd:** The cost of collection is not as much as that. 8,13 lakhs is the duty alone. It is not the figure that appears in the budget, which includes a considerable sum—I think it is 50 lakhs or 60 lakhs representing the price at which we sell salt made at Government sources. You have to set the cost of manufacture against that price,—the price that we recover from salt that we manufacture at Government sources; against the 8,13 lakhs, you have only to set the cost of preventive administration, which, of course, is a very much smaller figure than what my Honourable friend, Mr. Satyamurti, indicated. Now, eight crores is a figure that this budget will not stand. Even those who have argued that the Honourable the Finance Member has under-estimated here, or could have carried revenue forward from last year's surplus there, will not pretend that we could possibly balance the Budget, or produce anything but a position of absolute bankruptcy before the world, if we accepted the proposal to reduce our provision by eight crores. That might almost seem the only answer needed from this side. Yet I should like, with your permission, Sir, to make a few brief remarks on the merits of the case. Apart from what I have ventured to describe as the *quasi*-religious sanction which perhaps found expression in my Honourable friend, Mr. Satyamurti's words, that salt should be exempted from taxation, because it was a gift of God—apart from that, the objection felt to this tax—an objection felt not only by my Honourable friend and his Party, but by others like my friend, Mr. Joshi,—is that the tax falls upon the poor, I have no doubt there are many others in this country to whom this tax, which falls equally on the poor and the rich, is objectionable.

**An Honourable Member:** It falls more on the poor.

**Mr. A. H. Lloyd:** How can that be—because they do not eat more salt than we do? But relatively more, naturally. Now it is a necessity. None of the poor can escape paying it indirectly. That is a vice in the view of Honourable Members, but still, one way or the other, they have to pay it. It is a widespread article of necessity, for every single individual. I am not going to say that I like taxing the poor. I have no fantastic theories about the taxation of the poor being in itself desirable. I have heard it suggested that they should not be entirely free from indirect taxation in order to make them realise that they have a stake in the country, the answer is that indirect taxation does not give such a realisation. Sir, I am prepared to put myself on the side of those who do not like taxing the poor. In fact I would go further. Speaking now purely personally, I do not share the feeling of many Honourable Members on the other side of the House who are perfectly ready to tax the poor, and to tax the poor heavily, so long as the proceeds go not to the revenue but to the industrialists. (Hear, hear.) We have had this morning, at question time, and again just now,

two Honourable Members pleading for the retention and even for the enhancing of the additional import duty on salt, the benefit of which goes but to a small extent to the revenue, and to a large extent to industrialists in the Bombay Presidency. (Hear, hear.) But apart from that inconsistency, if I may venture to say so, in the attitude of Honourable Members opposite, I am prepared to go with them to the extent of saying that I dislike taxing the poor. I agree that the burden of taxation should fall upon the broadest shoulders, as far as possible, but as a practical proposition we have to recognize that the circumstances are not yet such that we can carry that process to the extreme limit of freeing the poor from any taxation whatever and confining the whole of our taxation to the rich. The reason for that is too obvious and well-known for me to dilate on it at length; well-to-do persons in this country are not perhaps very numerous, compared to the huge size of the population, and they are to a great extent inaccessible to our taxation processes.

**An Honourable Member:** Why, why?

**Mr. A. H. Lloyd:** In the first place, indirect taxation is chiefly derived from goods paying customs duties, and a large proportion of the well-to-do classes in this country do not consume very much in the way of imported commodities; and, if we try and put the duties too high so as to get the money out of the balance, we at once stimulate that establishment of industries in this country which my Honourable friend, Mr. Satyamurti, is so anxious to see carried out. It is not a good revenue proposition and now I am speaking solely about the means of getting revenue. When I say "inaccessible", there is this limit to their accessibility from the point of view of indirect taxation. As regards direct taxation, we have, from the point of view of this Government, the fact that the great majority of the well-to-do people in this country derive their revenue from agriculture, and we cannot get at them through our income-tax law. That leaves a few hundred thousand, from whom we can collect income-tax, against the several hundred million over whom we can spread the burden of a tax like the salt tax. And yet, even now, we are getting from these few hundred thousand twice as much in income-tax alone as we are getting out of the 330 million from the salt tax. Now, when I put forward those figures, it is to show that we have already reached the stage at which the broadest shoulders have to bear a very great deal of the burden, and that the amount of the burden, which we leave for the weaker vessels, is relatively very small indeed. When you come to the incidence upon individuals, the figures really are startling. I should like to take my own case purely as an illustration. I do not claim that I am rich, but I admit I am well-paid. (I have no doubt Honourable Members opposite will say, that I am over-paid.) I put myself forward as one of the well-to-do as far as this country is concerned. Now, I have calculated as well as I can what contribution I make to the finances of the Central Government by way of taxation, and, so far as I can make it out, I must be paying something like Rs. 8,000 a year in the way of taxation that goes to the Central Government.

**Sir Cowasji Jehangir** (Bombay City: Non-Muhammadan Urban): What percentage will that be?

**Mr. A. H. Lloyd:** I would invite the Honourable Member's attention to the Civil List where my pay is shown; I have no other income except my pay.

**Sir Cowasji Jehangir:** I do not mean that. What is the percentage you have worked out in your case?

**Mr. A. H. Lloyd:** I have not worked any percentage. Apart from income-tax, I suffer customs duty, because I consume so many foreign articles, such as liquors and tobacco, and I wear foreign cloth and so does my wife. Indeed, I ought to be encouraged as one of those who, by making himself accessible to taxation of this sort, has helped to reduce the burden to be imposed on the poor. (Laughter.) Well, Sir, so far as I am concerned, I pay, in the shape of taxation, Rs. 8,000 a year, and I have included in this my household also. Now, take the poor man. In addition to this salt tax, as my Honourable friend, Pandit Nilakantha Das, reminded us, we have to consider the kerosene excise and also the excise on matches. I am prepared to take my Honourable friend's combined figure of six annas per head, though the actual figure for salt is three annas and ten pies per head. I have got this figure after eliminating from the population of India as a whole the population of those few States which do not contribute to the Central Exchequer in the shape of salt tax. By the way, I might mention in passing that the salt tax is a tax through which we can obtain contributions from other parts of India towards what have been described as Federal items of expenditure; but I would not like to develop this digression, as it might take us too far. As I was saying, the burden of the salt tax is three annas and ten pies per head and I am quite prepared to accept Pandit Nilakantha Das' figure for the other taxes mentioned, since they are lighter and can be more easily avoided. A villager can sit in the dark, and he can use a burning string outside the *Biri* seller's shop instead of using matches. I am, therefore, prepared to accept the Honourable the Pandit's six annas per head. Taking an average family of five persons, this will give us Rs. 2 per household per annum. Now, I will ask the House to compare this Rs. 2 with the Rs. 8,000 that I am subscribing.

**An Honourable Member:** Compare the two incomes also.

**Mr. A. H. Lloyd:** My income is very far from being 4,000 times the income of that family.

**Pandit Nilakantha Das** (Orissa Division: Non-Muhammadan Urban): How many people like you are there to pay?

**Mr. A. H. Lloyd:** My point is that if we are to reduce the incidence of taxation on the poor man from six annas to, say, four annas, that is to say, by one-third, it seems to me to follow that the burden upon me has got to be raised by three or four thousand rupees. I am not saying that it is impossible for me to bear it but I should have to consider my position seriously. I do say that it illustrates my practical proposition. The saving to the poor would be trifling whereas the increase in the burden on the rich would be out of all proportion. We must look upon this matter as a practical business proposition and not purely in the light of theory. To

save 300 million people one anna a year, it is going to be very difficult to get the equivalent amount out of several hundred thousand people. Those are the only people we can get at.

[At this stage, Prof. N. G. Ranga made an interruption.]

**Mr. President** (The Honourable Sir Abdur Rahim): The Chair must ask the Honourable Member not to obstruct.

**Prof. N. G. Ranga** (Guntur *cum* Nellore: Non-Muhammadan Rural): I am not obstructing, Sir.

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

**Mr. A. H. Lloyd**: If the position is, as I believe it to be, that we have reached a stage where, in order to meet the necessary expenses of the country, we have put the utmost burden on the broader shoulders, we must ask others to contribute a very small share to the cost of the administration, and I think there is something to be said for maintaining that contribution in the form of the salt tax. The evil that we know is better than to fly to others that we wot not of. The salt tax is a traditional tax and has been in existence in India for a long time and the public are used to it. (Interruption.) I personally believe that most of the public would not think very much about it because the incidence is so light if persons like my Honourable the interrupter did not whip up the agitation against the tax. Then, again, as I have said, the burden is a very light one indeed. The very fact that the article is a necessity goes to secure that it is in the inelastic class of taxation. While it does not bring much more money, in times of prosperity, it still brings in money when we find ourselves in difficulty such as we found ourselves in 1931. I can perceive from the expression on the face of my Honourable friend, Mr. Satyasmurti, that he is going to make use of that argument against me. He is welcome to do so.

If I might, with your permission, turn very briefly to a few specific points raised by various speakers, I would like first of all to say that my Honourable friend, the Mover, made a speech strongly in support of my case. My Honourable friend has urged that *all* taxation falls upon the poor. In that case what does it matter what form of taxation we choose?

**Seth Govind Das**: The salt tax falls more on the poor.

**Mr. A. H. Lloyd**: If all taxation falls upon the poor, you cannot say that one tax falls more than another. It depends upon the amount of the taxation. I would also like to observe that I cannot in the least follow my Honourable friend's statistics. He said that in 1916, when the duty was increased by four annas, there was an immediate drop in consumption. But I find that in the year 1915-16, the quantity of salt issued for consumption was 457 lakhs of maunds and in the year 1916-17, when the duty was Rs. 1-4-0, having been in the previous year Re. 1, the quantity was 5.12 lakhs of maunds. I am not going to stress that point too much.

**Seth Govind Das**: I have got my figures from the salt reports. In the previous year, it was 5.22 crores, and, in the next year, when the duty was increased, it was 5.12 crores.

**Mr. A. H. Lloyd:** I am afraid, it is impossible for me to compare our figures actually, because the figures that I have with me do not include Burma, though I do not think there could be sufficient variation in Burma to make the difference. But the fact is that in 1915-16 in India, excluding Burma, the issues for consumption were very much less than those of 1916-17. That illustrates the difficulty of working on the statistics of any individual year in the matter of salt and the reason is one which should always be borne prominently in mind by Honourable Members of this Assembly. The salt market, in certain parts of India, is very susceptible to speculative influences when there is any idea of a change of duty. The salt market is very responsive to such influences. The figures that we have quoted as figures of consumption are not of course the actual consumption, for we cannot watch salt into the mouths of the persons who swallow it. They are the figures of clearances and they are liable to variation, in any individual year, owing to speculative action, hurried clearance on the one hand or in another year reluctance to clear. Now the last two years give ample illustration of that. In February, 1934, there was a rumour that Government proposed to increase the salt tax and we were pestered on all sides to make special arrangements to enable merchants to clear salt very much more rapidly than at the normal rate.

**Mr. President** (The Honourable Sir Abdur Rahim): The Honourable Member can resume 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. President (The Honourable Sir Abdur Rahim) in the Chair.

**Mr. A. H. Lloyd:** Sir, when we adjourned for Lunch, I was pointing out that statistics, from year to year, are difficult to follow on account of violent fluctuations owing to speculative influences at the time when a change in the duty is anticipated. I was about to describe what happened last year and again this year; but, I am so sure that my point is clearly understood by Honourable Members that I will not take up their time by giving practical illustrations.

**Seth Govind Das:** May I ask my Honourable friend a question? Is it not a fact that every time the salt duty was enhanced, the consumption fell down?

**Mr. A. H. Lloyd:** That, Sir, is a very difficult question to answer for the reason I am giving. We cannot take individual years. At a time when a change in the duty takes place there is usually some reason to anticipate the change in duty and there are speculative influences which upset individual year's statistics. The most striking instance, of course, was in the year 1922 when the duty was doubled and again reduced. From figures for a period of several years one can perhaps obtain useful light. I would just like to read what are the figures for periods of five years. I think this rather proves my point. From 1923-24 to 1927-28, the average annual

clearance of salt, for consumption, was 500 lakhs of maunds; for the five years, 1928-29 to 1932-33, the average was 526 lakhs of maunds. It will be seen that the mean points of these two periods of five years are five years apart and an increase of five per cent. is very much in keeping with the increase in the rate of population; and that, in spite of the fact that the last 2½ years of the second period covered the time when the duty had been enhanced by the surcharge which was imposed in the middle of 1931. So that those figures, so far as they prove anything, prove the direct opposite of my Honourable friend, Seth Govind Das's contention that an increase in the duty must necessarily result in a decrease in consumption. I can give figures for individual years, but, for the reasons I have given, they are really useless. In 1933-34, the figure was 537 lakhs; in 1934-35 we are practically certain the figure will be 510 lakhs. For the reason I have given you must take the mean of these two and that again comes pretty near the average of the last five years. If it was expected that the increase in consumption would be greater than those figures indicate, the only answer I can give is that the Delhi Pact is still in force and we are undoubtedly still losing a considerable amount of revenue,—may be small compared with our grand total,—but still a considerable amount of revenue from the fact that that pact still exists. In some provinces it has not been touched and the loss is considerable.

Well, Sir, I do not wish to elaborate this; I am sure the House has got a little impatient with it. It is my duty, however, to just make a few remarks about what Dr. Rajen said regarding the Delhi Pact. The relevant clause in that Pact said that arrangements were made:

“to permit local residents in villages, immediately adjoining areas where salt can be collected or made, to collect or make salt for domestic consumption or sale within such villages, but not for sale to, or trading with, individuals living outside them.”

As regards the machinery for enforcement of that clause, Mr. Gandhi had certain discussions with us in Simla, after the Pact was signed, on this very subject, and I think it is not perhaps out of order for me to disclose the fact that he was, to all intents and purposes, the author of the rules and instructions that were laid down for giving effect to the provision that I have read and which were published in a press communiqué of the 22nd May, 1931. The last clause of those instructions said:

“The concession will be withdrawn from villages where it is found that it is abused. Wherever it is discovered that salt is manufactured or collected in quantities above the requirements of a particular village abuse of the concession will be presumed.”

There was a reason for this, and the reason why Mr. Gandhi agreed to this is that it struck him, as it strikes us, that it would take away the whole moral value of the concession if it were coupled with restrictions in the form of direct and immediate and permanent supervision by subordinate officials of Government; and failing such direct and permanent supervision at every point by officials of Government (apart from the question of expense), there would be no means of dealing with abuses except the provision that was there made,—that so long as there was no serious abuse we shut our eyes to it and allowed the Pact to continue, but, if there was serious and widespread abuse, then the question of withdrawing the concession altogether would have to be taken into account. Partial withdrawal and an exception in favour of the innocent is impossible unless you are to have that kind of close inquisitorial supervision which Mr. Gandhi himself was particularly anxious to avoid.

[Mr. A. H. Lloyd.]

I do not propose to attempt to deal with my Honourable friend, Mr. Joshi's remarks, because really his speech is not in support of this amendment but in support of another amendment which is to come before us later on and there will be another opportunity of dealing with it. As regards what my Honourable friend from Karachi said, I again leave the discussion of the policy of the additional import duty on salt for the proper time when the relevant Bill is before us. But I would merely like to observe that when he quoted a passage from a speech of Lord Cross, without apparently having discovered in what year Lord Cross was speaking, he was referring to a time when Government had raised the duty from Rs. 2 to Rs. 2-8-0 a maund, and what Lord Cross wanted was not to abolish the duty, but that the duty should be put back to Rs. 2. For very many years, right up to the end of the 19th century, the duty stood at rates varying between Rs. 2 and Rs. 2-8-0 and even higher; but now, even with the surcharge it is well below Rs. 2. I, therefore, submit that simultaneously with the growth of the burden of customs duties and income-taxes, which has been tremendous, in the same period the reduction of the salt duty does show that the Government of India are in sympathy with the desire of relieving the burden on the poor as far as that can be done, though, on practical considerations and practical possibilities, they are unable to dispense with the duty altogether. For these reasons I oppose the motion.

**Mr. S. Satyamurti:** Sir, I am sorry, my Honourable friend, who preceded me just now, spoiled a very excellent and businesslike speech by a lapse, when he said that if we did not work up or whip an agitation against the salt tax, the people here would not complain. I wish he had not said that because it seems to me that it will be impossible for any Party, and certainly not for the Congress, to whip up an artificial agitation. In this country, we were able, under the leadership of Mahatma Gandhi, to lead a very powerful agitation against the salt tax, because there is a genuine widespread and strongly felt feeling that this tax must go. I want the Members of the Treasury Bench to realise that agitations cannot be worked up in this country—I do not know what it is in their country—except on facts which the people knew, and on strongly held beliefs with regard to those facts. Moreover, I want to say that we support this demand for the abolition of the salt tax with a full sense of our responsibility, in spite of the Honourable the Finance Member's challenge to us that we believe that only those who have no responsibility can put forward schemes which they feel the Government cannot accept. I believe that I speak for the vast mass of my countrymen—I certainly speak for the Indian National Congress—when I say that we want to see this salt tax abolished. Against that my Honourable friend quoted some figures. I will take the figures from the Explanatory Memorandum given to us by the Financial Secretary. You will notice that, on page 4 of that memorandum, the revenue from salt has varied from Rs. 634 lakhs in 1921-22, to Rs. 10 crores in 1923-24 and 1932-33. It now stands, as proposed in this year's budget, at Rs. 878 lakhs. The cost of collection has varied from Rs. 156 lakhs to Rs. 118 lakhs; and, therefore, roughly the loss to the treasury will be something over Rs. 7 crores, if this salt tax is abolished altogether.

My Honourable friend asked us how we will meet this deficit. May I give him a few suggestions? This surplus of Rs. 8½ crores may well have been put aside for the purpose of meeting this deficit. Secondly, I find



from a telegram which I am sure other Honourable Members also have received—I have received it—from the sugar interests wherein they say:

“Indian Sugar Mills Association invites attention to very low estimate of Rs. 175 lakhs made by the Honourable the Finance Member, as proceeds from import duty on sugar based on estimated import of only 90,000 tons. Association firmly believes that imports of sugar will be over two lakhs tons: imports during 11 months of this year exceed two lakhs tons already. Import revenue from sugar will thus be about Rs. 5 crores etc., etc.”

This is another item from which my Honourable friend may have tried to meet this deficit. Moreover, I said, and I repeat it again, that the provision for the reduction or avoidance of debt is not so necessary or so urgent, as relief under this head of oppressive taxation. Taking all these methods wholly, or all these methods partially, I venture to suggest to the Honourable the Finance Member and to this House that this loss of something more than Rs. 7 crores may be easily met.

I was glad to find that my Honourable friend, who preceded me, conceded a very large number of our fiscal propositions, first, that the poor ought not to be taxed beyond the absolute necessities of the case of the State: the poor ought to be taxed less than the rich, and the rich ought to be taxed more than the poor. But may I ask him, whether he is satisfied, apart from his own individual tragic instance which he gave with an amount of pathos which was wholly unconvincing, that he really considers that in this country the incidence of taxation is so proportionate to the richness or the poverty of the people? Perhaps it is not easy to compare things in this country with things in other countries: our poverty is so colossal: our average income is so small, that your head reels at comparisons. You cannot really have any kind of incidence of taxation on a man whose average income, even on the most optimistic estimate, does not exceed two annas a day. Therefore, it seems to me that even assuming that the Government of India today are trying to tax the rich more than they tax the poor,—I am sure my Honourable friend will concede—that the incidence of taxation on the poor is much greater than that on the rich, . . .

**Sir Cowasji Jehangir:** No.

**Mr. S. Satyamurti:** Because I will tell you why; an anna on an income of about ten rupees a month is much more in value, than one rupee on an income of Rs. 2,000 a year. You cannot compare these in mere denominations of money: you have got to consider the needs of the person, and his resources, and equate them, and then try to find out the actual incidence. To the rich man Rs. 10 or Rs. 100 is nothing: to the poor man, it may be all his wealth for the next few months. Therefore, I put it to my Honourable friend that he cannot say that, in this country, the taxation of salt does not bear more heavily on the poorest.

On this matter, it is not a latter day Congress invention or a brain wave of Mahatma Gandhi which makes us fight this salt tax. Our political and economic *Guru* in many matters, as I am sure, he is of you, Sir, and of many Indians, Dadabhai Naoroji, in his historic book, “Poverty

[Mr. S. Satyamurti.]

and un-British Rule in India" has stated the case against the salt tax in immortal words. He referred to the opium trade first, and went on to add:

"In association with this trade is the stigma of the Salt-tax upon the British name. What a humiliating confession to say that, after the length of the British rule, the people are in such a wretched plight that they have nothing that Government can tax, and that Government must, therefore, tax an absolute necessary of life to an inordinate extent! The slight flash of prosperity during the American War showed how the people of India would enjoy and spend when they have anything to enjoy and spend; and now, can anything be a greater condemnation of the results of British fines of policy than the people have nothing to spend and enjoy, and pay tax on, but that they must be pinched and starved in a necessary of life?"

That leads me on to the next position, which is often urged, namely, that the poor people of this country will not pay anything like what they ought to pay to the Government, if the salt tax were abolished. On that matter, I want to quote the very high authority of one, who was known in this House and respected in this House, as a great authority on Indian financial matters, the late Mr. Gokhale. Mr. Gokhale, speaking on the budget of 1908, said:

"Again, my Lord, I have heard the opinion expressed that the duty on salt does not constitute any serious burden on the resources of the poorer classes of our country because this duty, it is urged, is the only tax which they contribute to the State. Here again I must say that those who express such a view hardly realise what they are talking about. Our revenue is principally derived from land, opium, salt, excise, customs, assessed taxes, stamps, forests, registration and provincial rates. Of this the opium revenue is contributed by the foreign consumer and may be left out of account"—it is now passing out of account altogether.—"of the remaining, the proceeds that come exclusively from the middle and upper classes of the people are less than 2 crores"—it is much higher now.—"on the other hand, the bulk of the salt revenue comes from the tax of the poorer classes. The bigger of the revenues again is contributed mainly by them; so also is the forest revenue. Under stamps and registration, they contribute their fair share. I believe they also contribute their share under customs, and, as land revenue in ryotwari tracts, at any rate, a large proportion of this revenue comes from very poor agriculturists. So far, therefore, from contributing less than their fair share to the exchequer of the State, the poorer classes of our community contribute as a matter of fact much more than they should, relatively to their resources."

The position, Sir, still remains what it was in 1908.

Then, Sir, my friend, taking his cue from his Chief, the Finance Member, twitted us that, while we want the taxes on the poorer classes to be removed, we are still asking for protection, in spite of the fact that that protection may cost something more to the consumer than if foreign manufacturers were allowed to exploit our country. I quite concede the inconsistency therein, but I want to remind my friend that inconsistency is the hobgoblin of little minds; and we are perfectly willing and able to reconcile, as I said before,—in fact we are anxious and willing to reconcile—the interests of the consumers and the interests of the industrialists in the country, the larger of whom will be nationalised, and the smaller of whom will be allowed to make reasonable profits, subject to the payment of income-tax, super-tax, and various other kinds of contributions to the exchequer of the State.

As regards the particular action of the additional import duty on salt, those of us who advocate that,—and I am one of those who want it to be extended to three years and to be raised to Re. 0-4-6 from Re. 0-2-6.

per maund to extinguish the import of foreign salt and encourage the production of indigenous salt, and, I believe, there are ample resources in this country to meet all our legitimate requirements. First class salt which can be manufactured and which can be made available. . . .

**Mr. A. H. Lloyd:** . . . . and will cost more.

**Mr. S. Satyamurti:** It will cost nothing under my scheme.

**The Honourable Sir James Grigg:** Giving it away?

**Mr S. Satyamurti:** Your imported salt alone will cost, and we will do without it, as early as we can.

Then, Sir, my friend made another suggestion that the rich people are not directly assessable to tax. On that, Sir, I join issue with him. I am sure he has read the Indian Taxation Inquiry Committee's Report; I am sure he has read Sir Walter Layton's illuminating chapters in the Simon Commission Report on Indian Constitutional Reforms; and I am sure, he will have found from there that there are many directions which they suggest—for instance, death duties, bringing agricultural incomes within the scope of the income-tax, and many other ways in which we can tax the richer, more than we are doing today. . . .

**Mr. A. H. Lloyd:** We have examined all those suggestions.

**Mr. S. Satyamurti:** Who has examined them?

**Mr. A. H. Lloyd:** We have.

**Mr. S. Satyamurti:** We are not in your place. When we take your place, we will do that; in the meantime, just have the humility to recognise that you are not the last word in financial wisdom.

So far as the Taxation Inquiry Committee is concerned, they themselves conceded that this tax has several well-known objections to it. It falls on a necessary of life, and to the extent that salt is essential for physical existence, it is in the nature of a poll-tax. The bulk of it is paid by those who are least able to contribute anything towards the State expenditure. Salt is also required for various industrial and agricultural operations and for cattle. Unless it is issued duty free for these purposes, some burden is thrown upon the industries in which it is used. Then, Sir, they quote the opinion of Sir Josiah Stamp on this matter. This is what he says:

"I should work out the tax burden on a low income and ask if abolished, or altered, in what probable respects well-being would be improved by the ordinary exercise of the improved purchasing-power. If inconsiderable, I should continue the burden."

I think, Sir, the speaker, who preceded me, said that the cost was Re. 0-3-0 or Re. 0-3-6 per head. . . .

**The Honourable Sir James Grigg:** It is Re. 0-3-10.

**Mr. S. Satyamurti:** Or it may be Re. 0-6-0 per head.

**Mr. A. H. Lloyd:** May I explain, Sir, that the Re. 0-6-0 per head I mentioned, I took from the Pandit's speech on the general discussion on the Finance Bill where he gave that figure himself, and I agree that it represents roughly the burden in respect of salt, excise on kerosene and excise on matches taken together.

**Mr. S Satyamurti:** I stand corrected. Then it comes to Re. 0-8-10 for salt alone per head. If, therefore, an average family of say five has got to be taken as a unit, it comes roughly to something like Rs. 1-4-0. Now, Sir, it may surprise my friends to know one thing—that Rs. 1-4-0 is not an inconsiderable sum in the budget of most of the families in this country. . . . .

**Mr. A. H. Lloyd:** I said I am not surprised.

**Mr. S. Satyamurti:** I am glad to hear that. Therefore, I think this test of Sir Josiah Stamp must rule out the possibility of this tax being continued, because he says he would ask, if abolished or altered in what probable respects well-being would be improved by the ordinary exercise of the improved purchasing power. To that extent, *pro tanto*, it will increase his purchasing power, and it will be a benefit to the poorest of the people of this country.

On the question of consumption, Sir, to which we attach some importance, I agree that it is impossible on the present method of calculation to find out the exact consumption year after year. After all, Government have no machinery; they only issue, and they do not know at what particular stage this salt is being consumed; but I think there are figures to show that, whether with the reduction of taxation the consumption increases or not, with the increase of taxation the consumption goes down. I think, therefore, that it is a fair test to suggest that this necessary article of food, if it is to be taxed at all, must be taxed on the minimum scale. That is so far as the Report of the Taxation Inquiry Committee goes.

As regards the history of this question, Sir,—because my friend referred to it and said towards the end of his speech, it is a traditional tax,—perhaps it was, Sir; but I think my friend will agree, if he has read the history of this country with some imagination, that, excepting a few taxes directly paid to the State, salt tax was very rarely collected with that thoroughness and with that efficiency with which the British Government now collects it. I remember, Sir, in my younger days,—it was not actually done,—but older people in my house told me that, not very long ago, salt of a somewhat crude kind was available to most of the poor families in the countryside. It is now,—thanks to the thorough efficiency of the British Government,—not available, not one grain of salt is available except under the terms of the Gandhi-Irwin Pact, wherever it is in force, or except under this duty. The supply of salt was monopolised at one time. Then it was made open to British manufacturers and traders, from abroad, at another time. Then the private manufacturers were unable to compete with the foreign importer, and the consumption of salt fluctuated with the increase or decrease in salt duty, and the Government of India, at one time, abolished the local cess of the customs line in regard to salt duty. They favoured excise, and, ultimately, there was a lot of illicit traffic and smuggling and so on, and today the position is that, as I said, practically all the salt consumed in this country is either salt on which

the tax is levied, or the small percentage of imported salt. I say, therefore, that we, who believe that this tax should go, are right for the following reasons. First, salt is a necessity for man and cattle, and also for many industries, and, therefore, it ought to be free to the people. Salt tax is a form of taxation which is not known in many civilised countries of the world; and in India it is peculiarly inappropriate because of the colossal poverty of the vast millions of our countrymen, who have got to pay this tax, and because the Government should be willing to carry on its administration without what amounts to really a poll-tax on the poorest of the people.

I will conclude as I began. I believe it is financially possible for the Government here and now, even maintaining its present high  
**3 P. M.** level of expenditure, to abolish the salt tax and to find the loss of about Rs. 7 crores of revenue by other means. My Honourable friend, Mr. Joshi, thought that we should not press for the abolition, but that we should ask for a reduction. If he were the Finance Member and offered me a reduction, I would take it at once with both hands and thank him, in the hope of converting him to my view that the tax should ultimately be abolished. . .

**Mr. N. M. Joshi:** You need not convert me. That is my view.

**Mr. S. Satyamurti:** But you are satisfied today with a reduction.

**Mr. N. M. Joshi:** Because that is the only thing practicable.

**Mr. S. Satyamurti:** That is my trouble in this House. I can understand the Government saying something as impracticable, but I find non-official Members out-heroding Herod and telling me, this is impracticable, that is practicable and so on. Can my Honourable friend, Mr. Joshi, tell me that his reduction will be accepted by the Finance Member as practicable? Therefore, it seems to me we have got a clear choice before us. Provided we are convinced on the merits that the thing is right, we ought to press it on the Government and we ought to insist on the Government making it practicable, so long as they do not vacate their seats and hand them over to us to show how it is practicable. I say, honestly and sincerely, that, if I were placed in the Finance Member's position today, I would do away with the salt tax, and still manage to run the administration on the present scale of expenditure. It is perfectly possible, but if other Honourable Members think that, with five crores or four crores they can manage it, let them agitate for ten annas of the duty being removed immediately, and force it on the Government. What the Government does is this. We move the abolition. Somebody says it is not practicable. Then we come to what Sir Austin Chamberlain called the Dutch auction, of four annas, eight annas, twelve annas, one rupee, one rupee and four annas, and stick at some figure. Immediately the Government go to the Viceroy's House and come back with their own minds thoroughly unchanged. That seems to be not right. If Mr. Joshi believes that this salt tax ought to be abolished altogether, I ask him to vote for it in the belief that it is perfectly practicable. Why should there be this provision for reduction and avoidance of debt this year? Why should the surplus be spent on Civil Aviation and Broadcasting? Why should they not budget for a higher duty under sugar excise? I have given three suggestions which are well worth being explored by the Finance Member.

[Mr. S. Satyamurti.]

and his department. I, therefore, hope that this House will send a message of hope and cheer to the poorest in this country, and tell them that those of us who claim to represent the poorest are going to make no common cause with the Government, but to stand and vote for this principle that salt shall be tax-free and be available as God's gift to man and beast in this country.

**The Honourable Sir Joseph Bhole** (Member for Commerce and Railways): Let the question be now put.

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

"That clause 2 of the Bill be omitted."

**Pandit Govind Ballabh Pant** (Rohilkund and Kumaon Divisions: Non-Muhammadan Rural): Before you put the amendment to vote, there is an amendment in my name, which appears in the order paper as item No. 4. It is, in fact, a consequential amendment, and, if the amendment which has already been moved is thrown out, there will be no room for me to move it, and I would be locked out. I want to replace the present law by a different clause. So, before you put the motion under discussion to vote, I would request you to give me an opportunity of moving my amendment, and, along with it, to speak on the present amendment.

**Mr. President** (The Honourable Sir Abdur Rahim): What is the effect of the Honourable Member's amendment?

**Pandit Govind Ballabh Pant**: The effect is this. If the amendment that has just been proposed is adopted by the House, it will still be open to the Governor General in Council to impose any salt duty under cover of a rule framed under section 7 of the Indian Salt Act. So, in order to block this course, my amendment is necessary.

**Mr. President** (The Honourable Sir Abdur Rahim): The effect of the Honourable Member's amendment will be that there will be no salt duty at all. The Chair understands that, under the Indian Salt Act, there is a limit to the amount of duty that can be imposed by rule, and the Honourable Member's proposal is that that provision of the Salt Act of 1882 should be repealed.

**Pandit Govind Ballabh Pant**: Not like that . . . .

**The Honourable Sir James Grigg**: To destroy any power of notification.

**Mr. S. Satyamurti**: For this year.

**Mr. President** (The Honourable Sir Abdur Rahim): Those powers will be taken away?

**Pandit Govind Ballabh Pant**: That is, in fact, the purport of amendment No. 2, it is restricted to the current year. This is 1st April, All-Fools

lay, and we are entitled to say current year instead of the budget year. So, my amendment is:

"That for clause 2 of the Bill, the following be substituted :

"2. Despite the provisions of section 7 of the Indian Salt Act, 1882, the Governor General in Council shall not impose any duty on salt manufactured in, or imported into, any part of British India other than Burma or Aden during the year beginning on the 1st day of April, 1935."

**Mr. President** (The Honourable Sir Abdur Rahim): How can this be linked with the other amendment?

**Pandit Govind Ballabh Pant:** I will just submit what the position is, and then I will be guided by your ruling. The clause that is before the House lays down that the Governor General in Council will impose a duty of Rs. 1-4-0 per maund of salt. The amendment that has been moved asks the House to reject that proposal. The Governor General in Council professes to proceed under the provisions of section 7 of the Indian Salt Act. Under that section, it is always open to the Governor General in Council to impose any duty up to the limit of Rs. 3-8-0 per maund by virtue of any rule that he chooses to frame under this section. Now, if the House omits the clause included in this Finance Bill, obviously it will direct thereby that the Governor General in Council should not impose any duty on salt. That is, in substance, the purport, the import, and the objective of the amendment which is before the House. But still, technically speaking, it will be open to the Governor General in Council, even after this amendment has been carried, to issue a rule under section 7 and to impose even a higher duty.

**Mr. President** (The Honourable Sir Abdur Rahim): Why didn't the Honourable Member move it first? It has wider scope.

**Pandit Govind Ballabh Pant:** It has wider scope in the sense that it will restrict the hands of the Governor General in Council.

**Mr. President** (The Honourable Sir Abdur Rahim): As well as prevent this clause coming into operation?

**Pandit Govind Ballabh Pant:** As you called the gentleman whose name was at the top, I did not like to intervene.

**Mr. President** (The Honourable Sir Abdur Rahim): That has been moved now.

**Pandit Govind Ballabh Pant:** It makes no difference.

**Mr. President** (The Honourable Sir Abdur Rahim): If that is carried, there will be no clause left. This will be out of order.

**Pandit Govind Ballabh Pant:** That is not my difficulty. If that is carried, perhaps you will still allow me to move my motion. But if you think otherwise, then there is still more reason why I should request you to permit me to move it.

**The Honourable Sir James Grigg:** May I make a suggestion to the Honourable Member. There is a good deal of correctness in his appraisal of the situation. It is a fact that if the first amendment is carried, it can be made inoperative by other powers of the Governor General.

**Mr. President (The Honourable Sir Abdur Rahim):** To a certain extent, not entirely.

**The Honourable Sir James Grigg:** Both the Mover of the present amendment and the Honourable Member who preceded him wish to secure one thing—that there should be no salt duty during the current year. It is quite clear that their intentions are precisely the same. Therefore, the Mover of the first amendment, and my Honourable friend, who is now speaking, can secure their joint object by taking a division, not on the first, but on the second amendment, the debate which has taken place being regarded as a debate on the simple question—shall there be a salt duty or not.

**Mr. President (The Honourable Sir Abdur Rahim):** Then the Honourable Member does not raise any objection.

**The Honourable Sir James Grigg:** I have no objection to the division being taken on the second amendment.

**Pandit Govind Ballabh Pant:** I am thankful to the Honourable the Finance Member for having facilitated my course. Sir, with your permission, I have the honour to move . . . . .

**Mr. President (The Honourable Sir Abdur Rahim):** The position is not strictly correct.

**Sir Cowasji Jehangir:** May I rise on a point of explanation? Am I to understand that if my Honourable friend's amendment is carried here, the Governor General is deprived of his power of certification?

**The Honourable Sir James Grigg:** No. He is deprived of the power of notification, which is a different thing, under the Salt Duty Act, fixing the duty for the current year. The powers of certification remain.

**Sir Cowasji Jehangir:** There is absolutely no difference as regards the significance of the vote, except that the amendment moved by my Honourable friend goes further than the amendment moved by my Honourable friend who moved the first amendment.

**Pandit Govind Ballabh Pant:** With your permission, and with the indulgence of Sir Cowasji Jehangir, I have the honour to move this amendment No. 4:

“That for clause 2 of the Bill, the following be substituted:

“2. Despite the provisions of section 7 of the Indian Salt Act, 1882, the Governor General in Council shall not impose any duty on salt manufactured in, or imported into, any part of British India other than Burma or Aden during the year beginning on the 1st day of April, 1935.”

**Sir Cowasji Jehangir:** I can object to it, if I want to.



**Pandit Govind Ballabh Pant:** That is why I said "with your indulgence". The motion that I have made before the House does no more than fulfil the intention of the Mover of the preceding amendment, and we are in perfect agreement. It is no more than a matter of form. I have chosen to achieve the same object in a more legal, and, to a certain extent, more effective manner, as, even if the amendment moved by the Honourable Member from Jubbulpore is carried by the House, it would still leave a loophole. I do not say that the Governor General in Council will have recourse to it, but all the same it would be a clumsy method of dealing with the matter. If, in reality, we do not want the salt duty to be imposed, then our purpose should be expressed in an unmistakable manner and we should not leave room for confusion because of the form in which the motion is made. Sir, to me it is a pity that there should be any form of taxation in any country under which an almost negligible amount has to be distributed over millions of people. If one were to speak in America of a tax of this type, even in this age of chaos, the people there would be almost amazed.

#### **The Honourable Sir James Grigg: Planning?**

**Pandit Govind Ballabh Pant:** In a day or two, I will have my turn to speak about planning, and I hope that my Honourable friend will appreciate if I do not digress now. On the question before us, I feel that this salt tax is associated with the inconceivable poverty of our people, and that is exactly the reason why we are objecting to the existence or continuation of this tax. If we were a rich people, no Government would have imposed a tax which, according to them, amounts to an incidence of less than four annas per head over 280 millions of people. If, on the other hand, we had been rich, we would not have minded a tax which in effect did not entail a burden higher than three annas ten pies as we were just told by Mr. Lloyd. Sir, it is only a commentary on the economic destitution to which this country has been reduced. About three or four years ago, I was travelling by train, and I met a party of enlightened Americans who had been touring round this country in cities and who had also taken the trouble of visiting a number of villages. I asked them as to what in this country had struck them particularly, as to what it was that they had found remarkable or notable. Unanimously they all told me that what had struck them was the colossal, the inconceivable and the unimaginable poverty of the people in this country. They said that they could not possibly conceive or imagine how any biped on earth could drift in the manner in which men and women had been managing to breathe and to move in this vast land. Sir, that is the background on which this picture has been painted, and that is the background which you have to place before yourself in order to judge as to the nature of the burden and the incidence of the salt tax. In other advanced countries, as I submitted, it would be unusual for people to object to a tax of this sort, but, unfortunately, situated as we are, we have to face the deplorable situation in our own country. Does not even the Honourable the Finance Member accept that the tax does bear heavily on the people? If not, may I know why he favours the withdrawal of the import duty on the salt that we import from abroad? That is much less than this. It amounts only to two annas six pies per maund. He thinks that he will be giving distinct relief to the people of Bengal, Bihar and other places by withdrawing the import duty. Sir, whatever be our differences in other matters, I think the Honourable

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the Finance Member will agree that Rs. 1-9-0 is certainly bigger than two annas six pies. There perhaps he will concede this point. So, Sir, when even a withdrawal of two annas six pies per maund can afford appreciable relief, undoubtedly the reduction of Rs. 1-9-0 must go much further than two annas six pies. Sir, it is not absolutely correct to say that this tax presses equally and evenly on the rich and the poor. In fact, Sir, the tax presses with much greater weight on the poor than on the rich, and, in fact, the poor consume a larger quantity of salt than the rich if they can afford to do so.

Sir, salt is one of the indispensable, essential ingredients of human life, but the rich men can manage to get their quota of salt out of fruits, out of vegetables, out of several other things which have the chemical ingredient of salt, but, so far as the poor are concerned, they have no other alternative, they have no other option (Hear, hear), and they can use nothing except natural salt in order to get the minimum of chemical salt needed to preserve and maintain their existence. So, Sir, in fact, the poor, if they can afford, consume a larger quantity of salt than the rich: and, consequently, the salt tax is borne to a greater extent *per capita* by the poor than by the rich.

Sir, in the opinion of experts, who have made an inquiry into the matter, the salt tax is an oppressive tax in this country, and the salt tax, in fact, from the days of Fawcett has always been regarded as an undesirable type of tax. I think the Honourable the Finance Member remembers Fawcett's dictum that water and air and salt should be free. (Hear, hear.) He laid it down that no man should have to pay anything for fresh air or for fresh water or for his salt. So, it is one of those bounties that Nature has provided for every individual, and which it is a crime against God and man to keep away from any individual. In the circumstances, salt must be treated as a commodity which must be provided by the State to every individual, and, in respect of which, the State should not at least embarrass anybody who stands in need of it. Sir, it has been proved again and again that the reduction of the salt tax serves as a stimulus to greater consumption. I ask Mr. Lloyd if he does not accept that proposition; and if he does not, I can remind him of a statement that he himself made some time back. Sir, Mr. Lloyd said, what he does not seem to remember now, on the 17th March, 1925:

"When the salt duty was Rs. 2-8-0 a maund in 1902-03, the average consumption of salt per head of the population was five seers. When it was at rupee one a maund ten years later, the average consumption was only six seers per head of the population. Some increase in consumption must be allowed for."

I hope he will revise the statement that he made in the course of his speech, and he will concede that he was labouring under a mistake when he made certain remarks which do not tally with the statement relating to facts—not to matters of opinion—which he himself had made previously. I wish the Honourable Members of Government had a tenacious memory. Sir, we on this side may easily and even without reason be taunted and twitted with short memories, but they are expected to guide us at least in matters of fact, and we are, I think, entitled to refer to them for facts, and to a certain extent, they are entitled to ask us to accept their facts, but if there are lapses of this type on the Treasury Benches, then, naturally, their statements about facts lose the weight and value to which they would be otherwise entitled.

Sir, I have got a statement before me of the salt duty for a series of years from 1899 to 1925, and another for still later years, and both lead to the same conclusion. These figures of the gross revenue, expenditure, net revenue and consumption, are interesting as affording evidence of the influence of a lower rate of duty in stimulating consumption and consequently adding to the total revenue, and so on. Sir, the same conclusion is borne out by other facts. The consumption of salt per head in England amounts to forty pounds, while, in our country, it comes to only ten pounds. Obviously our people are not getting as much salt as they need. I concede that in England this figure goes up also, because, perhaps, it includes salt used for other purposes, but we could as well make use of salt for our cattle, for industrial development, for manure and for many other profitable objects. We are not able to do so . . . .

**Mr. A. H. Lloyd:** May I say, Sir, that much salt is issued for these purposes from the Government factories. I have left all such figures out of account in the figures I gave.

**Pandit Govind Ballabh Pant:** I am not unaware of that fact, but the concession is illusory. It is fantastic to expect the poor villager in the remote corner of this country to send a direct order to the Salt Department or to the Central Revenue Department for a duty-free consignment of salt. How does he benefit by this rule on paper? It is utterly ineffective and futile. Sir, every single tola that is used pays the duty so far as the really poor classes are concerned, on whose behalf I am making this proposal on the floor of this House. Then, there are other ways of arriving at the same conclusion. There is a higher allowance for salt per head in the army, and there is a higher allowance per head in jails than the average consumption *per capita* in the country. What is the result of that comparison? The figure that we reach is higher in the case of jails and much higher in the case of the army. What does it show? Does it not show conclusively that the amount of salt that the average consumer can manage to secure for his urgent necessities falls far short of what his system needs; and, then, I am reminded of another fact which may not be within the knowledge of many Members here. We in jails, Sir, had our usual allotment of salt, and this, as I have told the Members of the House, is much higher than what the average Indian consumes, but even that was not enough, and we used to spend some annas every month out of our own pocket in order to obtain for ourselves the necessary quantity of salt; and, Sir, salt is really regarded as a boon inside the jails. Ordinary prisoners always feel the want of salt. All these circumstances go to establish that, on account of this duty, people are unable to enjoy, to utilise one of the most primary necessities of life. In these circumstances, the salt tax is certainly uneconomic, the tax is certainly un-social and this duty is oppressive.

Sir, the Taxation Enquiry Committee report shows that at least one of the Members, Dr. Paranjypte, was of opinion that in normal years the duty on salt should not exceed eight annas per maund: And there is another important feature of the present situation which has also to be taken into account. During the last five years, the prices of agricultural products have gone down almost by 50 per cent. The crops that were sold for five rupees are now yielding no more ordinarily than two rupees; while everything else has fallen in value, the only oasis in this desert is

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this salt which retains its old index and which continues to be as costly as it was when agricultural products were fetching double their present prices. There is only one island above water, *vis.*, the safe island of the salaries of the Government servants, and only one oasis, that of salt, in the desert in which everything else has been reduced to sand. Sir, whatever might have been the case in normal years, is it not strange, is it not queer that salt, for which Government hold the monopoly, should be doubly as costly at present as it was five years back? Salt even now sells ordinarily at the rate of ten or eleven seers per rupee. The average villager could get ten or eleven seers of salt formerly by parting with five seers of wheat, but today he has to part with about 14 seers of wheat in order to get 10 or 11 seers of salt. It shows how callously the Government have been moving in this matter. No other Government dare retain the original rates in the face of the slump in respect of everything else. After all, the prices generally have to be co-related to the prices of other articles, especially to the prices of staples in the country. So when the price of everything else produced in this land has fallen, that salt should still continue to be as dear as it was five years back, especially when it is a monopoly of the Government, is indefensible. The salt tax is no less than a poll tax, and a poll tax which has to be paid inversely in a higher amount as the income of a man declines, the smaller the income, the higher being the poll tax, and the larger the income, the smaller the poll tax. We were told by Mr. Lloyd that the proportion of direct taxes in this country has increased considerably. I do not know where he formed that impression. He must remember that in England, since 1916, the increase in direct taxes has been about 700 per cent., while the increase in the indirect taxes does not exceed one hundred per cent. In our own country, if you remember, up to 1916, the income from customs was almost nil. We had only the revenue tariff between five to ten per cent. at the most; but, during the last ten years, the direct taxes have increased by a much smaller amount, while the indirect taxes have gone up enormously, with the result that today indirect taxes yield a proportion of about 77 per cent. to the revenues of the Government of India. In England, the indirect taxes do not go beyond 40 per cent. In other countries, they are equally low. So, in these circumstances, Mr. Lloyd was perhaps a bit careless when he made that remark, and I submit that it is high time that we revised our Schedule and Scheme of Taxation. I believe in this matter I have the sympathies of the Honourable the Finance Member.

**An Honourable Member:** Revise which Schedule and how?

**Pandit Govind Ballabh Pant:** Revise the Schedule so as to reduce the incidence of indirect taxes, and, to make a beginning, by repealing the salt duty today. The question was put, and not altogether an irrelevant question, that if you want to take away this duty, how is this gap to be filled? I could have met that question with the answer which Mr. Asquith gave to the Prime Minister at that time, "it is no business of mine". But I will oblige the Honourable the Finance Member in spite of our "Bacchanalian abandon", a phrase for which he will be remembered in this House as immortally and for ever, as another Member for his "congenital idiocy", and both of whom have made abiding contributions

to the grace and dignity of this House. I, on my part, happen to be a teetotaler and also a vegetarian, and I never worshipped at the temple of Bacchus and never drunk from the fountain. Similarly, I have never gone to Billingsgate market to purchase any fish. So I have the advantage of being a teetotaler and a vegetarian, but here in this House we have the unique opportunity of learning many things from the Benches opposite in which they are experts, about which we ourselves are utterly ignorant. So I am prepared to learn these words, these expressions, these beautiful epithets from the Benches opposite. I had said, Sir, that I am prepared to offer certain suggestions as to how the gap could be filled. May be, I made these suggestions in a mood of "licentious abandon", I will not use the other adjective. I had said then that the Honourable the Finance Member will, I believe, be able to earn a greater surplus than he has budgeted for, and I have given my reasons for that. The Honourable the Finance Member has a very facile way of dealing with things, I will not call him flippant, I will not use the words "flip-flap", he has a fine method of conveniently overlooking hard facts, and if one cannot deal with one's adversary in argument, then either put on the look of anger or try to ridicule him. That is really a useful method by virtue of which one can manage to tide over really difficult positions. After all, he thinks, in a House where argument is the main principle which should guide and determine decisions, what does it matter if occasionally one deviates a little from truth? I will not press this further, as, I expect, I will have another opportunity for general observations during the third reading of the Bill.

The Honourable the Finance Member then said that my suggestions, which he analysed in his own inimitable way, were either hollow or perverse or unfounded. Sir, I had suggested that I expected a larger amount of surplus than he has provided for. I have the support of the European Group and of all the commercial bodies, and though the Finance Member has his own ineffable charm in spite of his other frailties, I will not be sorry, if I have to be in this larger company than in the unique company of the solitary eminence of the great Finance Member. (Laughter.)

As to the other point, I had said that we are entitled to count upon the railway contribution of 5 crores 20 lakhs which had been fixed in 1924. That is a fixed contribution, and it is the first charge on the income of the railways. Sir, even in the Railway Budget of the current year, the amount has been calculated, and it has been put down here as:

"Net payment due from railways to general revenue in 1935-36, Rs. 5,20,58,498."

A sum which is given in such detail is not altogether fabulous: it has internal evidence of being a genuine figure. Then, Sir, the description given here, "Net payment due from railways to general revenue in 1935-36", clearly shows that the railways have definitely made themselves liable for this payment of 5 crores and 20 lakhs. I may remind the House of what the Honourable Sir Charles Innes said when he placed before this House his proposal for the separation of railway from general finance. I will read only one sentence though there are many which would be perfectly relevant. He said:

"The next point I wish to bring out is that the House has got to remember that we have to pay this one per cent on all our capital at charge on commercial lines. I have just referred to the fact that it takes some years before we get a return upon new capital, specially new capital sunk in new lines. Further, we undertake to pay

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the dividend year by year, and we take the risk of the season. When the season is good and trade is good, our earnings go up; when the season is bad and trade is bad, our earnings go down. But whatever the state of the season, whatever the state of trade, we undertake to pay this dividend year by year."

And the main reason for the separation of accounts in the very first clause of the Preamble ran thus:

"This Assembly recommends to the Governor General in Council that, in order to relieve the general budget from the violent fluctuations caused by the incorporation therein of the railway estimates,.....the railway finances shall be separated .....and the general revenue shall receive a definite annual contribution."

There are other clauses too which are equally clear, but it is not necessary to read them. In fact, it is admitted that the railways are liable to the tune of 5 crores and 20 lakhs for the current year. The railways have not gone bankrupt; we have not treated the railways yet as a dead weight and a lost asset. They may be part of a lost dominion some time later; but, so far, the railways continue to be a perfectly valuable and solid asset. And that is further proved by the fact that we have got a constructive programme, and we are spending several millions each year for these railways. In these circumstances, I want to know what can be the justification for not taking this income of 5 crores and 20 lakhs into account. We, on our part, so far as the general budget is concerned, are required to pay interest even on the railway depreciation fund; but, on the other hand, I find that the railways are not charged with this revenue which is certainly due from them under the contract between the Railway Department and this House. So, I submit that we are entitled to take these 5 crores and 20 lakhs into account. It may be that the railways are not in a position to pay them in cash today. Even about that, I think, they can, for we have taken away some 30 crores in the form of interest. Part of the interest could stand over and the revenue could be paid. The fact remains that the railways have a potential liability of 5 crores and 20 lakhs, and that liability is genuine, real, substantial, incontrovertible and conclusive. In the circumstances, what reason can there be for the Honourable the Finance Member disregarding it and for treating a suggestion to take it into account as a hopeless illustration of "diseased abandon"?

Sir, there was another suggestion that I made, and it was this that the restrictions in the matter of deposits in savings or postal banks should be removed. The Honourable the Finance Member either misunderstood me or,—I would not say he misrepresented me even if he did. He said I had suggested that the rates of interest on savings banks should be raised. I never said anything like that. My suggestion is a very simple one, and it is this that the savings banks get money from the public and Government have reduced the interest very low. Government may still reduce the interest, and, in some cases, cut it out completely,—I do not worry about it. But at present the maximum limit of the deposits does not go beyond Rs. 750 or something like that. Similarly, withdrawals cannot be made except after certain intervals. I want Government to leave it free to the public to make such deposits as they choose, and to give them the facility of withdrawing money from the postal bank freely or oftener than they can at present. In such manner, I think the current rupee floating debt could be almost reduced to an evanescent degree, and

there can be a material saving. I do not see what difficulty Government find in it. But that is not my quarrel. I am here as an ordinary layman; the Honourable the Finance Member, in spite of his distrust, if not disgust, of economists, is an expert. And if he does not accept a suggestion, it is open to him not to do so. But to misrepresent that suggestion and then to treat it with flippant frivolity is not just to us here. He is entitled to take decisions, and that is why he is there. But we are similarly bound to make our suggestions and why should he not treat them in a fair and reasonable spirit? Why should he come forward and make a political speech which may suit the Honourable the Home Member in spite of his age (Laughter), but which, so far as he is concerned, and holding the office that he does, is altogether unbecoming of him? So I submit, Sir, that that suggestion of mine was worthy of acceptance.

Then, Sir, another suggestion I made was this. Money is cheap, and you have to pay many debts at high rates of interest. Money is also lying idle. You could raise new loans, pay away old debts and make a great saving even thereby. So there are many ways and many methods of tackling the finances. Sir, I may be wrong. I do not claim to be infallible, and, after all, I do not claim the expert knowledge which the Honourable the Finance Member possesses and is expected to possess, and which, if he did not possess, would give cause for pity. But, for all that, why should he treat our suggestions in a spirit of levity and almost of malicious animosity? Sir, I am using only expressions which he introduced on the floor of the House. Formerly, I used to think that "malicious" was an unparliamentary expression, because it carried with it an implication that a man had intentionally done what is wrong and sinister. But he thinks it is parliamentary, and I am prepared to accept it so far as he is concerned.

Sir, then, there were other suggestions which I made. Though he did not discard them altogether, he said that others on this side might not agree with the suggestions that I had made as to higher taxes on higher incomes and on unearned incomes. As to that, I can assure him, in case this assurance can be of any help to him, that the Congress in its Karachi Resolution has accepted in clear terms the policy that I advocated. He can very well say that the Congress does not represent the people except when it is leading them on to the goal of Communism: but, for the time being, if he can make use of this proposal, it is at his disposal. I do not want to say more about it. So, from whatever point of view you may look at it, I am inclined to hold from the materials at my disposal and from the little light that I can afford to apply to these questions, that the Government can make a reduction in taxation to the tune of Rs. 10 crores this year. It may look a very big figure: it does, on the face of it, look like that; but if you remember that the amount due from railways alone on account of fixed contribution comes to Rs. 520 lakhs, and when you take into account the other suggestions that I have made, I believe there is reasonable ground for the support of the conclusions I have tried to place before this House in a clear and unmistakable manner:

I will not take more time. The House cannot do better than make a beginning with the abolition of the salt duty. The poorest of the poor must have the benefit of the first occasion which we can have, for giving relief to the taxpayer. Honourable Members opposite may not worry about these things, as their cut in pay has already been restored, and they need not bother about other things. But we here, even if we cannot

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succeed in making economies and in making retrenchments, should certainly press the Government for making a proper use of the surpluses that are and can be made available and force their hands, in order that, those who are suffering, those who are groaning under the weight, those whose life is nothing except a wretched and miserable existence, may heave at least a little sigh of relief at some moments in the day and some time in the night in the dark corners of their ill-lit sheds and huts in inaccessible villages.

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

"That for clause 2 of the Bill, the following be substituted:

"2. Despite the provisions of section 7 of the Indian Salt Act, 1882, the Governor General in Council shall not impose any duty on salt manufactured in, or imported into, any part of British India other than Burma or Aden during the year beginning on the 1st day of April, 1935."

**The Honourable Sir James Grigg**: Sir, I shall try not to import into this debate any heat, but really I was at a loss to understand the burden of the Pandit's complaint. He has on a number of occasions in this House attacked me, rather violently, but, in a way which I certainly do not resent. He is perfectly entitled to attack me as violently as he likes: but when he says that I am not to answer back, that I am an expert, it is my business to be an expert only and not to answer back, really that is an outrageous suggestion. It reminds me of the definition in Buffon's "Natural History" of a certain animal—I do not know what it was—of whom it was said:

*"Cet animal est méchant : Quand on l'attaque il se défend."*

"This animal is wicked: when he is attacked, he defends himself."

I certainly am going to defend myself: you may call it politics or whatever you like; but I assure you, every time I am attacked, I am going to answer back. ("Hear, hear" from the European Group Benches.) I hope that in general I shall do it so as not to hurt intentionally the feelings of Honourable Members opposite. I had no idea. . . .

**Pandit Govind Ballabh Pant**: I assure you my feelings have not been hurt and I have no objection to your hitting as much as you like: I have absolutely no objection.

**The Honourable Sir James Grigg**: It really is a new principle in controversy that those who are shot at are not allowed to shoot back. It seems to me and I have never been so surprised in my life as to have this principle enunciated, that the opposition can say exactly what they have to say, in terms as offensive as they like, and I am to answer back in a nice little essay on finance and economics. No. (Laughter). . . .



**Pandit Govind Ballabh Pant:** But did I suggest that? I merely commented on your "Bacchanalian abandon": I did not say that my Honourable friend has no right to hit back.

**The Honourable Sir James Grigg:** Really the Honourable Member must preserve some sense of humour: a little exaggeration or metaphor is allowed now and again, surely. May I, after that preliminary, come back to the subject of the debate over which I do not propose to detain the House very long. I certainly do not intend to follow my Honourable friend, who spoke last, further than is necessary for the purpose of the question under consideration, namely, the complete abolition of the salt duty. Of course, I may say at the start, that it is quite possible to accept and I do accept some of the general principles laid down by Honourable Members opposite, which all boil down to this, that if you can raise the money otherwise, it is in general undesirable to raise taxation from the poor. That is an absolutely unexceptionable sentiment. But it does not carry us very far. The question is not that. The question is, can we, in this year, after the salt duty has been for 50 or 60—I do not know how many—years an integral part of the Indian taxation system—can we, in this year, and at a moment's notice, raise eight or nine crores otherwise? I personally do not think so; and, if I may be allowed to, I will try once more to examine very briefly the suggestions which have been made for doing it. Mr. Satyamurti has said that I can make use of the surplus of Rs. 3 crores odd which had accrued last year. He forgot that it was only two days ago that the House agreed to motions allocating the whole of that surplus except 86 lakhs: how then can we use it twice over? It really is a case, as I said before—I do not wish to be considered as saying anything in any offensive spirit—it really is a question of trying to have it both ways, or three or four ways for that matter. The surplus, therefore, is unavailable: it has been disposed of already.

Then, he says, suspend the provision for the reduction of debt. The merits or demerits of sinking funds, whether you should or should not make allowances for sinking funds, are matters for interminable expert discussion, which lead nowhere because there are no immutable principles in this matter. But all I would say is that although Mr. Satyamurti says that Rs. 3 crores is too much to provide for debt reduction in present conditions, there are a certain number of Honourable Members—Mr. Mathuradas Vissanji, I think, is one, Sir Ghulam Hidayatallah is another—who said that Rs. 3 crores provision for sinking fund was quite inadequate. At present, I am not prepared to say that it is too little, but I am certainly not prepared to say that it is too much, and, therefore, I am unable to accept the suggestion of Mr. Satyamurti that you can make available three crores more by raiding the sinking fund. Mr. Satyamurti's next suggestion—I am not sure if my Honourable friend, the Pandit, joined in it—was that I should write up the sugar revenue: instead of three crores I have budgeted for, the revenue should be something like five crores: in other words to write up that revenue by just under two crores. On that matter I do not nor in any other matter may I say, for the Pandit's information, I do not claim.

**Pandit Govind Ballabh Pant:** I did not mention the sugar duty at all: you are putting in my mouth words I did not utter.

**The Honourable Sir James Grigg:** Would the Honourable Member mind waiting till I finish my sentence? It may be that in this as in other matters the Honourable Members opposite think that I have made a mistake in the estimates of revenue: I know lots of other people do—the European Group for example: but, again, without wishing to lay myself open to misunderstanding, I say the estimates of revenue are prepared by me with a certain sense of responsibility and I have got to stand by them and I am the only one who can be kicked if I turn out to be wrong; if your estimates are wrong, nobody can say anything to you. . . .

**Mr. S. Satyamurti:** We cannot kick you either: we cannot kick you out. . . .

**The Honourable Sir James Grigg:** I only said "kick": I did not say "kick out". . . .

**Sir Cawasji Jehangir:** But what will you do if there is a surplus next year?

**The Honourable Sir James Grigg:** One year at a time, Sir. (Laughter.)

Well, the Honourable Mr. Satyamurti and others said that I have under-estimated the sugar revenue by two crores. I don't think so. But supposing, I am wrong, is anybody opposite prepared to say that, in view of the change of outlook which has come over the world during the last six weeks, a certain amount of conservatism is not wise? After all, the condition of Europe and other parts of the world looks very different from what it was a month ago. The estimates were prepared under conditions which assumed a further substantial improvement in trade, and provided for substantial improvement in import revenue other than sugar. Is anybody prepared to say pontifically, or perhaps if that word is regarded as prejudicial, with any amount of certitude that if the estimates were now being made, they would not have been more conservative and not less than they have been. I certainly am not prepared for one moment to admit that there is any serious or material under-estimate in the figures of revenue which have been put before the House. So, we must assume that the carrying out of the present amendment would completely destroy the balance of the Budget and involve all the consequences as regards confidence and credit which inevitably follow any deliberate budgeting for a deficit. So, I am afraid, I cannot accept Mr. Satyamurti's solution as a satisfactory one.

Now, let us turn to the Pandit's solution which he repeated today and incidentally he seemed to be very angry that I did not find it very alluring. I am very sorry. Perhaps I had better now, in view of possible misunderstanding, confine myself to a dispassionate examination of it. He says that the railway contribution is a definite debt from the railways. What is the relevance of that? It is no good people owing if they cannot pay it . . .

**Pandit Govind Ballabh Pant:** Reduce that contribution.

**The Honourable Sir James Grigg:** I hope that we shall get the payment of the railway debt during my term of office. But I am bound to say that I am not confident of it, and I am certainly not going to base my budgetary

calculations on this hypothesis, and if you are going in for that sort of thing, why stop at five crores? The arrears of railway contribution amount to a good deal, 30 crores or so, and why not use it to sweep away a great deal more taxation, for the principle is the same,—you are not going to get back any of it.

Then, the Pandit says,—this is a capital debt, it is a debt which is absolutely due. You can bring that into the budget, and if necessary, the Railways need not pay their interest in full,—what difference does that make whether they pay you five crores by way of capital or interest; it makes absolutely no difference to your accounts. Really the Pandit is not treating the House fairly in suggesting that five crores, which are entirely imaginary money, are available for tax reduction.

Then, we come to Savings Banks deposits. I am very sorry if I misunderstood him on a previous occasion, but quite honestly whatever misunderstanding there was, it does not affect the main argument. The argument is simply this that you attract, by whatever method you do it, more savings from the people into the savings banks and into cash certificates. That is capital borrowing. It is not recurring receipts from taxation, it is capital borrowing, and his plan is the same general plan which runs throughout his thesis, to take into his budget a number of large capital receipts and assume that they are available for tax reduction. They cannot possibly be applicable in this way. You cannot go on borrowing every year and assume that you can reduce taxation by a precisely similar amount in that year. . . .

**Pandit Govind Ballabh Pant:** May I explain, Sir? What I suggested was that you could attract money at nominal rates of interest to the Savings Bank and use it for purposes for which you have to borrow at high rates today. It obviously makes a saving.

**The Honourable Sir James Grigg:** But the Honourable Member must know that the rates for savings certificates are above the ordinary market rates at which we borrow. . . .

**Pandit Govind Ballabh Pant:** They are 2½ per cent. But you can attract money at nominal rate and even without paying interest if other restrictions are withdrawn.

**The Honourable Sir James Grigg:** I am talking of the savings certificates, they are above the market rate, taking into account the currency of the loan and the conditions under which they can be withdrawn. They are an expensive form of borrowing. Then on savings bank deposits we pay 2½ per cent., but they are withdrawable on demand, at any time, and the market rates for such short term loans are very much lower. You can borrow call money at 1 per cent. . . .

**Sir Cowasji Jehangir:** Treasury Bills?

**The Honourable Sir James Grigg:** Treasury Bills are under 2 per cent. It is an extremely uneconomic form of call money borrowing.

Then, my friend said why not, as opportunity arises, borrow and pay off old loans raised at higher rates of interest? We certainly do that whenever occasion arises, but I would like to know the secret, if the Honourable Member could tell me, of inducing a bond-holder, who has got a guaranteed rate of interest for a certain term, to give up his bond before the term of his bond is over. . . .

**Mr. S. Satyamurti:** Offer him a premium.

**The Honourable Sir James Grigg:** Exactly. You cannot get it unless you give him a premium. But that means there is no saving. If I may say so without fear of misunderstanding, it is a complete delusion to think that you can induce people to give you something for nothing.

**Mr. S. Satyamurti:** How did they do it in England?

**The Honourable Sir James Grigg:** The loan was due and called.

**Mr. S. Satyamurti:** No.

**The Honourable Sir James Grigg:** Yes, it was, I was myself very much concerned in that transaction and I can assure you that that loan was due, and callable and called.

**Pandit Govind Ballabh Pant:** You have loans that you can liquidate.

**The Honourable Sir James Grigg:** As I say, whenever they fall due, they will be liquidated, and I hope that we can do it at very much more favourable rates of interest.

Now, Sir, I hope that I have said enough to show that there are not really any of the simple means that the two Honourable Members opposite think of raising easily and readily in this year ten crores of extra revenue to sweep away the salt tax. Perhaps I may end up with one general illustration on the question of burdensomeness of taxation on the poor, and in defence, moreover, of the necessity which I feel of asking the Assembly to retain the duty on salt. I may say that the burden per head of the population of the salt duty is Re. 0-3-10. Let us compare that burden with the burden of other taxes which, taken together, yield a slightly smaller sum. These are the protective part of the duty on sugar and the protective duties on piecegoods. I am leaving out of account the excise duty on sugar, because, in so far as there is an import duty and an exactly counter-vailing excise—nobody in his senses—I beg your pardon, I withdraw that expression for fear of misunderstanding—(Laughter)—nobody would deny that that kind of taxation is borne by the consumer and borne entirely by the consumer. I am referring only to the Rs. 7-12-0 which is the amount of the protective duty on sugar. That gives to the exchequer well under two crores, the duties on cotton piecegoods yield about five crores to the exchequer, and that makes seven crores altogether. I wonder if the House has any idea of the burden of those two sets of duties on the consumer. I

have had some rough calculations made—there may be a margin of error, but I am quite convinced that they give roughly a fair picture. I have had calculated that the burden on the consumer of the protective part of the sugar duty is 14 crores. The burden on the consumer of the cotton piece-goods duties is 20 crores. Therefore, the total burden on the consumer of these two sets of duties, taken together, is 34 crores, and the exchequer gets seven crores. In other words, for seven crores that the exchequer gets, the industrialists get 27 crores, or four times as much. In other words, the burden of these two protective duties per head is five times that of the salt duty, and yet the salt duty yields rather more than the other two taxes put together. Therefore, when Honourable Members opposite or on this side of the House or anywhere in the House speak of the burdensome taxation on the poor, I would ask them to remember that, if your real object is to reduce the burdens on the poor, there are ways of doing it without costing nearly so much to the exchequer but quite as efficaciously, as I think will be clear from what I have said before. The Government must oppose this motion.

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

**Some other Honourable Members:** No.

**The Honourable Sir James Grigg:** Let the question be now put.

**Mr. S. Satyamurti:** I object. The Honourable Member who has last spoken says that the question be now put. That is wholly unparliamentary.

**Mr. President (The Honourable Sir Abdur Rahim):** The question is that the question be now put.

The motion was adopted.

**Mr. G. Morgan (Bengal: European):** May I ask your ruling, Sir. The original clause says that the Governor General in Council shall impose a duty on salt manufactured in, or imported into, any part of British India, other than Burma or Aden, whereas the amendment says, that he shall not impose a duty on salt manufactured in, or imported into, any part of British India other than Burma or Aden. Does that mean that he will have power to impose excise duties on Burma and Aden?

**Mr. President (The Honourable Sir Abdur Rahim):** That is exactly what it means. That is to say, that there shall be no duty on salt manufactured in, or imported into, any part of British India except Burma or Aden, which means there shall be a duty on salt manufactured in, or imported into, Burma and Aden. If this amendment is carried, there will be no salt duty on any part of British India except Burma and Aden.

The question is:

“That for clause 2 of the Bill the following be substituted :

2. Despite the provisions of section 7 of the Indian Salt Act, 1862, the Governor General in Council shall not impose any duty on salt manufactured in, or imported into, any part of British India other than Burma or Aden during the year beginning on the 1st day of April, 1935.”

## The Assembly divided:

AYES—54.

Aaron, Mr. Samuel.  
 Abdul Matin Chaudhury, Mr.  
 Aney, Mr. M. S.  
 Ayyangar Mr. M. Ananthasayanam.  
 Azhar Ali, Mr. Muhammad.  
 Banerjee, Dr. P. N.  
 Baqui, Mr. M. A.  
 Barda,oi, Srijut N. C.  
 Bhagavan Das, Dr.  
 Chattopadhyaya, Mr. Amarendra Nath  
 Chettiar, Mr. T. S. Avinashilingam.  
 Chetty, Mr. Sami Vencatachelam.  
 Das, Mr. B.  
 Das, Mr. Basanta Kumar.  
 Das, Pandit Nilakantha.  
 Datta, Mr. Akhil Chandra.  
 Desai, Mr. Bhulabhai J.  
 Essak Sait, Mr. H. A. Sathar H.  
 Fakir Chand, Mr.  
 Gadgil, Mr. N. V.  
 Govind Das, Seth.  
 Gupta, Mr. Ghansham Singh.  
 Hosmani, Mr. S. K.  
 Jedhe, Mr. K. M.  
 Jogendra Singh, Sirdar.  
 Khan Sahib, Dr.  
 Khare, Dr. N. B.  
 Lahiri Chaudhury, Mr. D. K.

Lalchand Navalraj, Mr.  
 Maitra, Pandit Lakshmi Kanta.  
 Mangal Singh, Sardar.  
 Mudaliar, Mr. C. N. Muthuranga.  
 Muhammad Ahmad Kazmi, Qazi.  
 Murtuza Sahib Bahadur, Maulvi  
 Syed.  
 Nageswara Rao, Mr. K.  
 Paliwal, Pandit Sri Krishna Dutta.  
 Pant, Pandit Govind Ballabh.  
 Ragnubir Narayan Singh, Choudhri.  
 Rajan, Dr. T. S. S.  
 Raju, Mr. P. S. Kumaraswami.  
 Ranga, Prof. N. G.  
 Saksena, Mr. Mohan Lal.  
 Satyamurthi, Mr. S.  
 Shafi Daudi, Maulvi Muhammad.  
 Sham Lal, Mr.  
 Shaikat Ali, Manlana.  
 Sheodass Daga, Seth.  
 Singh, Mr. Deep Narayan.  
 Singh, Mr. Ram Narayan.  
 S.nha, Mr. Satya Narayan.  
 Sinha, Mr. Shri Krishna.  
 Sri Prakasa, Mr.  
 Umar Aly Shah, Mr.  
 Varma, Mr. B. B.

NOES—61.

Abdoola Haroon, Seth Haji.  
 Abdul Aziz, Khan Bahadur Mian.  
 Abdullah, Mr. H. M.  
 Ahmad Nawaz Khan, Major Nawab.  
 Allah Bakhsh Khan Tiwana, Khan  
 Bahadur Nawab Malik.  
 Ayyar, Rao Bahadur A. A.  
 Venkatarama.  
 Bajoria, Babu Baijnath.  
 Bajpai, Mr. G. S.  
 Bewoor, Mr. G. V.  
 Bhagechand Soni, Rai Bahadur Seth.  
 Bhore, The Honourable Sir Joseph.  
 Chatarji, Mr. J. M.  
 Craik, The Honourable Sir Henry.  
 Dalal, Dr. R. D.  
 DeSouza, Dr. F. X.  
 Drake, Mr. D. H. C.  
 Fazli-Haq Piracha, Khan Sahib  
 Shaikh.  
 Gajapatiraj, Maharaj Kumar Vijaya  
 Ananda.  
 Gauba, Mr. K. L.  
 Ghiasuddin, Mr. M.  
 Ghulam Bhik Nairang, Syed.  
 Gidney, Lieut.-Colonel Sir Henry.  
 Graham, Sir Lancelot.  
 Grigg, The Honourable Sir James.  
 Hidavat'al'ah, Sir Ghulam Hussain.  
 Hockenbull, Mr. F. W.  
 Hudson, Sir Leslie.  
 James, Mr. F. E.  
 Jawahar Singh, Sardar Bahadur  
 Sardar Sir.  
 Jehangir, Sir Cowasji.  
 Joshi, Mr. N. M.

Kirpalani, Mr. Hiranand Khushiram.  
 Lindsay, Sir Darcy.  
 Lloyd, Mr. A. H.  
 Mehr Shah Nawab Sahibzada Sir  
 Sayad Muhammad.  
 Metcalfe, Mr. H. A. F.  
 Milligan, Mr. J. A.  
 Monteath, Mr. J.  
 Morgan, Mr. G.  
 Muhammad Nauman, Mr.  
 Mukerje, Mr. N. B.  
 Mukherjee, Rai Bahadur Sir Satya  
 Charan.  
 Nayar, Mr. C. Govindan.  
 Noyce, The Honourable Sir Frank.  
 Rajah, Raja Sir Vasudeva.  
 Rajah, Rao Bahadur M. C.  
 Rau, Mr. P. R.  
 Row, Mr. K. Sanjiva.  
 Sarma, Mr. B. S.  
 Scott, Mr. J. Ramsay.  
 Scott, Mr. W. L.  
 Sher Muhammad Khan, Captain  
 Sardar.  
 Siddique Ali Khan, Khan Sahib  
 Nawab.  
 Singh, Mr. Pradyumna Prasad.  
 Sircar, The Honourable Sir  
 Nripendra.  
 Sloan, Mr. T.  
 Swithinbank, Mr. B. W.  
 Thein Maung, U  
 Tottenham, Mr. G. R. F.  
 Yakub, Sir Muhammad.  
 Ziauddin Ahmad, Dr.

The motion was negatived.

**Mr. President** (The Honourable Sir Abdur Rahim): The Chair will now put the other motion moved by Seth Govind Das. The question is: "That clause 2 of the Bill be omitted."

**Sir Cowasji Jehangir**: On a point of order, Sir,—the motion just rejected by the House is in more general terms than that you placed before the House just now. The House, having rejected Panditji's motion, cannot now vote on one of a more restricted kind.

**Mr. President** (The Honourable Sir Abdur Rahim): Clause 2 of the Bill covers a narrower ground.

**Sir Cowasji Jehangir**: Panditji's motion covers more than the omission of clause 2 of the Bill. Panditji's motion covers the one moved by . . . .

**Mr. President** (The Honourable Sir Abdur Rahim): The clause, as it is, stands, on the result of the motion. Order, order. The question is:

"That clause 2 of the Bill be omitted."

The Assembly divided:

AYES—57.

Aaron, Mr. Samuel.  
 Abdul Matin Chaudhury, Mr.  
 Aney, Mr. M. S.  
 Ayyangar, Mr. M. Ananthasayanam.  
 Azhar Ali, Mr. Muhammad.  
 Banerjee, Dr. P. N.  
 Baqui, Mr. M. A.  
 Bardaloi, Sriji N. C.  
 Bhagavan Das, Dr.  
 Chattopadhyaya, Mr. Amarendra  
 Nath.  
 Chettiar, Mr. T. S. Avinashilingam.  
 Chetty, Mr. Sami Vencatachalam.  
 Das, Mr. B.  
 Das, Mr. Basanta Kumar.  
 Das, Pandit Nilakantha.  
 Patta, Mr. Akhil Chandra.  
 Desai, Mr. Bhulabhai J.  
 Essak Sait, Mr. H. A. Sathar H.  
 Fakir Chand, Mr.  
 Gadgil, Mr. N. V.  
 Govind Das, Seth.  
 Gupta, Mr. Ghansham Singh.  
 Hosmani, Mr. S. K.  
 Jedhe, Mr. K. M.  
 Jogendra Singh, Sirdar.  
 Khan Sahib, Dr.  
 Khare, Dr. N. B.  
 Lahiri Chaudhury, Mr. D. K.  
 Lalchand Navalrai, Mr.

Maitra, Pandit Lakshmi Kanta.  
 Mangal Singh, Sardar.  
 Mudaliar, Mr. C. N. Muthuranga.  
 Muhammad Ahmad Kazmi, Qazi,  
 Murtuza Sahib Bahadur, Maulvi  
 Syed.  
 Nageswara Rao, Mr. K.  
 Faliwal, Pandit Sri Krishna Dutta.  
 Pant, Pandit Govind Ballabh.  
 Raghbir Narayan Singh, Choudhri.  
 Rajan, Dr. T. S. S.  
 Raju, Mr. P. S. Kumaraswami.  
 Ranga, Prof. N. G.  
 Saksena, Mr. Mohan Lal.  
 Sant Singh, Sardar.  
 Satyamurti, Mr. S.  
 Shafi Daudi, Maulvi Muhammad.  
 Sham Lal, Mr.  
 Shaikat Ali, Maulana.  
 Sheodass Daga, Seth.  
 Singh, Mr. Deep Narayan.  
 Singh, Mr. Ram Narayan.  
 Sinha, Mr. Satya Narayan.  
 Sinha Mr. Shri Krishna.  
 Sri Prakasa, Mr.  
 Thein Maung, Dr.  
 Thein, Maung, U.  
 Umar Ali Shah, Mr.  
 Varma, Mr. B. B.

## NOES—61.

Abdoola Haroon, Seth Haji.  
 Abdul Aziz, Khan Bahadur Mian.  
 Abdullah, Mr. H. M.  
 Ahmad Nawaz Khan, Major Nawab.  
 Allah Bakhsh Khan Tiwana, Khan Bahadur Nawab Malik.  
 Ayyar, Rao Bahadur A. A. Venkatarama.  
 Bajoria, Babu Baijnath.  
 Bajpai, Mr. G. S.  
 Bewoor, Mr. G. V.  
 Bhagchand Soni, Rai Bahadur Seth.  
 Bhore, The Honourable Sir Joseph.  
 Chatarji, Mr. J. M.  
 Craik, The Honourable Sir Henry.  
 Dalal, Dr. R. D.  
 DeSouza, Dr. F. X.  
 Drake, Mr. D. H. C.  
 Fazl-i-Haq Piracha, Khan Sahib Shaikh.  
 Gajapatiraj, Maharaj Kumar Vijaya Ananda.  
 Gauba, Mr. K. L.  
 Ghiasuddin, Mr. M.  
 Ghulam Bhik Nairang, Syed.  
 Gidney, Lieut.-Colonel Sir Henry.  
 Graham, Sir Lancelot.  
 Grigg, The Honourable Sir James.  
 Hidayatallah, Sir Ghulam Hussain.  
 Hockenull, Mr. F. W.  
 Hudson, Sir Leslie.  
 James, Mr. F. E.  
 Jawahar Singh, Sardar Bahadur Sardar Sir.  
 Jehangir, Sir Cowasji.  
 Joshi, Mr. N. M.

Kirpalani, Mr. Hiranand Khushiram.  
 Lal Chand, Captain Rao Bahadur Chaudhri.  
 Lindsay, Sir Darcy.  
 Lloyd, Mr. A. H.  
 Mehr Shah, Nawab Sahibzada Sir Sayad Muhammad.  
 Metcalfe, Mr. H. A. F.  
 Milligan, Mr. J. A.  
 Monteath, Mr. J.  
 Morgan, Mr. G.  
 Muhammad Nauman, Mr.  
 Mukerje, Mr. N. L.  
 Mukherjee, Rai Bahadur Sir Satya Charan.  
 Nayar, Mr. C. Govindan.  
 Noyce, The Honourable Sir Frank Rajah, Raja Sir Vasudeva.  
 Rajah, Rao Bahadur M. C.  
 Rau, Mr. P. R.  
 Row, Mr. K. Sanjiva.  
 Sarma, Mr. R. S.  
 Scott, Mr. J. Ramsay.  
 Scott, Mr. W. L.  
 Sher Muhammad Khan, Captain Sardar.  
 Siddique Ali Khan, Khan Sahib Nawab.  
 Singh, Mr. Pradyumna Prashad.  
 Sircar, The Honourable Sir Nripendra.  
 Sloan, Mr. T.  
 Swithinbank, Mr. B. W.  
 Tottenham, Mr. G. R. F.  
 Yakub, Sir Muhammad.  
 Ziauddin Ahmad, Dr.

The motion was negatived.

**Mr. President** (The Honourable Sir Abdur Rahim): There are a number of other amendments on the list—from No. 4 to No. 11. There is one amendment by Mr. Satyamurti that is practically the same as that of Pandit Pant's. Nos. 6 to 11,—these are to vary the duty. If these amendments are accepted, the duties that will be left will be four annas, eight annas, ten annas, twelve annas or one rupee. They mostly stand in the name of Members belonging to the Congress Party. The Chair does not know whether they are in a position to select any of these amendments. The Chair wants to know whether Honourable Members want to move each and everyone of these amendments and want the Chair to put them one by one.

**Mr. S. Satyamurti:** Yes, until we win.

**Mr. President** (The Honourable Sir Abdur Rahim): In that case, the Chair will ask that all these motions be moved formally and then a debate will take place, if necessary, on all the motions.

**Pandit Nilakantha Das:** Sir, I beg to move:

"That in clause 2 of the Bill, the words 'one rupee and' be omitted."



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

"That in clause 2 of the Bill, the words 'one rupee and' be omitted."

**Srijut N. C. Bardaloi** (Assam Valley: Non-Muhammadan): Sir, I beg to move:

"That in clause 2 of the Bill, for the words 'one rupee and four annas', the words 'eight annas' be substituted."

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

"That in clause 2 of the Bill, for the words 'one rupee and four annas', the words 'eight annas' be substituted."

**Seth Govind Das**: Sir, I beg to move:

"That in clause 2 of the Bill, for the words 'one rupee and four annas', the words 'ten annas' be substituted."

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

"That in clause 2 of the Bill, for the words 'one rupee and four annas', the words 'ten annas' be substituted."

**Mr. M. Ananthassayanam Ayyangar** (Madras ceded Districts and Chittoor: Non-Muhammadan Rural): Sir, I beg to move:

"That in clause 2 of the Bill, for the words 'one rupee and four annas', the words 'twelve annas' be substituted."

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

"That in clause 2 of the Bill, for the words 'one rupee and four annas', the words 'twelve annas' be substituted."

**The Honourable Sir James Grigg**: Will it be in order for me to give one figure of the loss in revenue on each of these amendments which are being moved, so that the House could know exactly what each amendment entails?

**Mr. President** (The Honourable Sir Abdur Rahim): The Honourable Member can give the figures any time he likes.

**Mr. C. N. Muthuranga Mudaliar** (South Arcot *cum* Chingleput: Non-Muhammadan Rural): Sir, I beg to move:

"That in clause 2 of the Bill, for the words 'one rupee and four annas', the words 'one rupee' be substituted."

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

"That in clause 2 of the Bill, for the words 'one rupee and four annas', the words 'one rupee' be substituted."

**The Honourable Sir James Grigg**: On amendment No. 6, the loss of revenue would be 6½ crores, on amendment No. 7, the loss would be four crores and 87½ lakhs. on amendment No. 8, the loss would be four crores, and 6½ lakhs, on amendment No. 9, the loss would be three crores and 25 lakhs, and on amendment No. 10, the loss would be one crore, 62½ lakhs.

**Mr. T. S. Avnashilingam Chettiar** (Salem and Coimbatore *cum* North Arcot: Non-Muhammadan Rural): Has the calculation been made on the basis that a decrease in taxation will increase the consumption of salt?

**The Honourable Sir James Grigg:** That has been done.

**Mr. S. Satyamurti:** Do Government accept any of these amendments?

**The Honourable Sir James Grigg:** No, Sir.

**Mr. N. M. Joshi:** I wish to say a few words as regards one particular point.

**Mr President** (The Honourable Sir Abdur Rahim): Is it on the general principles?

**Mr. N. M. Joshi:** No, Sir, I am not going to speak on general principles at all. There is only one point about which I will say a word and I dealt with that point in my speech. My Honourable friend, Mr. Satyamurti, again asked me why, if I objected to salt tax in principle, I should not vote for the abolition of the salt tax altogether. I explained my reason, and that was that the Governor General had more than one alternative. If the Governor General had only one alternative, namely, to find another source of taxation, I would certainly have voted for the amendment moved by the Congress Party. But the Governor General has another alternative, namely, to certify the Finance Bill and get the salt tax restored. In this connection I would like to narrate a little experience of mine in this Legislature. Some years ago, the Government of India proposed to increase the salt tax. The Legislature, on my own amendment, voted against the increase of the tax, and we defeated the Government and the amendment was carried reducing the salt tax. The Government of India found that it was much better to co-operate with the Legislature of those days, and the spirit of the Government in the Legislature was a little different from what it is today. The Government of India believed in argument and the Legislature too believed in the method of argument.

**Mr. S. Satyamurti:** When were those golden days?

**Mr. N. M. Joshi:** There was greater co-operation between the Legislature and the Government. The Honourable the Finance Member of that time proposed to the Legislature that they should meet informally and make a suggestion as to the alternative source of revenue. We met informally and the Honourable the Finance Member of that time, Sir Malcolm Hailey, was in the meeting. We put forward suggestions, and I myself put forward a suggestion that the income-tax should be raised, but we found we could not get the informal meeting to accept any taxation. Under these circumstances, the Governor General certified the Finance Bill. I do not want, Sir, the Government of India to certify the Finance Bill. I am a believer in getting the salt tax removed from the Statute-book by whatever method I can. The only method is to prevent the Governor General certifying, and I, therefore, propose to vote for the reduction of salt tax

by eight annas, that is to substitute twelve annas for Rs. 1-4-0. If we succeed in reducing the salt tax to twelve annas, this year, I am quite sure there will be another surplus next year and when there is a surplus in the budget the Governor General will have absolutely no excuse for the certification of the Finance Bill.

**Mr. S. Satyamurti:** What a pathetic faith!

**Mr. N. M. Joshi:** I, therefore, hope that the House will carry the amendment for reducing the tax on salt at such a point when there will be no excuse absolutely for the Governor General to certify the Finance Bill. I, therefore, propose to vote for the reduction by eight annas.

**Seth Haji Abdoola Haroon** (Sind: Muhammadan Rural): Sir, on a point of information. Just now the Honourable the Finance Member said that the duty, if reduced by such and such, will entail a loss of such and such in revenue. I want to ask a question. On page 29 of the Budget under Salt this year, you have budgeted for an expenditure of one crore 18 lakhs. If we reduce the duty to twelve annas or eight annas per maund, what do you expect to reduce in the expenditure on the manufacture of salt or collection of the duty.

**Mr. A. H. Lloyd:** If there is any taxation at all, we expect no reduction in the expenditure. If the rate of tax on salt is reduced, that does not at all affect the cost of the collection or manufacture of salt. The expenditure is the same whether the tax is one rupee and four annas or twelve annas. We do not use tax-framers nor do we pay commissions to anybody. I may be permitted to mention with reference to the figure of 1,18 lakhs which the Honourable Member mentioned that about 60 to 70 lakhs of that represent the cost of producing salt and has nothing to do with the collection of revenue.

**Mr. M. Ananthasayanam Ayyangar:** Sir, I think my Honourable friend, Mr. Joshi, is at least now disabused, although he originally refused to vote with us for the total abolition of the excise duty. Now, amendments for various grades of duty have been moved, so that Government Members may at least agree to one of them and show that their heart is really with the poor. It is only for that reason that we graded it up and gave all possible opportunities to all Members of the House, to whatever Party they may belong, to show their sympathy and reduce the salt tax to whatever figure they choose. Now, seeing that the Finance Member is absolutely adamant, it is too late for Mr. Joshi now to come back and vote for our original motion, but he can vote with us in respect of other motions.

Sir, we find that, as an emergency measure, the surcharge on salt as well as other surcharges were imposed in 1931. Now, we have to pay for each maund of salt Rs. 1-4-0 as excise duty and a surcharge of five annas.

[Mr. M. Ananthasayanam Ayyangar.]

and, so far as Bengal and Burma are concerned, an additional two annas and six pies on each maund of salt. From the printed papers, which have been circulated to us, we find that a hundred maunds of salt sell at Rs. 50 today in Bengal, besides the duties that have to be paid. The ordinary market rate of salt per maund ranges between Rs. 2-8-0 and Rs. 3 at the several Presidency headquarters of India, and, in the moulussil, it may be even more. Sir, as this duty was imposed as an emergency measure, now, when the emergency no longer exists, the first help that is to be rendered to the poor is to relieve them, to some extent, of the taxation that had been imposed. Far from doing that, we find that those persons, who have been getting decent salaries, are going to have their pay cut removed. All sections of the House have expressed it as their opinion that, with regard to taxes on income, the minimum should be raised to Rs. 2,000. Government have come forward with a proposal that the surcharge on income-tax is to be removed or lessened to some extent. I ask every Honourable Member of this House to place his hand upon his heart and say whether these two measures should have preference over the lessening of the salt duty. Sir, we have the largest coast that any country in the world has. In England, between 1700 A.D. and 1750 A.D., there was no salt tax, but they were importing salt from France. Still they were not slow to find measures, and now England is fully able to satisfy her own needs, and she sends out large quantities of salt to Bengal. It is a disgrace to our patriotism and to our national self-respect to go on eternally living on this imported salt, and refusing to vote for the reduction of the tax. It is not for man alone that we are bargaining here. Next to water and air, this is an article of universal consumption in this country. It is not man alone that requires salt, but even cattle and crops also require salt in large quantities. You are unable to get salt which is round about you and import large quantities of manure, and the Government give us a concession, by not imposing an import duty on manure and agricultural implements. The idea is not, of course, to support the poor agriculturists, but that large quantities of implements might be imported from foreign countries and thus relieve unemployment in England and other countries. That is the way in which this step-motherly affection is shown to our country. The smallest we can do and should do now is to reduce the salt tax to whatever extent it is possible.

Now, Sir, it has been shown clearly that, at the present rate, 5,20 lakhs of maunds of salt are usually issued from year to year in India. In the printed Explanatory Memorandum given by the Financial Secretary, I find that, from the year 1931 right up to 1934, the quantities of salt ranged from 5,10 to 5,40 lakhs of maunds. Therefore, you can take it that approximately 5,20 lakhs of maunds of salt is the entire output in this country, inclusive of the quantities of salt that are brought from Liverpool and other foreign countries and that are produced in Aden. Distributing that over 300 millions, it works to 12 or 14 pounds of salt per head. I would say, that it is preferable to be in the jail at Madras where 18 pounds of salt are given to a convict. By denying the agriculturist even this quantity of salt, you are driving him to commit theft, so that, in order to get the necessary salt, he may go into the Madras Jail where he will get 18 pounds!

Then, there is another thing which has got to be taken into consideration. This 12 pounds is the bare minimum for a human being, and that is what goes to each man when we distribute the 5,20 lakhs of maunds. But you have to take into account the cattle also. The Royal Commission on Agriculture gave statistics as to the number of cattle that we have in this country. At the ordinary rate, the amount of salt that is absolutely necessary, in order that the cattle may live here, is, 2,00 lakhs of maunds. The other day, my friend, Mr. Gupta, said that at Chattisgarh the cattle were little better than dogs. I say that if you want to reduce agricultural poverty and indebtedness and do not want to heighten it and make it worse at any rate, give him this small relief, so as to enable each poor man to purchase salt as much for himself as for his cattle.

Then, as regards agriculture, there are at least 200 millions of acres of land for cultivation. Expert opinion is that each acre of land requires at least a maund of salt for proper manuring. This would give us two thousand lakhs maunds of salt that has to be produced in this country. I would, therefore, say that we are now absolutely behind in salt. Instead of giving a crore of rupees for the purpose of village reorganisation, if Government really want to make a spectacular demonstration, they should make it a point to distribute salt free and they may make a start on the Silver Jubilee day. That would solve the real problem. I would also request every Member of this House, to whatever Party he may belong, to vote for one or other of these amendments that we moved.

In the report of the Taxation Inquiry Committee, Dr. Paranjpye said that the salt tax must be imposed only as an emergency measure, and at no time should the tax be more than eight annas per maund. To protect the industries, various measures of relief have been granted by the Assembly. Protective duties have been imposed, revenues duties have the effect of protective duties, and the poor man is paying most of these taxes and undergoing these burdens. As the Finance Member said, by the duties on sugar and some articles of textiles, the Government get a tax of seven crores of rupees, but the poor man really pays to the extent of 34 crores more for the articles; the poor man is only put to this inconvenience for the sake of the various industries. I ask every rich man and business magnate in this House, who represents the various industries, that as the poor man is prepared to shoulder these additional burdens, whether it is not his duty in turn to vote for a substantial reduction of the salt tax. In a hot country like India, where rice is the principal article of diet, salt is very necessary: it may not be so much in need where wheat is the principal article of diet. Mr. Lloyd said that he is paying Rs. 8,000 by way of taxes, or something of that kind. I would ask him to consider whether almost to the last pie, that sum does not go away in some form or another—liquor or any other substance—for relief of unemployment in his own country . . .

**Mr. A. H. Lloyd:** May I ask the Honourable Member to repeat his 5 P.M. question? I shall be glad to answer it.

**Mr. M. Ananthasayanam Ayyangar:** To the extent to which you consume every foreign article, to that extent it goes to relieve unemployment in your own country: you are not even prepared to purchase the salt of this country!

**Mr. A. H. Lloyd:** My principal answer to that question is that much the greater part of what I pay is in the way of income-tax and super-tax; and, of the rest, the goods are not all imported into this country—petrol for example.

**Mr. M. Ananthasayanam Ayyangar:** That, again, goes from one pocket to another. There was another European friend who was more frank in this matter: when he invited an Indian friend of his to tea, he said "Barring water, which also was distilled water, there was no article of consumption which belonged to this country". I would further say this. This is a matter which has also been mentioned in the Taxation Inquiry Committee Report in paragraph 177:

"Both in Madras and in Burma, the manufacture of salt is in a large measure a subsidiary industry to agriculture."

I, therefore, say that if we help this subsidiary industry in this matter, a large amount of unemployment will be relieved. I would accordingly request that this principal amendment should be voted for.

**Sir Cowasji Jehangir:** Sir, I want to say a word: I have not said a word so far. I have not the slightest doubt in my mind that this question of salt has agitated this country for a number of years. I am perfectly aware of the theories propounded by one of our greatest leaders of, I will not say the past generation, I will say, of the present generation—Mr. Gokhale. Times have since changed and I am not at this late hour prepared to go into the intricacies of the question or to discuss the incidence of taxation that falls on the shoulders of the different classes in this country. But I would like to place one major factor before Honourable Members. There are many other items in this budget which are of vital importance to the poorest classes of our countrymen. There is the post-card; there is the one tola letter; there is the income-tax on the poorest classes of our people, earning between 1,000 and 2,000 rupees a year.

**An Honourable Member:** The poorest people do not pay any income-tax.

**Sir Cowasji Jehangir:** There are a large number of other points that will come up for discussion before this Honourable House. Now, we must make up our minds as what method we are going to adopt; and I would most respectfully place my point of view for the consideration of my Honourable friends who control a very large number of votes in this House and whose voice will decide the question. Now, my point of view is this: are we this year going to throw out, or, shall I say, reduce, the demands by such large amounts as to practically justify certification?

Or are we going to make such cuts as are evidently and definitely for the benefit of our people, which we honestly believe Government should not certify? There is always a limit. You can make cuts to an extent which will definitely justify Government resorting to certification: You can make cuts which may be certified, but which you conscientiously believe Government should not certify. I would prefer the latter method, to make such cuts as we conscientiously believe Government should not certify, and then if they do certify, the responsibility is theirs. But if we go on making cuts after cuts throughout the budget, which will give justification to the Government for certifying the whole, we shall derive no benefit from the majority we have against the Government. My greatest regret is that having the voting power we throw away that advantage by going on making cuts which we know will be certified with one signature instead of with two or three. Therefore, I would appeal to my Honourable friends all round me to go in for such cuts only which we conscientiously believe Government should not certify and let the whole amount be such as we can justify and which will enable us to say conscientiously that we shall not reduce in any way the credit or the stability of the financial position of this country. That is the only way under the present Constitution, bad as it is, that we can take full advantage of our strength in this Honourable House . . . . .

**Mr. Sami Venkatachalam Chetty** (Madras: Indian Commerce): May I ask the Honourable Member what is that limit which would not enable the Government to certify?

**Sir Cawasji Jehangir**: I have tried to make that position clear by saving an amount which we believe, conscientiously believe, we are justified in cutting. If I were asked my opinion I would say that if we cut down this budget by a crore and a half we should be justified. That is my own calculation—to cut down this budget by a crore and a half. But if you go on and cut down this budget by 162 lakhs in salt alone, there is nothing left for your postcards, there is nothing left for your letters, there is nothing left for the poorest classes who pay income-tax; there is nothing left even for those who really deserve some consideration at the hands of this House, those other people who pay income-tax and super-tax. Nothing will be left, and, therefore, I do appeal to Honourable Members to take full advantage of the strength of the non-official voting in this House on this occasion. If that advantage is to be thrown away, well, we shall not be responsible: the whole budget will be certified and will be passed exactly as it has been presented, and we shall gain nothing; and I am most nervous that even those really poor and most deserving classes, those who pay income-tax on incomes between 1,000 and 2,000 rupees, may not get any relief. I do appeal to my Honourable friends to look at the whole question from that point of view and not to press for any cut in the salt tax this year and give the advantage of that crore and a half to the other items that we shall discuss in a very short time, and which will show tangible results in the form of immediate benefit and immediate relief to all classes. I do not mean to say that I am in any way definitely in favour of salt tax or will be so in the future. I am talking of conditions that exist today.

**Several Honourable Members**: The question may now be put.

**Mr. President** (The Honourable Sir Abdur Rahim): The question is that the question be now put.

The motion was adopted.

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

"That in clause 2 of the Bill, the words 'one rupee and' be omitted."

The motion was negatived.

**Mr. President** (The Honourable Sir Abdur Rahim): Then the Chair will put No. 9. The question is:

"That in clause 2 of the Bill, for the words 'one rupee and four annas' the words 'twelve annas' be substituted."

The Assembly divided:

AYES--63.

Aarou, Mr. Samuel.  
 Abdul Matin Chaudhury, Mr.  
 Aney, Mr. M. S.  
 Ayyangar, Mr. M. Ananthasayanam.  
 Azhar Ali, Mr. Muhammad.  
 Bajoria, Babu Baijnath.  
 Banerjee, Dr. P. N.  
 Baqui, Mr. M. A.  
 Bardaloi, Srijiut N. C.  
 Bhagavan Das, Dr.  
 Chhattopadhyaya, Mr. Amarendra  
 Nath.  
 Chettiar, Mr. T. S. Avinashilingam.  
 Chetty, Mr. Sami Vencatachelam.  
 Das, Mr. B.  
 Das, Mr. Basanta Kumar.  
 Das, Pandit Nilakantha.  
 Dutta, Mr. Akhil Chandra.  
 Desai, Mr. Bhulabhai J.  
 Essak Sait, Mr. H. A. Sather H.  
 Fakir Chand, Mr.  
 Gadgil, Mr. N. V.  
 Govind Das, Seth.  
 Gupta, Mr. Ghanashiam Singh.  
 Hosamani, Mr. S. K.  
 Jedhe, Mr. K. M.  
 Jogendra Singh, Sirdar.  
 Joshi, Mr. N. M.  
 Khan Sahib, Dr.  
 Khare, Dr. N. B.  
 Lahiri Chaudhury, Mr. D. K.  
 Lalchand Navalrai, Mr.  
 Maitra, Pandit Lakshmi Kanta.

Mangal Singh, Sardar.  
 Mudaliar, Mr. C. N. Muthuranga.  
 Muhammad Ahmad Kazmi, Qazi.  
 Muhammad Nauman, Mr.  
 Murtuza Sahib Bahadur, Maulvi  
 Syed.  
 Nageswara Rao, Mr. K.  
 Faliwal, Pandit Sri Krishna Dutta.  
 Pant, Pandit Govind Ballabh.  
 Parma Nand, Bhai.  
 Raghubir Narayan Singh, Choudhri.  
 Rajan, Dr. T. S. S.  
 Raju, Mr. P. S. Kumaraswami.  
 Ranga, Prof. N. G.  
 Saksena, Mr. Mohan Lal.  
 Sant Singh Sardar.  
 Satyamurti, Mr. S.  
 Shafi Daudi, Maulvi Muhammad.  
 Sham Lal, Mr.  
 Shaikat Ali, Maulana.  
 Sheodass Daga, Seth.  
 Siddique Ali Khan, Khan Sahib  
 Nawab.  
 Singh, Mr. Deep Nareyan.  
 Singh, Mr. Ram Narayan.  
 Sinha, Mr. Satya Narayan.  
 Sinha, Mr. Shri Krishna.  
 Som, Mr. Suryya Kumar.  
 Sri Prakasa, Mr.  
 Thein Maung, Dr.  
 Umar Aly Shah, Mr.  
 Varma, Mr. B. B.  
 Vissaji, Mr. Matheradas.



## NOES—55

Abdoola Haroon, Seth Hap.  
 Abdul Aziz, Khan Bahadur Mian.  
 Abdullah, Mr. H. M.  
 Ahmad Nawaz Khan, Major Nawab  
 Allah Bakhsh Khan Tiwana, Khan  
 Bahadur Nawab Malik.  
 Ayyar, Rao Bahadur A. A.  
 Venkatarama.  
 Bajpai, Mr. G. S.  
 Bewoor, Mr. G. V.  
 Bhagchand Soni, Rai Bahadur Seth.  
 Chatarji, Mr. J. M.  
 Craik, The Honourable Sir Henry.  
 Dalal, Dr. R. D.  
 DeSouza, Dr. F. X.  
 Drake, Mr. D. H. O.  
 Fazl-i-Haq Piracha, Khan Sahib  
 Shaikh.  
 Gajapatiraj, Maharaj Kumar Vijaya  
 Ananda.  
 Gauba, Mr. K. L.  
 Ghiasuddin, Mr. M.  
 Ghulam Bhik Nairang, Syed.  
 Gidney, Lieut.-Colonel Sir Henry.  
 Graham, Sir Lancelot.  
 Grigg, The Honourable Sir James.  
 Hockenhull, Mr. F. W.  
 Hudson, Sir Lealie.  
 James, Mr. F. E.  
 Jawahar Singh, Sardar Bahadur  
 Sardar Sir.  
 Jehangir, Sir Cowasji.  
 Kirpalani, Mr. Hiranand Khushiram.

Lal Chand, Captain Rao Bahadur  
 Chaudhri.  
 Lindsay, Sir Darcy.  
 Lloyd, Mr. A. H.  
 Mehr Shah, Nawab Sahibzada Sir  
 Sayad Muhammad.  
 Metcalfe, Mr. H. A. F.  
 Milligan, Mr. J. A.  
 Monteath, Mr. J.  
 Morgan, Mr. G.  
 Mukerjee, Mr. N. R.  
 Mukherjee, Rai Bahadur Sir Satya-  
 Charan.  
 Nayar, Mr. C. Govindan.  
 Noyce, The Honourable Sir Frank  
 Rajah, Raja Sir Vasudeva.  
 Rajah, Rao Bahadur M. C.  
 Rau, Mr. P. R.  
 Row, Mr. K. Sanjiva.  
 Sarma, Mr. R. S.  
 Scott, Mr. J. Ramsay.  
 Scott, Mr. W. L.  
 Sher Muhammad Khan, Captain:  
 Sardar.  
 Singh, Mr. Pradyumna Prashad.  
 Sircar, The Honourable Sir  
 Nripendra.  
 Sloan, M. T.  
 Swithinbank, Mr. B. W.  
 Tottenham, Mr. G. R. F.  
 Yakub, Sir Muhammad.  
 Ziauddin Ahmad, Dr.

The motion was adopted.

**Mr. President** (The Honourable Sir Abdur Rahim): The result is that the other amendments lapse, namely, Nos. 7, 8, 10 and 11.

The Assembly then adjourned till Eleven of the Clock on Tuesday, the 2nd April, 1935.