

21st March 1930

THE  
LEGISLATIVE ASSEMBLY DEBATES

(Official Report)

Volume III, 1930

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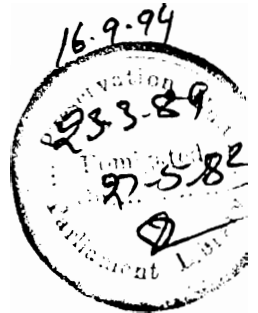
SIXTH SESSION

OF THE

THIRD LEGISLATIVE ASSEMBLY, 1930



DELHI  
GOVERNMENT OF INDIA PRESS  
1930



# Legislative Assembly.

## *President :*

THE HONOURABLE MR. V. J. PATEL.

## *Deputy President :*

MAULVI MUHAMMAD YAKUB, M.L.A.

## *Panel of Chairmen :*

PANDIT MADAN MOHAN MALAVIYA, M.L.A.

MR. M. A. JINNAH, M.L.A.

SIR DARCY LINDSAY, KT., C.B.E., M.L.A.

SIR ZULFIQAR ALI KHAN, KT., C.S.I., M.L.A.

## *Secretary :*

MR. S. C. GUPTA, BAR.-AT-LAW.

## *Assistant of the Secretary :*

RAI SAHIB D. DUTT.

## *Marshal :*

CAPTAIN SURAJ SINGH BAHADUR, I.O.M.

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# LEGISLATIVE ASSEMBLY.

Friday, 21st March, 1930.

The Assembly met in the Assembly Chamber of the Council House at Eleven of the Clock, Mr. President in the Chair.

## QUESTIONS AND ANSWERS.

### RACIAL DISCRIMINATION IN RECREATION PROVIDED FOR APPRENTICES OF THE KHARAGPUR RAILWAY WORKSHOPS.

690. \***Mr. S. C. Mitra:** Is it a fact that the Bengal Nagpur Railway Administration have made provisions in the rules for all their Anglo-Indian and European apprentices in the Kharagpur Railway Workshops, for all sorts of recreations, sports, amusements and easements and that no such provisions exist in the rules for their Indian apprentices there? If so, what is the reason for this differential treatment?

**Mr. A. A. L. Parsons:** The answer to the first part of the question is in the affirmative.

In regard to the second part I have called for information from the Railway Administration and will communicate with the Honourable Member when it is received.

### NUMBERS OF EUROPEAN AND INDIAN APPRENTICES IN THE KHARAGPUR RAILWAY WORKSHOPS.

691. \***Mr. S. C. Mitra:** (a) Will Government please state the number of European (excluding the Anglo-Indian) and Indian apprentices now under training in the Kharagpur Railway Workshops and how many of them are attached to the Loco., Carriage, Wagon and other shops, respectively?

(b) What is the total number of apprentices in the Kharagpur Railway Workshops?

**Mr. A. A. L. Parsons:** With your permission Sir, I propose to answer this and the following question together. I have called for information and will communicate with the Honourable Member when it is received.

### GRIEVANCES OF APPRENTICES IN THE KHARAGPUR RAILWAY WORKSHOPS.

†692. \***Mr. S. C. Mitra:** (a) Is it a fact that there has been a Committee at Kharagpur known as the "Cunningham Committee" appointed by the Bengal Nagpur Railway authorities to consider the various grievances of the employees in the Kharagpur Railway Workshops? If so, has the "Cunningham Committee" taken into consideration the grievances of the Indian apprentices who are now under training in the Kharagpur Railway Workshops?

(b) If the reply to part (a) be in the affirmative, will Government be pleased to place on the table an extract from the Cunningham Committee's Report so far as it relates to the Indian "A" Grade apprentices?

†For answer to this question, see answer to question No. 691.

**FREE PASSES AND CONCESSIONS FOR APPRENTICES OF THE KHARAGPUR RAILWAY WORKSHOPS.**

693. \***Mr. S. C. Mitra:** (a) Will Government please state, in what class the railway free passes and tickets at concession rates are allowed on the home railway to the apprentices in the Bengal Nagpur Railway Workshops at Kharagpur; and when the apprentices become eligible for the free passes and tickets at concessional rates over the foreign lines?

(b) Are there any separate rules for the Indian apprentices, and especially for the "A" Grade apprentices for granting them the free passes and tickets at concessional rates? If so, why?

**Mr. A. A. L. Parsons:** (a) Intermediate or third class passes and concession tickets are allowed in accordance with the pass rules of the Bengal Nagpur Railway to these apprentices over the home line. They become eligible for free passes and tickets at concession rates over foreign railways after two years' service.

(b) No.

**RECRUITMENT OF CLERKS FOR THE POST OFFICE.**

694. \***Mr. S. C. Mitra:** (a) Will Government be pleased to state if it is a fact that the Director General of Posts and Telegraphs has restricted the recruitment to the Post Office of candidates for the clerical cadre to the respective Revenue Divisions to which the candidates belong? If so, will they please lay a copy of the order on the table?

(b) Is it also a fact that the Superintendents of Post Offices are required to obtain the previous sanction of the Heads of Circles if they want to deviate from the above orders and entertain candidates not belonging to the Revenue Divisions in which they seek employment?

**The Honourable Sir Bhupendra Nath Mitra:** (a) Yes. A copy of Part I of the Director General's (Post Office) Circular No. 29, dated the 2nd September, 1926, is laid on the table.

(b) Yes.

**POSTS AND TELEGRAPHS.**

(POST OFFICE).

**Director General's Circular No. 29.**

**Thursday, 2nd September, 1926.**

**I.—Local recruitment for subordinate postal appointments.**

GENERAL FILE.

On the recommendation of the Postal Conference of 1926 it has been decided by the Director General that with effect from the 1st September, 1926, future candidates joining the subordinate postal service must belong to the Revenue Division in which they enlist. In the cases of cities like Bombay and Calcutta candidates belonging to the adjacent Revenue Divisions will also be eligible for appointment in such cities.

2. Any exception to the instruction given in paragraph 1 above must be referred to the Head of the Circle—Postal or Railway Mail Service—for orders.

G. P. ROY,

*Director General of Posts and Telegraphs*

RECRUITMENT OF CLERKS FOR THE POST OFFICE.

695. \***Mr. S. O. Mitra:** (a) Will Government be pleased to state the number of candidates of the clerical cadre belonging to the other Revenue Divisions entertained in the Nilgiri Division by Mr. M. K. Raman, Superintendent of Post Offices, after he took charge of that division in 1928 and the names of the Revenue Divisions from which those candidates were drawn?

(b) Did the Superintendent obtain the sanction of the Postmaster-General, Madras Circle, before their entertainment? If not, why not; and what action do Government propose to take in the matter?

**The Honourable Sir Bhupendra Nath Mitra:** With your permission, Sir, I propose to answer this and the following question together.

The information asked for is being collected and will be supplied to the Honourable Member in due course.

RECRUITMENT OF CLERKS FOR THE POST OFFICE.

†696. \***Mr. S. O. Mitra:** (a) Has the Postmaster-General, Madras, issued instructions to the Superintendent of Post Offices, Nilgiri Division, to stop recruitment of Brahmins for the clerical cadre in his division?

(b) Were any Brahmins entertained by Mr. M. K. Raman, the Superintendent of Post Offices, Nilgiri Division, after the receipt of the Postmaster-General's instructions? If so, how many?

INSPECTION OF BOOKS AND RECORDS OF SUB-POST OFFICES.

697. \***Mr. S. O. Mitra:** (a) Will Government be pleased to state if the rules of the Postal Department prohibit the Supervising Officers from taking away the order books and records of a Post Office for inspection outside the office?

(b) How long has Mr. M. K. Raman, Superintendent of Post Offices, Nilgiri Division, been working as a Superintendent?

(c) Is it a fact that the B. O. receipt books of the Pykara and Mulanur branch offices were taken by him to his office, where they were checked by the staff?

(d) Is it also a fact that registered and parcel lists and the B. O. daily accounts of the Dharapuram and Valparai Sub-Post Offices were brought by him to the office and were inspected by the staff of the Superintendent?

(e) How many days did he take to inspect each of the Branch and Sub-Post Offices mentioned in parts (c) and (d) above; and why did he not inspect the records in the respective offices?

(f) What action do Government propose to take in the matter?

**Mr. H. A. Sams:** Sir, with your permission, I will reply to questions Nos. 697 and 698 together.

The information is being collected and will be communicated to the Honourable Member in due course.

†For answer to this question, see answer to question No. 695.

## INSPECTION OF BOOKS AND RECORDS OF SUB-POST OFFICES.

†698. \***Mr. S. O. Mitra:** (a) Will Government be pleased to state if it is a fact that Mr. M. K. Raman, Superintendent of Post Offices, Nilgiri Division, utilised the services of Inspectors of Post Offices of the Palghat and Coimbatore Sub-Divisions to check the registered and parcel lists of the Kollengode and Podanur Post Offices at the time of his inspection?

(b) How many days did the two Inspectors remain with the Superintendent in the above stations, and in what places should they have remained according to their tour programmes?

(c) Are Superintendents allowed to take the assistance of Inspectors and cannot they inspect offices without the help of Inspectors of Post Offices?

## OFFICE AND RESIDENTIAL ACCOMMODATION OF THE SUPERINTENDENT OF POST OFFICES, OOTACAMUND.

699. \***Mr. S. O. Mitra:** (a) Will Government be pleased to state if it is a fact that the office of the Superintendent of Post Offices is located in Ootacamund in two dark, ill-ventilated rooms in the backyard of the Superintendent's quarters and that Mr. M. K. Raman, the Superintendent is occupying the major portion of the building?

(b) Is it a fact that the proportionate rent of the quarters is less than that for the office portion?

(c) Were Government satisfied that better and suitable accommodation was not available in Ootacamund for the office, and if so, will they please state if any inquiries were made by any officer of the department other than the Superintendent about the availability or otherwise of the accommodation?

(d) Is it compulsory that the Superintendent's office and quarters should be in one and the same building? If the answer be in the negative do Government propose to consider the desirability of providing better accommodation for the office of the Superintendent of Post Offices, Nilgiris?

**Mr. H. A. Sams:** (a), (b) and (c). I am making inquiries and will communicate the result to the Honourable Member on receipt.

(d) The answer to the first part of the question is in the negative. In respect of the second part, Government will take such action regarding the accommodation of the office of the Superintendent of Post Office, Nilgiri Division, as the investigations promised in respect of parts (a), (b) and (c) of the Honourable Member's question show to be necessary.

## PAY OF CERTAIN CLERKS IN THE POST OFFICE.

700. \***Mr. S. O. Mitra:** (a) Will Government be pleased to state if it is a fact that graduates and under-graduates entertained in the Post Office after the revision of pay in March 1927 are getting a higher pay than such men who joined the service two years before the revision?

(b) Do Government propose to take action to remove the anomaly? If so, how and when?

**The Honourable Sir Bhupendra Nath Mitra:** (a) Yes in some cases owing to the operation of the Fundamental Rules.

(b) The reply to the first part of the question is in the negative and the second part does not arise.

†For answer to this question, see answer to question No. 697.

**ALLEGATIONS AGAINST BABU NUT BEHARI CHATTERJEE.**

701. \***Mr. S. C. Mitra:** (a) Is it a fact that the Government received a copy of the resolution of a mass meeting of the Press Employees of Calcutta held under the presidency of Mr. Satyendra Chandra Mitra, M. L. A., on the 14th December, 1929, regarding the serious allegations on the conduct of Babu Nut Behari Chatterjee, Assistant Foreman of the East Indian Railway Press?

(b) If the answer to part (a) be in the affirmative, will Government be pleased to state what action has been taken in the matter? If not, why not?

**Mr. A. A. L. Parsons:** (a) A letter was received from the Organising Secretary, Press Employees' Association communicating certain Resolutions purporting to have been passed at a meeting of Press employees at Calcutta.

(b) Government do not feel called upon to take any action on the communication.

**MEMORIAL FROM EMPLOYEES OF THE EAST INDIAN RAILWAY PRESS.**

702. \***Mr. S. C. Mitra:** (a) Is it a fact that the Honourable Member in charge of Railways and Commerce received a memorial dated the 2nd January, 1930, from the compositors, distributors and binders of the East Indian Railway Press of Howrah and Calcutta?

(b) If the answer to part (a) be in the affirmative, will Government be pleased to lay on the table a copy of the said memorial?

(c) Will the Honourable Member in charge of Railways and Commerce be pleased to state what action has been taken or is intended to be taken in the matter?

**Mr. A. A. L. Parsons:** (a) Yes.

(b) A copy of the memorial has been placed in the Library of the House.

(c) The Agent of the Railway has been asked to deal with the memorial as expeditiously as possible.

**ALLEGED MISCONDUCT ON THE PART OF THE SUPERINTENDENT, EAST INDIAN RAILWAY PRESS.**

703. \***Mr. S. C. Mitra:** (a) Is it a fact that the President, Press Employees' Association, Calcutta telegraphed to the Honourable Member in charge of Railways and Commerce on the 26th December, 1929, alleging serious misconduct on the part of the Superintendent, East Indian Railway Press?

(b) If the answer to part (a) be in the affirmative, will Government be pleased to lay on the table a copy of the said telegram?

(c) Will Government be pleased to state what steps Government have taken or intend taking in the matter?

**Mr. A. A. L. Parsons:** (a) No such communication can be traced.

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



STATUS OF EMPLOYEES OF THE EAST INDIAN RAILWAY PRESS.

704. \***Mr. S. C. Mitra:** (a) Is it a fact that the compositors, binders, distributors, galley proof pressmen, forme proof pressmen, machinemen and ink men of the Government of India Press are in superior service while those of the East Indian Railway Press are in the inferior service?

(b) If the answer to part (a) be in the affirmative, will Government be pleased to state the reasons therefor, and whether they intend taking any action to place the East Indian Railway pressmen on the same status with the men of the Government of India Press?

**Mr. A. A. L. Parsons:** With your permission, Sir, I propose to answer questions Nos. 704, 706, 707 and 708 together.

I have not yet got the information.

Information has been called for and I will communicate with the Honourable Member on its receipt.

COMPLAINT AGAINST THE BINDING JAMADAR OF THE EAST INDIAN RAILWAY PRESS.

705. \***Mr. S. C. Mitra:** (a) Is it a fact that, according to the Civil Service Rules and Regulations and Government Servants' Conduct Rules, as well as according to the publication in the weekly Gazette of the East Indian Railway, issued on the 15th January, 1930, an employee is liable to be dismissed for serious misconduct?

(b) Is the Honourable Member in charge of Railways and Commerce aware that the binding jamadar of the East Indian Railway Press, Calcutta, abused and kicked Abdul Wahid Khan, Mujibur Rahman Chaudhuri and Harmoj Ali Chaudhuri and is in the habit of insulting other employees?

(c) If the answers to parts (a) and (b) be in the affirmative, will the Honourable Member be pleased to state what action has been taken or is intended to be taken against the said binding jamadar?

**Mr. A. A. L. Parsons:** (a) Yes.

(b) No.

(c) Government do not propose to take any action.

EARNINGS OF CERTAIN EMPLOYEES OF THE EAST INDIAN RAILWAY PRESS.

†706. \***Mr. S. C. Mitra:** (a) Is it fact that the earnings of the compositors, distributors, and binders, pressmen, machinemen and ink men of the East Indian Railway Press are diminishing gradually while those of the foreman, section-holders and readers are increasing?

(b) If the answer to part (a) be in the affirmative, will Government be pleased to state the reasons for the same?

(c) Will the Honourable Member in charge of Railways and Commerce be pleased to lay on the table a comparative statement of earnings of any five readers, section-holders, compositors and binders with their names, for the months of June, July, August and September of the years 1924, 1925 and 1929?

†For answer to this question, see answer to question No. 704.

**DISCRIMINATION IN THE PAYMENT OF CALCUTTA ALLOWANCE TO EMPLOYEES  
IN THE EAST INDIAN RAILWAY PRESS.**

†707. \***Mr. S. C. Mitra:** (a) Is it a fact that the clerks of the East Indian Railway Press are allowed to draw Calcutta allowance, while the compositors, distributors, binders, pressmen, machinemen and ink men are not allowed the same?

(b) If the answer to part (a) be in the affirmative, will Government be pleased to state the reasons thereof?

**HAND-COMPOSING WITH MONO-TYPE IN THE EAST INDIAN RAILWAY PRESS.**

†708. \***Mr. S. C. Mitra:** (a) Is it a fact that the compositors of the East Indian Railway Press are required to hand-compose with mono-types?

(b) Are Government aware that hand-composing with mono-type is nowhere prevalent in the world?

(c) If the answers to parts (a) and (b) be in the affirmative, will Government be pleased to state the reasons for forcing the compositors to do such work?

**RATES PAID TO COMPOSITORS IN CERTAIN PRESSES.**

709. \***Mr. S. C. Mitra:** Will Government be pleased to lay on the table a comparative statement of the class rates of the compositors in the Government of India Presses, Bengal Government Press, and the East Indian Railway Press?

**Mr. A. A. L. Parsons:** With your permission, Sir, I propose to reply to questions Nos. 709—719 together.

I would refer the Honourable Member to the replies given to his questions Nos. 257—266 and 268 asked by him in January, 1929, which were in identical terms.

**INCOME OF DIFFERENT CLASSES OF PRESS EMPLOYEES.**

†710. \***Mr. S. C. Mitra:** Will Government be pleased to lay on the table a statement showing, side by side, the income of overseers, head compositors, any three compositors, foreman, head clerk and any three clerks on the one hand and any five compositors, any five distributors and any five binders on the other, noting the name of each, in 1906 and 1927?

**PROMOTION IN THE EAST INDIAN RAILWAY PRESS.**

†711. \***Mr. S. C. Mitra:** (a) Is it a fact that, in the East Indian Railway Press, it is not infrequent that a raw junior with a few months' service to his credit is promoted over the heads of seniors?

(b) Is it a fact that, in the said Press, it is always the few who regularly get promoted, while others are left to vegetate for years in the same place?

(c) Will Government be pleased to lay on the table a statement showing the number of compositors in the East Indian Railway Presses at Calcutta and Howrah with, (i) Names, (ii) Dates of appointments, and (iii) Dates of promotions?

†For answer to this question, see answer to question No. 704.

‡For answer to this question, see answer to question No. 709.

(d) If the replies to (a) and (b) be in the affirmative, will Government be pleased to state what action Government intend taking in the matter?

**COMPARATIVE COST OF COMPOSING BY HAND AND WITH LINOTYPE AND MONOTYPE MACHINES.**

†712. \***Mr. S. O. Mitra:** (a) Is it a fact that three lino. and two mono. machines were purchased in the East Indian Railway Press immediately after the East Indian Railway became a State Railway?

(b) Is it a fact that the mono. machines cause to Government a loss of 40 per cent., and that the lino. machines cause only 20 per cent. loss to Government?

(c) Is it a fact that matter composed on mono. or lino. machines has to be melted away after printing and that such melting can go on for five times only?

(d) Is it a fact that hand-composed matter lasts 90 lakhs of impressions?

(e) Is it a fact that hand-compositors are entitled to remuneration after the first reading, second reading, third reading, revised corrections and rule dress-up are finished?

(f) Will Government be pleased to lay on the table a comparative statement showing the cost of composing by hand 44 × 72 Em nonpareil type 15 column statement, and that of having it in a mono-machine, noting specifically the charge of (1) operator, (2) caster, (3) arranging, (4) first reading corrections, (5) second reading corrections, (6) third reading corrections, (7) revise corrections, (8) rule dress-up, (9) gas, (10) electricity, (11) water, and (12) metal?

(g) If the reply to (a) and (b) be in the affirmative, will Government be pleased to state why Government are replacing hand-composition by lino. and mono. machines?

**PAY OF COMPOSITORS AND CLERKS IN THE EAST INDIAN RAILWAY PRESS.**

†718. \***Mr. S. O. Mitra:** (a) Is it a fact that, in May 1920, the Agent, East Indian Railway, passed orders to the effect that the compositors would be placed on a par with the clerks?

(b) Is it a fact that they have been enjoying this privilege from that time up to 1926?

(c) If the reply to parts (a) and (b) be in the affirmative, will Government be pleased to explain the reasons thereof?

**PAY ON HALF HOLIDAYS IN THE EAST INDIAN RAILWAY PRESS.**

†714. \***Mr. S. O. Mitra:** (a) Is it a fact that, in 1920, the Agent, East Indian Railway, passed orders that the Press people (compositors, distributors, pressmen, binders, etc.), would be allowed a full day's pay on half holidays in general?

(b) Is it a fact that they have been enjoying this privilege from after that time up to 1926?

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†For answer to this question, see answer to question No. 709.

(c) Is it a fact that it has been stopped since the Railway came under Government control?

(d) If the replies to (a), (b) and (c) be in the affirmative, will Government be pleased to state the reasons thereof?

**RAILWAY CONCESSIONS OF EMPLOYEES OF THE EAST INDIAN RAILWAY PRESS.**

†715. \*Mr. S. C. Mitra: (a) Is it a fact that the Press employees are not allowed concession rates on railways other than the East Indian Railway, when even the day-labourers in the Lillooah Workshops enjoy this privilege?

(b) Is it a fact that the Agent's circular is to the effect that every employee of the East Indian Railway is entitled to these "concessions"?

(c) If the replies to parts (a) and (b) be in the affirmative, will Government kindly inform the House why such discrimination is observed in the case of the Press employees?

**RAILWAY CONCESSIONS OF EMPLOYEES OF THE EAST INDIAN RAILWAY PRESS.**

†716. \*Mr. S. C. Mitra: (a) Will Government be pleased to state the rules applicable to the Press employees and clerical staff in the East Indian Railway Press with regard to passes and the class of train in which they are entitled to travel?

(b) Is it a fact that, since 1920, compositors drawing below Rs. 75 per mensem have not been allowed intermediate class passes, and that this rule is not applicable to the clerks?

(c) Will Government kindly state why these discriminations, if any, are observed between the Press employees and the clerical hands?

**REVERSION TO TEMPORARY APPOINTMENTS OF CERTAIN COMPOSITORS IN THE EAST INDIAN RAILWAY PRESS, CALCUTTA.**

†717. \*Mr. S. C. Mitra: (a) Is it a fact that permanent hands cannot be reverted to temporary hands?

(b) Is there any rule to that effect?

(c) If so, will Government be pleased to state that rule?

(d) Is it a fact that permanent compositors of the Oudh and Rohilkhand Railway Press on transfer from Lucknow to the East Indian Railway Press, Calcutta, have been made temporary?

(e) If the replies to parts (a) and (d) be in the affirmative, will Government be pleased to state the reasons thereof?

**GRANT OF CALCUTTA ALLOWANCE TO EMPLOYEES OF THE OUDH AND ROHILKHAND RAILWAY PRESS TRANSFERRED TO CALCUTTA.**

†718. \*Mr. S. C. Mitra: (a) Is it a fact that the Press employees of the Oudh and Rohilkhand Railway Press, Lucknow, when transferred to Calcutta, were promised Rs. 5 as Calcutta allowance?

†For answer to this question, see answer to question No. 709.

(b) Is it a fact that this promise has not been acted upon?

(c) If the replies to parts (a) and (b) be in the affirmative, will Government be pleased to state the reasons thereof?

**NUMBER OF CERTAIN EMPLOYEES IN THE EAST INDIAN RAILWAY PRESSES,  
HOWRAH AND CALCUTTA.**

†719. \***Mr. S. O. Mitra:** Will Government be pleased to lay on the table a statement showing therein the number of (1) Deputy Superintendents, (2) overseers, (3) computers, (4) checkers, (5) clerks, (6) compositors, (7) distributors, (8) pressmen, (9) inkmen, (10) machinemen, and (11) binders, employed in the East Indian Railway Presses, Howrah and Calcutta, from 1920 to 1927, year by year?

**PROVISION OF A PROVIDENT FUND FOR EMPLOYEES OF THE GOVERNMENT  
OF INDIA PRESSES.**

720. \***Mr. S. O. Mitra:** (a) Is it a fact that the Resolution No. A.-81, of the Government of India, dated the 15th July, 1920, provides that the employees in the Government of India Presses should have a Provident Fund similar to that in the State Railways?

(b) Is it a fact that nothing has yet been done to carry out that provision?

(c) If the replies to parts (a) and (b) be in the affirmative, will Government be pleased to state:

(i) the causes of this delay of Government in executing their own orders;

(ii) when they intend taking action on the matter;

(iii) what they intend to do with regard to the men who have retired since the order was made in 1920, and for the families of those who have died since then either in service or after retirement?

**The Honourable Sir Bhupendra Nath Mitra:** (a), (b), (c), (i) and (ii). The attention of the Honourable Member is invited to the reply given to parts (a), (b), (c) (i), and (ii) of his starred question No. 269 in the Legislative Assembly on the 30th January, 1929.

(c) (iii). The question is under consideration.

**PAY OF PIECE-WORKERS IN THE GOVERNMENT OF INDIA PRESS, CALCUTTA.**

721. \***Mr. S. O. Mitra:** (a) Is it a fact that, in reply to my starred question No. 631, dated the 18th September, 1929, regarding the pay of piece-workers of the Government of India Press, Calcutta, the Honourable Sir Bhupendra Nath Mitra said that some of the memorials had been dealt with and that some were under his careful consideration?

(b) If the answer to part (a) be in the affirmative, will the Honourable Member in charge of Industries and Labour be pleased to state the steps that have since been taken? If not, why not?

**The Honourable Sir Bhupendra Nath Mitra:** (a) Yes.

(b) The memorials are still under the consideration of the Government of India.

†For answer to this question, see answer to question No. 709.

MEMORIAL FROM THE LINO. AND MONO. OPERATORS OF THE GOVERNMENT OF INDIA PRESS, CALCUTTA.

722. \*Mr. S. O. Mitra: (a) Is it a fact that, in reply to my starred question No. 624, dated the 18th September, 1929, regarding a memorial received from the lino. and mono. operators of the Government of India Press, Calcutta, the Honourable Sir Bhupendra Nath Mitra stated that the matter was still under consideration?

(b) If the answer to part (a) be in the affirmative, will Government be pleased to state what action since then has been taken in the matter? If not, why not?

The Honourable Sir Bhupendra Nath Mitra (a) Yes.

(b) The matter is still under consideration.

MEMORIAL FROM SECTION-HOLDERS OF THE GOVERNMENT OF INDIA PRESS, CALCUTTA.

723. \*Mr. S. O. Mitra: (a) Will Government be pleased to state whether it is a fact that in August, 1929, the section-holders of the Government of India Press, Calcutta, submitted a memorial to the Government through the proper channels, stating their legitimate grievances?

(b) If the answer to part (a) be in the affirmative, will Government be pleased to lay on the table a copy of the said memorial?

(c) Will Government be pleased to state what action, if any, they have taken or propose to take in the matter?

The Honourable Sir Bhupendra Nath Mitra: (a), (b) and (c). No such memorial of August 1929 has been received by Government. But a memorial from section-holders dated the 6th August, 1928, was received by Government and rejected after due consideration. Government do not propose to lay a copy of the memorial on the table of the House.

RATES PAID TO CERTAIN CLASSES OF WORKERS IN THE GOVERNMENT OF INDIA PRESS, CALCUTTA.

724. \*Mr. S. O. Mitra: (a) Is it a fact that before the 21st June, 1928, the class rate of the compositors, distributors, binders and pressmen of the Government of India Press was on an equal basis while after the 21st June, 1928, the class rate has varied with different employees?

(b) If the answer to part (a) be in the affirmative, will Government be pleased to state the reasons thereof?

The Honourable Sir Bhupendra Nath Mitra: (a) Yes, except that different scales of rates were introduced from the 1st July, 1928, and that binders and pressmen were placed on the same scale.

(b) Different scales were prescribed on account of the difference in the average earnings of the different classes of piece-workers.

EARNINGS OF DISTRIBUTORS IN THE GOVERNMENT OF INDIA PRESS,  
CALCUTTA.

725. \*Mr. S. C. Mitra: (a) Is it a fact that in reply to my starred question No. 684, dated the 18th September, 1929, regarding the earnings of distributors of the Government of India Press, Calcutta, the Honourable Sir Bhupendra Nath Mitra stated that inquiries were being made and results would be communicated in due course?

(b) Will the Honourable Member in charge of the Department of Industries and Labour be pleased to state the result of the inquiries made, if any?

(c) If the answer to part (b) be in the negative, will the Honourable Member be pleased to state the reasons thereof?

The Honourable Sir Bhupendra Nath Mitra: (a) Yes.

(b) The result of the inquiry was communicated to the Honourable Member in a demi-official letter from the Department of Industries and Labour, No. A-382, dated the 15th January, 1930, copies of which were also placed in the Library of the Legislative Assembly.

(c) Does not arise.

EARNINGS OF EMPLOYEES OF THE GOVERNMENT OF INDIA PRESS, CALCUTTA.

726. \*Mr. S. C. Mitra: (a) Is it a fact that the earnings of the pressmen of the Government of India Press are diminishing day by day?

(b) Will Government be pleased to lay on the table a comparative statement showing the earnings of any five pressmen of the Government of India Press with their names, for the months of March, April and May, for the years of 1920 and 1929?

The Honourable Sir Bhupendra Nath Mitra: (a) and (b). Government have no information, but they are asking the Controller of Printing and Stationery to enquire into the matter.

PAY OF READERS AND REVISERS IN THE GOVERNMENT OF INDIA PRESS,  
CALCUTTA.

727. \*Mr. S. C. Mitra: (a) Is it a fact that, in 1924, the junior readers of the Government of India Press were in the superior grade compared with the revisers?

(b) Is it a fact that by the revisions held in July 1928, the revisers of the Government of India Press have been placed in the same grade as that of a junior reader?

(c) Is it a fact that, in reply to my starred question No. 274, dated the 30th January, 1929, regarding the pay of readers and revisers in the Bengal Government Press, the Honourable Sir Bhupendra Nath Mitra stated that the duties of a reader are more responsible than those of a reviser?

(d) If the replies to parts (a), (b) and (c) be in the affirmative, do Government propose to consider the question of giving the junior readers a higher pay?

The Honourable Sir Bhupendra Nath Mitra: The attention of the Honourable Member is invited to the reply given by me to his starred question No. 627 on the 18th September, 1929.

PAY OF CERTAIN EMPLOYEES IN THE GOVERNMENT OF INDIA PRESS,  
CALCUTTA.

728. \*Mr. S. C. Mitra: (a) Is it a fact that the mono-casters of the Government of India Press, Calcutta, are allowed less pay than the mono-casters of East Indian Railway and Eastern Bengal Railway Presses?

(b) If the reply to part (a) be in the affirmative, will Government be pleased to state the reasons thereof?

(c) Is it a fact that Government is contemplating to place them on the same status? If not, why not?

(d) Will Government be pleased to lay on the table a comparative statement showing the pay drawn by the mono-casters of the Government of India Press, East Indian Railway Press and the Eastern Bengal Railway Press?

**The Honourable Sir Bhupendra Nath Mitra:** (a), (b), (c) and (d). Government have not before them any proposal to revise the pay of the mono-casters of the Government of India Press, Calcutta, on the basis of the scale obtaining in the Presses of the East Indian and Eastern Bengal Railways. The information desired by the Honourable Member in parts (a) and (d) is being obtained and will be supplied to him in due course.

PAY OF CERTAIN EMPLOYEES IN THE GOVERNMENT OF INDIA PRESS,  
CALCUTTA.

729. \*Mr. S. C. Mitra: (a) Is it a fact that in reply to unstarred question No. 84, put by Mr. K. C. Neogy on the 31st August, 1926, regarding the earnings of certain employees of the Government of India Press, Calcutta, the Honourable Sir Bhupendra Nath Mitra replied that the salaries at present paid to the lino-operators of the Government of India Press, Calcutta, were Rs. 100—5—125?

(b) Will Government be pleased to lay on the table a statement showing the names of the lino-operators with their salaries drawn on the pay sheets and the increments allowed to them for the months of June to December 1929?

**The Honourable Sir Bhupendra Nath Mitra:** (a) Yes.

(b) The statement desired by the Honourable Member will be supplied to him in due course.

PAY OF CERTAIN EMPLOYEES IN THE GOVERNMENT OF INDIA PRESS,  
CALCUTTA.

730. \*Mr. S. C. Mitra: (a) Is it a fact that before July 1928, the galley proof pressmen, forme-carriers and the labourers of the Government of India Press were on the same grade?

(b) Is it a fact that after July 1929 the pay of the galley proof pressmen, and form-carriers were increased while that of the labourers remained the same?



(c) If the replies to parts (a) and (b) be in the same, will Government be pleased to state the reasons thereof?

**The Honourable Sir Bhupendra Nath Mitra:** (a) No.

(b) No, but certain increases in pay were granted to galley and forme proof pressmen and to forme carriers from July 1928.

(c) Does not arise.

**PAY OF CERTAIN EMPLOYEES IN THE GOVERNMENT OF INDIA PRESS,  
CALCUTTA.**

731. **\*Mr. S. O. Mitra:** (a) Will Government be pleased to state whether it is a fact that the readers of Government of India Press, Calcutta, submitted a memorial to the Government through the proper channel stating their legitimate grievances in October 1929?

(b) If the answer be in the affirmative, will Government be pleased to lay on the table a copy of the said memorial?

(c) Will Government be pleased to state what action, if any, they have taken or have proposed to take in the matter?

**The Honourable Sir Bhupendra Nath Mitra:** (a) Six memorials in identical terms bearing the date, 29th November, 1929, were received from certain readers in the Government of India Press, Calcutta.

(b) Government do not propose to lay a copy of the memorial on the table of the House.

(c) The memorials have been rejected.

**MEMORIAL FROM VILLAGERS SERVED BY THE NALDHI POST OFFICE.**

732. **\*Mr. S. O. Mitra:** (a) Is it a fact that the villagers of Sankarpore, under the Naldhi Post Office in the district of Jessore submitted five memorials to the Government through the Divisional Superintendent in the months of April, May, June, July and August 1929, praying for the daily *bit* in their village?

(b) Is it a fact that no reply was given to any of these memorials?

(c) If the replies to parts (a) and (b) be in the affirmative, will Government be pleased to state the reasons why no reply was given to any of these memorials?

**The Honourable Sir Bhupendra Nath Mitra:** (a) The representations referred to by the Honourable Member have not reached Government. Presumably, they refer to the introduction of a daily delivery instead of an intermittent one at the village of Sankarpore. This is a matter for examination by the Postmaster-General, Bengal and Assam, to whom a copy of the Honourable Member's question is being forwarded.

(b) and (c). The absence of a reply is explained by the answer given to part (a) above.

**PAY OF EMPLOYEES OF THE EASTERN BENGAL RAILWAY PRESS.**

733. **\*Mr. S. C. Mitra:** (a) Is it a fact that the Director of the Railway Board wrote a letter to me on the 28th March, 1929, stating that the introduction of the graded scale of pay for the employees of the Eastern Bengal Railway Press is under consideration?

(b) If the answer to part (a) be in the affirmative, will the Honourable Member in charge of Railways and Commerce be pleased to state the reasons for the delay in giving effect to the proposal?

**Mr. A. A. L. Parsons:** (a) Yes.

(b) The question requires careful investigation. It is hoped that a decision will be arrived at shortly.

**PAY OF EMPLOYEES OF THE EASTERN BENGAL RAILWAY PRESS.**

734. **\*Mr. S. C. Mitra:** (a) Is it a fact that in reply to my starred question No. 635 of the 18th September, 1929, regarding a memorial of certain employees of the Eastern Bengal Railway Press, Mr. P. R. Rau said that the Agent, Eastern Bengal Railway, had been requested to deal with the memorial of the compositors, distributors and binders of the Eastern Bengal Railway Press of the 23rd May, 1929, expeditiously?

(b) If the answer to part (a) be in the affirmative, will Government be pleased to state what action they have taken in the matter?

**Mr. A. A. L. Parsons:** (a) Yes.

(b) I would refer the Honourable Member to the reply given to question No. 69 asked by Khan Bahadur Sarfaraz Hussain Khan on the 20th January, 1930. The question of the revision of rates of pay of the Press employees of the Eastern Bengal Railway is still under consideration.

**PAY OF EMPLOYEES OF THE EASTERN BENGAL RAILWAY PRESS.**

735. **\*Mr. S. C. Mitra:** (a) Is it a fact that in reply to my questions dated the 1st September, 1929, the Deputy Director, Railway Board, informed me that the lowest income of the binders of the Eastern Bengal Railway Press decreased from Rs. 9-4-0 in 1927 to Rs. 4-2-8 in 1928, due to the falling off of output?

(b) If the answer to part (a) be in the affirmative, will Government be pleased to state what action they have taken to increase the output?

(c) Will the Honourable Member in charge of Railways and Commerce be pleased to lay on the table a statement showing the attendance of the binders of the Eastern Bengal Railway Press and the wages received during the years 1927 and 1928?

**Mr. A. A. L. Parsons:** (a) Yes.

(b) Government do not propose to take any steps to increase the output of binding work in the Eastern Bengal Railway Press beyond what is necessary to meet the requirements of the Railway.

(c) Government regret they are not prepared to call for the information as it cannot be procured without an expenditure of time and labour that would be entirely incommensurate with the value of the results obtained.

**PAY OF EMPLOYEES OF THE EASTERN BENGAL RAILWAY PRESS.**

736. \***Mr. S. C. Mitra:** (a) Will Government be pleased to state whether the distributors, binders, pressmen, machinemen, forme-carriers, galley-proof pressmen in the Eastern Bengal Railway Press are in inferior service and whether their brethren in the Government of India Press are not?

(b) If the answer to part (a) be in the affirmative, will Government be pleased to state whether they contemplate to put the distributors, etc., of the Eastern Bengal Railway Press on the same status with their brethren of other Government Presses? If not, why not?

**Mr. A. A. L. Parsons:** With your permission, Sir, I propose to reply to questions Nos. 736, 737 and 739 together.

I am calling for the information and will communicate with the Honourable Member on its receipt.

**HOLIDAYS ALLOWED IN THE EASTERN BENGAL RAILWAY PRESS.**

†737. \***Mr. S. C. Mitra:** (a) Are Government aware that the employees of the Eastern Bengal Railway enjoyed gazetted holidays till 1929, while in 1980 the sanctioned holidays are only those under the Negotiable Instrument Act?

(b) If the answer to part (a) be in the affirmative, will Government be pleased to state under whose authority this change has been given effect to?

(c) Is it a fact that the employees of the Eastern Bengal Railway Press had to work during the Durgah Puja and Christmas holidays?

(d) If it is so, will Government be pleased to state whether the said employees received any extra wages for working during those periods? If not, why not?

**PAY OF EMPLOYEES OF THE EASTERN BENGAL RAILWAY PRESS.**

738. \***Mr. S. C. Mitra:** (a) Is it a fact that the binders of the Eastern Bengal Railway Press are not paid at the same rate as the binders of the Government of India Press?

(b) Will Government be pleased to lay on the table a comparative statement showing the rate at which the binders of the Government of India Press and Eastern Bengal Railway Press are paid for binding 100 foolscap size with leather?

(c) If the answer to part (a) be in the affirmative, will Government be pleased to state the reasons therefor though both the presses are situated in Calcutta?

**Mr. A. A. L. Parsons:** (a) Yes.

(b) I am calling for the information and will communicate with the Honourable Member on its receipt.

(c) Some of the binders in the Government of India Press are employed on high class leather work and some are capable of making and are called upon to make artistic bindings, whereas the binders of the Eastern Bengal Railway Press are required to do merely the commonest and cheapest forms of work.

†For answer to this question, see answer to question No. 736.

PAY OF EMPLOYEES OF THE EASTERN BENGAL RAILWAY PRESS.

†739 \***Mr. S. O. Mitra:** (a) Is it a fact that the clerks and readers of the East Indian Railway Press are allowed to draw Calcutta allowances and that the readers of the Eastern Bengal Railway Press are not allowed the same?

(b) If the answer to part (a) be in the affirmative, will Government be pleased to state the reason thereof?

COMPLETION OF THE BATALA-BEAS RAILWAY.

740. \***Sardar Gulab Singh:** (a) Is it a fact that Government have recognised the desirability of completing the Batala-Beas Railway at an early opportunity?

(b) Is it a fact that since the temporary suspension of the construction work, the inhabitants of the said locality have submitted a number of petitions to the Government praying for the early completion of the line?

(c) If the reply to these questions be in the affirmative, do Government propose to effect the earliest construction of the unfinished portion of the line in keeping with their policy to push schemes already in hand to completion?

**Mr. A. A. L. Parsons:** (a) Yes.

(b) Yes.

(c) Yes, as soon as the more important lines have received their full allotment of funds.

APPOINTMENT OF SIKHS IN THE RAILWAY SUBORDINATE ACCOUNTS SERVICE.

741. \***Sardar Gulab Singh:** (a) Will Government please state the percentage of Sikhs in the Railway Subordinate Accounts Service as compared with the total number and the minority communities?

(b) Is it a fact that an examination was recently held to fill up certain vacancies in that service?

(c) If so, how many vacancies are there in all to be filled up?

(d) Do Government propose to reserve some of these vacancies for the minority communities?

(e) If so, will Government please state how many of these will be given to the Sikhs?

**Mr. A. A. L. Parsons:** (a) Government regret that they are not prepared to undertake the labour of compiling the figures.

(b) Yes. A competitive examination was held in October, 1929, for the recruitment of clerks.

(c) and (d). The number of posts offered for competition was 80 of which 27 were reserved for members of the minority communities. Only 13 members of those communities, however, reached the minimum standard necessary for the offer of an appointment.

(e) Seven appointments were offered to Sikhs.

†For answer to this question, see answer to question No. 736.

AGE LIMIT FOR EXAMINATIONS OF THE PUBLIC SERVICE COMMISSION.

742. \*Sardar Gulab Singh: (a) Will Government be pleased to state the age limit fixed for the candidates who sat for the examination of the Public Services Commission in November, 1929, for the Ministerial Selection Branch?

(b) Will the departmental candidates be allowed to appear in the future competitive examinations irrespective of their age provided they are educationally qualified? If not, what will be the age limit prescribed for them?

The Honourable Sir James Orerar: I would refer the Honourable Member to my reply on the 19th March to starred question No. 660.

†743\*.

SPECIAL RECRUITMENT OF MR. A. J. CUNNINGHAM TO THE EAST INDIAN RAILWAY OFFICE.

741. \*Mr. Abdul Latif Sahib Farookhi: (a) Is it a fact that one, Mr. A. J. Cunningham was recruited in the East Indian Railway office in 1927-28 as an accountant on an initial pay of Rs. 270 per mensem? If so, what are the special circumstances for this recruitment?

(b) Has Mr. Cunningham, who is an inexperienced man, since been made an officer? Is he related to the first Controller, Railway Accounts?

(c) Is it not a fact that special posts were created to keep Mr. Cunningham on as an officer without reversion?

(d) Will Government please state if this officer is to be sent to England shortly at Government expense for learning methods of accounting?

Mr. A. A. L. Parsons: (a) Mr. A. J. Cunningham was appointed as an accountant on the East Indian Railway in 1926 on an initial pay of Rs. 210 per mensem in view of his educational qualifications and banking experience.

(b) The first part contains an assumption that is not correct. Mr. Cunningham is at present officiating as an Assistant Accounts Officer. The answer to the second part of the question is in the negative.

(c) No.

(d) No.

FRAUD IN THE NORTH WESTERN RAILWAY WORKSHOP ACCOUNTS OFFICE AND UNFAIR PROMOTIONS BY MR. I. S. PURI, SPECIAL OFFICER, DIRECTOR OF RAILWAY AUDIT OFFICE.

745. \*Mr. Abdul Latif Sahib Farookhi: (a) Will Government be pleased to state whether it is a fact that a serious fraud, running to several lakhs of rupees, has recently been unearthed in the North Western Railway Workshop Accounts Office?

(b) If so, have they taken immediate steps to transfer the men concerned to other places to enable them to investigate the matter fully?

†This question was withdrawn by the questioner.

(c) What steps have been taken to conduct an impartial and independent inquiry into the matter other than by the present Chief Accounts Officer?

(d) Is it a fact that a number of clerks involved in the fraud are related to Mr. I. S. Puri, Special Officer, Director of Railway Audit Office?

(e) Is it a fact that Mr. I. S. Puri was responsible for what is known as training reserve clerks on the North Western Railway, and that he promoted them later, giving them five years' additional service, which adversely affected qualified hands who had less than five years service? If so, will Government please state the number of men so affected, and what steps they propose to take to compensate these men?

(f) Is it a fact that Mr. I. S. Puri is being transferred to the office of the Chief Controller, Railway Accounts? If so, in what capacity will he work in that office?

**Mr. A. A. L. Parsons:** (a) Facts have come to knowledge, which suggest a somewhat serious defalcation of Government money in the North Western Railway Workshop Accounts Office in connection with Muster Rolls and Pay Sheets paid out by one particular clerk. The amount involved, so far as at present known, is about Rs. 55,000.

(b) No. One man has been placed under arrest and all the relevant records have either been handed over to the Police or are kept by the Chief Accounts Officer in his personal custody.

(c) In addition to the departmental inquiry, which is being made by the Chief Accounts Officer the Police are now conducting an investigation.

(d) No.

(e) The reply to the first part of the question is in the negative. The credit of services referred to was in accordance with a ruling of the Auditor General. In view of the reply to the first part of the question the second part does not arise.

(f) He is being placed in a month or so on Special Duty under the Controller of Railway Accounts to draft the Railway Account Code.

**Mr. Vidya Sagar Pandya:** What is the amount involved?

**Mr. A. A. L. Parsons:** My present information is that it is about Rs. 55,000, but it may be more. The fraud had been going on for some considerable time and I cannot therefore at present guarantee that this is the final figure.

†746\*.

#### RENT FOR FANS SUPPLIED TO LOW-PAID CLERKS IN NEW DELHI.

747. **\*Mr. Abdul Latif Sahib Farookhi:** (a) Are Government aware that a great hardship is being felt by the low-paid clerks of the attached and subordinate offices who are left over in New Delhi and who are occupying Public Works Department quarters?

(b) Is it a fact that like electric lamps and meters, the fans form part of electric fittings under the rules issued in the Department of Industries and Labour Notifications, dated the 30th March, 1980? If so, why is rent charged on them?

†This question was withdrawn by the questioner.

(c) Are Government prepared to settle the matter immediately as it has been pending since the 30th March, 1929? Do Government intend to refund the rent for fans already charged? If not, why not?

**The Honourable Sir Bhupendra Nath Mitra:** (a) Government are not aware that any hardship is felt by the clerks in question.

(b) and (c). It is true that under the Notification referred to electric fans, like electric lamps and meters, form part of the electric fittings, and their cost is included in the capital cost of a residence for the purpose of assessment of rent. In the case of residences in Delhi, however, it has been decided not to treat fans as part of the fittings for the period prior to the 1st April, 1929. As regards the period from the 1st April, 1929, onwards, the matter is at present receiving consideration.

#### PAY OF MINISTERIAL ESTABLISHMENT OF THE CENTRAL BOARD OF REVENUE.

748. **\*Mr. Abdul Latif Sahib Farookhi:** (a) Is it a fact that the members of the ministerial establishment on the attached office scale of the Central Board of Revenue have submitted a memorial for the grant of Secretariat scale of pay?

(b) Is it also a fact that more than a year has elapsed since the submission of the above memorial?

(c) Is it a fact that the Central Board of Revenue works just like a Department of the Government of India?

(d) If the replies to the above questions be in the affirmative, will the Honourable the Finance Member be pleased to state what action he has taken on this memorial?

**The Honourable Sir George Schuster:** (a) and (b). Yes. The memorial was forwarded to the Government of India by the Central Board of Revenue in November 1929, with their recommendations.

(c) The reply is in the negative.

(d) The memorial is under consideration along with a representation from the Government of India Subordinate and Attached Offices Association regarding an increase of pay in all the attached offices, and the Government of India hope to arrive at a decision after the close of the present session.

#### EXAMINATIONS FOR THE UPPER DIVISION OF THE SECRETARIAT.

749. **\*Mr. Abdul Latif Sahib Farookhi:** (a) Is it a fact that some of the departmental candidates who appeared from Attached Offices in the clerical examination held by the late Staff Selection Board in 1922 and were declared qualified as Assistants (Attached Offices) merely because they were at that time employed in such offices?

(b) Is it a fact that a number of candidates referred to above obtained the minimum number of marks fixed for the Upper Division Secretariat and that they had stated in their applications for admission that they were to appear for the Upper Division Secretariat?

(c) Is it also a fact that some of the candidates referred to in part (b) above have since been declared qualified as Assistants of the Secretariat?

(d) If the reply to part (c) be in the affirmative, and in view of the reply given by the Honourable the Home Member to this House in 1927 that there was no distinction in the examinations for the Upper Division Secretariat and that of Attached Offices since and onwards from 1922, are Government prepared to ask the Public Service Commission to declare all such candidates who obtained the required minimum marks in 1922 as qualified for the Upper Division Secretariat? If not, why not?

**The Honourable Sir James Crerar:** (a) and (b). The main object of the examination so far as departmental candidates were concerned was to enable them to qualify for promotion in the offices in which they were employed. They were admitted to the Upper Division Secretariat grade if they obtained sufficient marks and were recommended therefor by the Head of the department.

(c) I have no information to this effect.

(d) Does not arise.

**NUMBER OF MEMBERS OF EACH COMMUNITY IN THE DIFFERENT GRADES OF THE SECRETARIAT.**

750. \***Mr. Abdul Latif Sahib Farookhi:** Will Government be pleased to lay on the table a statement showing separately since the year 1915—1929 the number of Hindus, Muslims and Christians in each Department of the Government of India and the Departments subordinate to it located at Simla and Delhi in each grade, i.e., (i) Superintendents' grade, (ii) selection grade, (iii) first division, and (iv) second division?

**The Honourable Sir James Crerar:** Statements showing the communal strength of the clerical staff of the Departments of the Government of India and its attached and subordinate offices for the years 1911, 1925, 1926, 1927 and 1928, will be found in the Library of the House. I regret that I have not the further detailed information asked for by the Honourable Member. Its collection would involve an amount of time and labour which I am afraid I could not regard as reasonable.

**Mr. Abdul Latif Sahib Farookhi:** Is it not a fact that on the 1st of January every year, the Home Department of the Government of India prepares a list from information received from the various departments?

**The Honourable Sir James Crerar:** A statement is published annually showing the communal strength of each department.

**NUMBER OF MEMBERS OF EACH COMMUNITY IN EACH GRADE OF THE OFFICE OF THE ACCOUNTANT GENERAL, MADRAS.**

751. \***Mr. Abdul Latif Sahib Farookhi:** Will Government be pleased to state the number of Hindus, Muslims and Christians, permanent and acting, with their pay, in each grade in the Office of the Accountant General Madras?

**The Honourable Sir George Schuster:** A statement giving the information required by the Honourable Member is laid on the table.



Grade	Scale of pay.	Hindus.		Muslims.		Christians.	
		Permanent.	Acting.	Permanent.	Acting.	Permanent.	Acting.
Senior Accountants . . .	Rs. 300—20—500—50-5—550.	4	..	..	..	..	..
P. W. Divl. Accountants . . .	100—10—270—30-5—300	7	..	..	..	..	..
S. A. S. Accountants . . .	(a) 190—20—450 (b) 190—20—310—15—400	31	1	..	..	2	..
Clerks . . .	40—7—75—6—135—5—175	314	82	12	2	14 4*	4 2*
Typists . . .	40—10—21—65—3/2—80.	8	1	1	..	..	..
Comptometer . . .	Ditto	1	..	1	..	..	..
Telephone Operator . . .	Ditto	1	..	..	..	..	..
Shroff . . .	30—2—50—2—70 . . .	1	..	..	..	..	..
Record Clerks . . .	25—1—50 . . .	27	13	4	3	2 1*	1
Note Verifiers . . .	(i) 80—5—130 (ii) 40—5—90	13	5	2	1	..	..

(a) For those who were in the cadre before 1st March, 1925.  
 (b) For those who entered the cadre on and after 1st March, 1925.  
 (i) For Quantity Checkers.  
 (ii) For Quantity Checkers.  
 Figures marked with an asterisk indicate the numbers of Anglo-Indians.

**APPOINTMENT OF A MUSLIM AS HEADMASTER OF THE GOVERNMENT HIGH SCHOOL, DELHI.**

**752. \*Mr. Abdul Latif Sahib Farookhi:** (a) Will Government please state whether any Muslim has ever been appointed as Headmaster in the Government High School, Delhi, during the last 25 years?

(b) If the reply to part (a) be in the affirmative, will Government please state the name of the Headmaster, and the period for which he acted?

(c) If the reply to part (a) be in the negative, will Government please state whether they ever asked the Punjab Education Department to transfer any Muslim to hold the post of the Headmaster, Government High School, Delhi?

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

(b) Does not arise.

(c) I regret that information on this point is not readily available.

**STAFF OF THE GOVERNMENT HIGH SCHOOL, DELHI.**

**753. \*Mr. Abdul Latif Sahib Farookhi:** (a) Will Government place on the table a statement of the present staff of the Government High School, Delhi, showing names, designations, pay, length of service, and their periods of service in the Government High School, Delhi?

(b) Are there any teachers who have been teachers on the staff of the said school for more than ten years? If so, do Government propose to arrange their transfer elsewhere to break the existing monopoly, keeping in view the long standing grievances of Muslims?

(c) Is it a fact that the five top posts among Anglo-Vernacular teachers of the Government High School, Delhi, are occupied by non-Muslims and have been so occupied for a long period?

**Sir Frank Noyce:** (a) A statement is laid on the table.

(b) Yes. The question will be considered, but it may be remarked that no monopoly exists.

(c) Yes.

## Statement of the present staff of the Government High School, Delhi.

Name.	Designation.	Pay.	Length of service.		Period of service in this school.	
			Years.	Months.	Years.	Months.
1. Pt. Hari Kishan Kaul, B.A., P.E.S.	Headmaster	525	25	3	..	11
2. L. Deulat Singh, B.A., S.A.V.	2nd master	230	25	2	21	0
3. L. Raghbir Chand, B.A., S.A.V.	3rd master	190	26	7	8	0
4. L. Suraj Bhan, B.A., B.T.	4th master	170	16	9	11	9
5. L. Ramcharan Das, B.A., S.A.V.	5th master	140	21	2	4	7
6. L. Maha Narain, S.A.V., S.C.C., E.E.	2nd clerical and commercial master.	135	19	8	15	0
7. M. Inayat-ur-Rahman, B.A., S.A.V.	6th master	135	5	2	1	10
8. L. Ram Rakha Mal, B.A., B.T.	7th master	125	5	9	5	0
9. L. Kanhya Lal, M.F., S.V.	Oriental master	120	26	11	4	1
10. M. Bedrul-Islam, S.D.M.	Drawing master	120	23	3	23	3
11. M. Misbaul Haq, B.A., B.T.	Sr. Eng. master	115	1	5	1	5
12. L. Zorawar Chand, E.E., S.A.V.	8th master	110	23	7	9	2
13. L. Kidar Nath, E.E., S.A.V.	9th master	100	24	1	14	4
14. L. Kunj Bihari Lal, B.A., B.T.	10th master	100	13	6	13	6
15. M. Marghoob Ahmad, E.E., J.A.V.	Eng. master	96	23	7	18	5
16. P. Darnoodar Lal Shastri	Sanskrit teacher	92	21	9	21	9
17. M. Abdul Tawab, Mv., A.M.F.O.T.	Arabic teacher	88	19	8	4	5
18. M. Abdul Majid, J.V., S.D.M., J.D., M.A. V.M.	Drill Instructor	84	28	2	24	8
19. Pt. Brahm Dutta, F.A., J.A.V.	Jr. Eng. teacher	70	8	11	3	3
20. M. Bashir Hussain, B.A., J.A.V.	Ditto	70	4	10	3	3
21. Pt. Shiv Nath Shastri	Hindi	61	20	9	6	9
22. M. Mohd. Farooq, E.E., J.A.V.	Vernacular master.	38	2	10	1	5

STAFF OF THE GOVERNMENT HIGH SCHOOL, DELHI.

754. \*Mr. Abdul Latif Sahib Farookhi: (a) How many teachers were employed in the advanced clerical classes attached to the Government High School, Delhi, and how many of them are non-Muslims, and what are their names?

(b) Has the staff of the advanced clerical classes been confirmed? If not, are Government prepared to consider the desirability of replacing any two of the present temporary staff by appointing qualified Muslims?

Sir Frank Noyce: (a) Four, all of whom are non-Muslims. Their names are—

Hans Raj Kawra,  
Dina Nath Handa,  
Shiv Chand, and  
Babu Lal Bhargava.

(b) The answer to the first part of the question is in the negative. As regards the second part, the question will be considered when a vacancy occurs.

QUALIFICATIONS OF THE HEADMASTER, GOVERNMENT INDUSTRIAL SCHOOL,  
DELHI.

755. \*Mr. Abdul Latif Sahib Farookhi: (a) Will Government kindly state the academic technical, and industrial qualifications of the Headmaster, Government Industrial School, Delhi?

(b) Are Government aware that men of his technical and industrial qualifications are not considered suitable and capable for appointment as Headmasters of Industrial Schools of the middle standard in the two neighbouring provinces of the Punjab, and the United Provinces?

(c) In the interest of technical education, do Government propose to consider the desirability of appointing a duly qualified Headmaster for the said school? If not, why not?

(d) Are Government aware that on the provincialisation of the M. B. Industrial School, Delhi, the entire staff of the School with the single exception of the Headmaster was taken into Government service on probation, while the Headmaster was taken permanently from the date of provincialisation?

(e) Will Government please state the reasons why the Headmaster was treated differently from other members of the staff?

The Honourable Sir Bhupendra Nath Mitra: (a) The Headmaster is a B.A., S.A.V. (1st Division), B.T. trained; he holds a drawing master's certificate and has been employed in his present school from 1908. He has also visited schools of Art. Industrial schools and other places of educational value in England, France, Switzerland, etc.

(b) Government have no information.

(c) Government consider the Headmaster fully qualified for the post he holds.

(d) Yes.

(e) As the Inspector of Industrial Schools, Punjab, reported that the Headmaster's work was of outstanding excellence for years, it was not considered necessary to place him on probation.

**APPOINTMENT OF MUSLIM TEACHERS IN THE GOVERNMENT INDUSTRIAL SCHOOL, DELHI.**

756. \***Mr. Abdul Latif Sahib Farookhi:** (a) Will Government kindly state the numerical strength of (i) Muslim pupils, (ii) non-Muslim pupils, (iii) Muslim teachers, and (iv) Non-Muslim teachers of the general side of instruction of the Industrial School, Delhi?

(b) In case there is an overwhelming majority of Muslim pupils, and a disproportionate majority of non-Muslim teachers of the general side, are Government prepared to consider the desirability of increasing the proportion of Muslim teachers in the school?

(c) Is it a fact that when the only Muslim teacher of the general side of the school proceeded on leave, a non-Muslim was appointed in his place?

(d) If the reply to part (c) be in the affirmative, will Government please state whether any efforts were made to secure the services of a Muslim candidate? If not, why not?

**The Honourable Sir Bhupendra Nath Mitra:** (a) (i) 219.

(ii) 72.

(iii) 1.

(iv) 4.

(b) Government will give due consideration to the suggestion when a vacancy occurs.

(c) and (d). The facts are that when the permanent incumbent (a Muslim) went on leave another Muslim was appointed to officiate in his place; subsequently this latter teacher proceeded to the Normal School for training and a Hindu was appointed to officiate in his place.

**AFFECTION WITH PYORRHEA OF MR. MUZAFFAR AHMAD, AN ACCUSED IN THE MEERUT CONSPIRACY CASE.**

757. \***Maulvi Abdul Matin Chaudhury:** (a) Will Government be pleased to state whether Mr. Muzaffar Ahmad, one of the accused in the Meerut Conspiracy Case has been, according to three Indian Medical Service officers of Meerut, suffering from a serious type of pyorrhea alveolaris?

(b) Is it a fact that Major Macrae, I.M.S., the Officer Commanding and Radiologist of the British Military Hospital at Meerut, after X-raying the gums and skull of Mr. Muzaffar Ahmad, deposed in the Court of the Additional District Magistrate of Meerut that if not properly attended to the pyorrhea might even endanger the life of Mr. Muzaffar Ahmad?

(c) Is it a fact that Mr. Muzaffar Ahmad demanded treatment by expert American dental surgeons of Calcutta and prayed for bail, leave or transfer to the Alipore Central Jail, Calcutta, to receive such treatment?

(d) Is it a fact that the Additional District Magistrate of Meerut never passed any order on the above mentioned prayer of Mr. Muzaffar Ahmad?

(d) Is it a fact that subsequently Mr. Muzaffar Ahmad's teeth were examined by the Military Dental Surgeon, Captain Burke, who suggested the extraction of seventeen teeth?

(f) Is it a fact that Mr. Muzaffar Ahmad applied to the effect that, before submitting to such a drastic treatment, a joint opinion of Dr. Ahmad, D. D. S. and Dr. S. C. Sen Gupta, D. D. S., the well-known dental surgeons of Calcutta, should be obtained, and for that purpose the X-ray photographs of Mr. Muzaffar Ahmad's gums and skull be sent to them together with the written opinion of Major Macrae and Captain Burke?

(g) Is it a fact that the Jail Superintendent inquired of Mr. Muzaffar Ahmad as to who would pay the consultation fees of the above mentioned dental surgeons of Calcutta, to which Mr. M. Ahmad replied that he being in prison, he was not in a position to pay the same?

(h) Is it a fact that on receipt of this reply from Mr. Muzaffar Ahmad, Lieut.-Colonel Rahman referred the matter to the Military Dental Surgeon, who opined that the seeking of opinion from Calcutta dental surgeons was not at all necessary on this matter?

(i) Is it a fact that Mr. M. Ahmad's not submitting himself to the treatment of Captain Burke without consultation of expert opinion, the treatment of his pyorrhoea has been altogether dropped at this stage? If so, taking the seriousness of Mr. M. Ahmad's disease into consideration, do the Government propose to take any further steps in the matter?

**The Honourable Sir James Ormerod:** I am making inquiries and will communicate with the Honourable Member in due course.

**ILL-HEALTH OF MR. MUZAFFAR AHMAD, AN ACCUSED IN THE MEERUT CONSPIRACY CASE.**

†758. \***Maulvi Abdul Matin Chaudhury:** (a) Will Government be pleased to state whether Mr. Muzaffar Ahmad was sentenced to four years' rigorous imprisonment in what was known as the Cawnpore Communist Conspiracy Case?

(b) Is it a fact that he was released from Jail before the expiry of his sentence under orders from the Government of India on the ground of ill-health?

(c) Is it a fact that this ill-health was nothing but pulmonary tuberculosis?

(d) Is it a fact that Rai Bahadur Dr. D. K. Mukherji, the Superintendent of Rae Bareilly District Jail, where Mr. M. Ahmad passed the major portion of his convict life, reported to the Government that Mr. M. Ahmad was attacked with pulmonary tuberculosis?

(e) Is it a fact that in the "Convicts History Ticket" the name of the disease of Mr. Muzaffar Ahmad was stated as tuberculosis?

(f) Is it a fact that on inquiry from the District Magistrate of Meerut, Lieut.-Colonel Cooke, I.M.S., the Superintendent of Dehra Dun District Jail, reported that Mr. Muzaffar Ahmad was suffering from tubercles in his lung?

(g) Is it a fact that Dr. Bhopal Singh, M.B.B.S., of Meerut after examining Mr. M. Ahmad physically and taking the X-ray report of Major Macrae into consideration, opined that Mr. M. Ahmad was still suffering from an active tuberculosis?

(h) Is it a fact that when Mr. M. Ahmad applied to the Allahabad High Court to be released on bail on the ground of an attack of tuberculosis, Mr. R. H. Horton, the Deputy Inspector General of Police, United Provinces, and the complainant of the Meerut case on behalf of the Government of India, filed an affidavit saying that Mr. Muzaffar Ahmad was not attacked with tuberculosis in 1925 when he was released from Jail?

(i) Is it a fact that Mr. M. Ahmad fainted in Court on the 4th of December, 1929?

#### RAILWAY SALOONS FOR MEMBERS OF THE EXECUTIVE COUNCIL.

759. \*Mr. Sarabhai Memchand Haji: (a) Is it a fact that Government propose to construct four new saloons for Members of the Executive Council at a total cost of Rs. 3,61,704?

(b) Are the four saloons intended to replace the saloons built over 20 years ago?

(c) What was the original cost of these saloons and what would be the cost of building similar saloons today?

(d) Are Government aware that Cabinet Ministers in England are not in the habit of travelling in specially constructed saloons even when they travel long distances, for example, to Geneva?

(e) Do Executive Councillors accommodate their personal assistants in the same carriage that is occupied by them? If so, why?

(f) Why is it stated in the statement submitted to the Standing Finance Committee that "For these reasons it was not possible for Honourable Members to carry on their ordinary work while travelling in these saloons"?

The Honourable Sir George Schuster: (a) Yes. New saloons have been constructed as a normal replacement.

(b) Yes. To replace six saloons built over 25 years ago.

(c) The cost of the original six saloons was Rs. 1,68,000. They are out of date and it is difficult to estimate accurately the present cost of replacing saloons of that type, but it would be approximately double the original cost.

(d) The Government of India have no information.

(e) Yes. Their personal assistants who are also their stenographers may be required at any time to do work for Members in the course of a journey and it is therefore the most economical arrangement that they should be close at hand. It also may sometimes happen that Members' saloons are attached to trains on which no passenger accommodation is available.

(f) The old saloons were out of date and unserviceable for their purpose.

With reference to the general implication of these questions it should be pointed out that a system of pooling saloons has now been introduced for the first time. For this purpose the saloons retained for the use of Members of the Executive Council and of the Railway Board will be treated in future as a common pool. The requirements will be carefully watched with a view to reducing the number maintained to a minimum. It is hoped that this will ultimately result in a considerable economy.

**Sir Hari Singh Gour:** May I inquire for how many days in the year these saloons are used by the Honourable Members of the Executive Council?

**The Honourable Sir George Schuster:** I am afraid I must have notice of that question.

**Mr. Vidya Sagar Pandya:** May I inquire whether Cabinet Ministers in England travel by saloons?

**The Honourable Sir George Schuster:** I have already answered that question when I said that the Government of India have no information on the subject.

**Mr. Vidya Sagar Pandya:** Will the Government ascertain and let us know?

**Mr. M. S. Aney:** May I ask whether in the pooling of saloons those used by Members of Provincial Executive Councils also will be taken into consideration?

(No answer was given.)

**Pandit Hirday Nath Kunzru:** With reference to the answer to part (d) of the question, may I ask whether the Honourable the Finance Member himself can furnish any information to the Government of India?

**The Honourable Sir George Schuster:** I am very glad to give the Honourable Member an expression of my own opinion on the subject. As far as I know, it is a fact that no saloons are supplied to British Cabinet Ministers. But I submit, Sir, that the circumstances are entirely different. A British Cabinet Minister is not in the ordinary course of his duty called upon to undertake long tours when he may be living for several days or even weeks in a railway carriage, which often happens to Members of the Executive Council when they are making long tours in India. It might interest the Honourable Member to know that I have considerable personal experience of conditions in Africa where, I can tell him, that persons in the position of Members of the Executive Council are always provided with saloons in which they can travel about and do their work on tour; and I can tell him also that the standard of comfort in railway journeys to which I myself was entitled in the Sudan was in fact considerably higher than that which I have as a Member of the Executive Council in India.

**Sir Hari Singh Gour:** May I ask the Honourable the Finance Member whether the saloons provided in Africa are specially built at Government expense, or are the saloons hired for the purpose?



**The Honourable Sir George Schuster:** My own personal experience chiefly relates to the Sudan, where the Government Railway Service keeps saloons for the use of Members of Council and other high officials whenever they make tours in the country.

**Mr. Lalchand Navalrai:** Will the Honourable Member please say whether the Honourable the President of the Assembly is provided with a saloon?

**Mr. President:** Order, order.

**Mr. K. O. Neogy:** Sir, is it the intention of Government to build two more saloons in future, or to reduce the number of saloons for Members of the Executive Council to four as a matter of retrenchment?

**The Honourable Sir George Schuster:** I have already explained the position as regards that question. It is intended now, instead of each Member having his own saloon, that there shall be a pool of saloons, the object being to reduce the number that is maintained to the minimum which is found consistent with the needs of the situation. The first step has been to reduce the number of saloons from six to four. It may be possible to effect a still further reduction.

**Mr. K. O. Neogy:** What will then happen, Sir, during Christmas, when all the six Members of the Executive Council are supposed to be on tour?

**The Honourable Sir George Schuster:** I am glad to see—if I am correct in understanding from the Honourable Member's question—that he is solicitous about the comforts of Members of the Executive Council. I have no doubt that we shall be able to get over that difficulty by supplementing the saloons which are reserved for the special use of Members of the Executive Council by borrowing tourist cars for the purpose.

**Mr. Sarabhai Nemchand Haji:** May I know, Sir, if it will not be possible to provide reasonable amenities and comforts by allowing each Executive Councillor to travel in a reserved first class compartment, and by asking his personal assistant to travel in a second class reserved compartment, if necessary? Would that not cover the requirements of the case?

**The Honourable Sir George Schuster:** If the Honourable Member had any knowledge of what a Member of the Executive Council may have to do in the course of a long tour, I think, he would appreciate the fact that he could not carry out his duties if he was living for several days in a first class compartment; also I think it is very likely that no substantial economy would result from such an arrangement.

**Mr. Vidya Sagar Pandya:** May I ask, Sir, whether, with reference to the answer given by the Honourable Member to Mr. Haji's question, district engineers and chief engineers will not be provided with separate saloons?

(No answer was given.)

QUESTIONNAIRE OF THE INTERNATIONAL (MARITIME) LABOUR CONFERENCE

760 **\*Mr. Sarabhai Nemchand Haji:** Have Government received copies of the questionnaire of the International Labour Office on the subjects provisionally dealt with by the 13th Session of the International (Maritime) Labour Conference? If so, are Government prepared to forward them to the Indian Associations interested in them?

**The Honourable Sir Bhupendra Nath Mitra:** Government have received for their own use a limited number of copies of the questionnaires adopted by the 13th (Maritime) Session of the International Labour Conference. The associations of employers and labour interested in these documents should apply for copies required by them to the Indian Branch of the International Labour Office, New Delhi.

APPOINTMENT OF INDIANS TO THE ROYAL INDIAN MARINE.

761. **\*Mr. Sarabhai Nemchand Haji:** (a) Will Government be pleased to state if all the seven vacancies of Executive Officers and Engineer Officers in the Royal Indian Marine, which were advertised a few months ago, have been filled up? If so, how many Indians have been selected?

(b) Will Government be pleased to state how many candidates have been selected for the Royal Indian Marine appointments in the examination held in November last? How many of them were Indians?

(c) Do Government propose to throw open any of the vacancies in the Royal Indian Marine to cadets of the I.M.M.T.S. "Dufferin"? If so, how do they propose to select the cadets?

(d) Do Government propose to hold a competitive examination exclusively for the cadets of the "Dufferin" shortly? If so, will Government be pleased to explain the procedure they wish to adopt with regard to selecting the cadets of the "Dufferin" to the Royal Indian Marine?

(e) Is it intended to have an interview Board, in addition to the written examination, before the cadets are selected? If so, what will be the constitution of the Interview Board?

**Mr. G. M. Young:** (a) I assume that the Honourable Member is referring to the eight vacancies—not seven as stated in the question—which were declared open for competition at the Royal Indian Marine entrance examination held in Delhi in November 1929. Two Indian boys—both candidates for the engineer branch—were declared successful at the examination. The remaining vacancies have not yet been filled up.

(b) Three English boys passed the examination in England and two Indians passed the examination in India.

(c) First part—Yes, Sir.

(e) Second part and (d)—The three vacancies for Indians in the executive branch which were not filled at the open examination will be offered for competition among cadets of the "Dufferin", at a special examination to be held in Bombay next May. The cadets will also be required to pass the usual medical examination before they are permitted to appear at the examination. The Flag Officer Commanding will arrange for the examination, and the Public Service Commission has kindly undertaken to help.

(c) Government are considering the question whether there should be an interview test or not.

**REPRESENTATION OF INDIAN COMMERCIAL INTERESTS ON THE RAILWAY  
RATES INQUIRY COMMITTEE.**

762. **\*Mr. Sarabhai Nemchand Haji:** (a) Will Government be pleased to state if the Railway Board have received a representation from the Indian Chamber of Commerce (The Desi Vyapara Mandal), Lahore, with regard to the representation of Indian commercial interests on the Railway Rates Inquiry Committee? If so, when was the representation received and what action have Government taken on the same?

(b) Has representation on the Railway Rates Inquiry Committee being granted to the Northern India Chamber of Commerce, which represents European interests? If so, do Government propose to consider the advisability of extending the same privilege to the Indian Chamber of Commerce, Lahore?

**Mr. A. A. L. Parsons:** (a) No doubt the Honourable Member's question refers to representation on the panel from which the commercial member of the Railway Rates Advisory Committee is selected and, if so, the answer to the first part of the question is in the affirmative. A representation from the Indian Chamber of Commerce, Lahore, was first received in December, 1927, and no decision was then come to.

A further representation was received in October, 1929, and the matter was referred to the Punjab Government and to the North Western Railway. A reply from the latter is awaited.

(b) The reply to the first query is in the affirmative, but Government are not aware that the Northern India Chamber of Commerce represents European interests exclusively.

Regarding the second part, the matter is already under the consideration of Government.

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**UNSTARRED QUESTIONS AND ANSWERS.**

**COST OF THE KANGRA VALLEY RAILWAY.**

268. **Pandit Thakur Das Bhargava:** (a) Will Government be pleased to state what was the original estimate for the construction of the Kangra Valley Railway? Has the construction been completed? If so, what has been the total cost? If not completed, what is the cost up to date and what is the estimate of the cost still to be incurred till completion?

(b) Is it a fact that the cost actually incurred far exceeds the estimate? Will Government please state what has occasioned this excess, and who is responsible for the same?

(c) Is it a fact that a big contractor has made a definite allegation that the excess is due to slackness and inefficiency of the railway officers concerned with the construction?

(d) Is it a fact that there are still several outstanding claims unsettled, and that legal action about the same has either been taken or is under contemplation, being at the stage of legal notice?

**Mr. A. A. L. Parsons:** (a) Rs. 184 lakhs. The line has been opened for traffic but construction has not yet been completed. The approximate outlay to the end of December is Rs. 284 lakhs and it is expected that the total cost will be about Rs. 810 lakhs.

(b), (c) and (d). The total cost will exceed the original estimate considerably. The matter is under inquiry and I regret therefore I cannot at present give a reply to these portions of the Honourable Member's question.

#### PROMOTION OF CLERKS IN THE SUPPLY AND TRANSPORT CORPS.

269. **Pandit Nilakantha Das:** (a) Is it a fact that the Government of India are contemplating the amalgamation of the different cadres of Mechanical Transport and the Supply and Transport clerks?

(b) Is it also a fact that since the formation of separate Mechanical Transport cadre, the promotion of the clerks in this cadre has been more rapid than that of those in the Supply and Transport cadre?

(c) If the reply to part (b) be in the affirmative, do Government propose to adopt measures to safeguard the interests (regarding seniority) of those clerks in the Supply and Transport cadre who were senior to the clerks in the Mechanical Transport cadre before the formation of the latter separate cadre, but are now receiving less pay on account of less rapid promotion in the Supply and Transport cadre?

**Mr. G. M. Young:** (a) No, but all new appointments are now made to a single combined cadre of clerks belonging to the Supply, Animal Transport and Mechanical Transport branches. The two existing cadres will, therefore, disappear in course of time.

(b) Owing to the increased mechanization of the Army, promotion in the Mechanical Transport cadre is more rapid for the time being. Once the Mechanical Transport establishment is stabilised, the position will probably be reversed because the Supply and Transport establishment is larger and contains a higher proportion of senior men.

(c) To remedy the immediate slowness in promotion in the Supply and Transport cadre, it has been decided to reserve half the number of vacancies due to increased mechanization, and not to normal casualties, for Supply and Animal Transport clerks who are willing to transfer to the Mechanical Transport cadre.

#### LIQUIDATION OF THE INDARPRAST STORES, LIMITED, DELHI.

270. **Pandit Nilakantha Das:** (a) Is it a fact that Indarprast Stores, Limited, Delhi, has been under voluntary liquidation for the last 6 years?

(b) Is it a fact that the Store had operated for only 2 years before liquidation?

(c) Is it also a fact that the unusually long period taken for the liquidation of the Store formed the subject of interpellations in this House during the last Simla session and also on previous occasions?

(d) Do Government propose to take any steps to expedite the liquidation and to take steps against those responsible for the delay?

**The Honourable Sir George Rainy:** (a), (b) and (d). The Honourable Member is referred to the statement furnished to Mr. Siddheswar Prasad Sinha in reply to his question No. 719 in the Legislative Assembly on the 23rd September, 1929. A copy of the statement is in the Library.

(c) Yes.

**INSTALLATION OF AN ADDITIONAL ELECTRIC POINT IN "C" AND "D" CLASS QUARTERS IN NEW DELHI.**

271. **Pandit Nilakantha Das:** (a) Is it a fact that the Government of India have had under consideration for the last three years the question of installing an additional electric point in the godown rooms of "C" and "D" class quarters in New Delhi?

(b) If so, what decision has been arrived at in the matter?

**The Honourable Sir Bhupendra Nath Mitra:** (a) So far as "D" quarters are concerned, the question of installing an additional electric point has been under consideration for about a year. As regards "C" quarters, the question has only recently come under consideration.

(b) Government have decided that these additional points should be given in all clerks' quarters (not only "C" and "D" quarters) as soon as funds are available.

**DELHI CAMP ALLOWANCE ADMISSIBLE FOR ATTACHED OFFICES.**

272. **Pandit Nilakantha Das:** (a) What are the rates of Delhi Camp allowance admissible for Attached Offices and the Army Headquarters offices moving from Simla to New Delhi for the winter?

(b) Will Government be pleased to state the reasons for the difference in the scales of the allowance for the Army Headquarters and for the Attached Offices?

(c) Do Government propose to consider the question of granting a uniform scale for both?

**The Honourable Sir James Orerar:** (a).

Secretariat Attached Offices.				Army Headquarters Offices.			
Pay.	Rate of allowance.			Salary.	Rate of allowance.		
Rs.	R.	s.	p.	Rs.	R.	s.	p.
50 or less	. 16	10	8 per mensem.	50 or less	. 16	10	8 per mensem
50 to 75	. 20	0	0 " "	50 to 80	. 20	0	0 " "
75 to 100	. 26	10	8 " "	80 to 120	. 33	5	4 " "
100 to 150	. 40	0	0 " "	120 to 180	. 40	0	0 " "
150 to 200	. 50	0	0 " "	180 to 200	. 50	0	0 " "
200 to 250	. 53	5	4 " "	200 to 300	. 60	0	0 " "
Above 250	. 56	10	8 " "	300 to 350	. 66	10	8 " "
				350 to 500	. 83	5	4 " "
				Above 500	. 100	0	0 " "

(b) The allowances are in both cases given at the rate of two-thirds of the old Calcutta rates and the difference is due to the different scales of emoluments fixed for the two sets of offices.

(c) The reply is in the negative.

**CLASSIFICATION OF CLERKS OF THE CENTRAL AND PUNJAB GOVERNMENTS FOR THE PURPOSE OF TRAVELLING ALLOWANCE.**

273. **Pandit Nilakantha Das:** (a) Is it a fact that the classification of Government servants under the Central Government moving from Delhi to Simla in respect of travelling allowance is different from that of the Punjab Government employees moving from Lahore to Simla?

(b) Is it a fact that a Central Government clerk getting Rs. 180 monthly is treated as a third class officer while a Punjab Government clerk travelling on the same line and getting the same pay is treated as a second class officer?

(c) If the replies to the above be in the affirmative, when do the Government propose to remove the anomaly? If not, why not?

**The Honourable Sir James Orerar:** (a) I understand there is some difference.

(b) No.

(c) The grant of travelling allowance to Government servants moving to hill stations with the headquarters of Government is governed by special rules which Local Governments are empowered to make and some dissimilarity in rules so framed is to be expected. The Government of India do not consider that there is any anomaly.

**HOUSE RENT ALLOWANCE FOR CLERKS NOT PROVIDED WITH GOVERNMENT QUARTERS IN NEW DELHI.**

274. **Pandit Nilakantha Das:** (a) What are the rates of house rent allowance allowed to Government servants who have to make their own arrangement for residence in Delhi city for want of Government accommodation in New Delhi?

(b) Are Government aware that there is a general complaint regarding the insufficiency of the rate?

(c) When do Government propose to consider the question of revising the rate of house rent allowance or of providing a sufficient number of residential quarters?

**The Honourable Sir James Orerar:** (a) I am sending the Honourable Member a statement showing the rates of Delhi house rent allowance admissible in certain circumstances to clerks living in Delhi City.

(b) No.

(c) Government have decided that their policy must be to reduce and not to extend or enhance these allowances. The question of providing

additional residential accommodation in New Delhi is already under consideration. 150 quarters which were sanctioned last year are under construction and provision has been made for the construction of 86 more quarters in the coming financial year.

#### SHORTAGE OF QUARTERS AND SHOPS IN NEW DELHI.

275. **Pandit Nilakantha Das:** (a) Is it a fact that at the time of every annual allotment of quarters in New Delhi, the demand is far in excess of the number available?

(b) Is it also a fact that at the time of every allotment of municipal shops in Diaz Square and Baird Road in New Delhi, the demand is far in excess of the number available?

(c) If the replies to the above questions be in the affirmative, what steps have Government taken to construct more quarters and shops during the current year to meet the increasing demand? If not, why not?

**The Honourable Sir Bhupendra Nath Mitra:** (a) and (b). Yes.

(c) 150 quarters which were sanctioned last year are being constructed. These and 86 more quarters which have recently been sanctioned will, it is expected, be constructed before the next winter season.

As regards shops, the New Delhi Municipal Committee has applied for land for the construction of further shops; the question of the allotment of this land and the terms on which it should be allotted are now under consideration.

#### CLASSIFICATION OF QUARTERS IN NEW DELHI.

276. **Pandit Nilakantha Das:** (a) What was the classification of Government servants in respect of pay for the allotment of quarters in New Delhi in 1921 and 1929?

(b) Is it a fact that the classification has changed more than twice during these years?

(c) Is it a fact that the change is not due to any change in scales of pay but to comparative scarcity of higher class quarters for clerks?

(d) When do Government propose to revive the old scale? If not, why not?

**The Honourable Sir Bhupendra Nath Mitra:** (a) Presumably the Honourable Member seeks information in regard to clerks' quarters in New Delhi. If so, I place on the table a statement giving the information required.

(b) Yes. on three occasions, viz., in 1922, 1926 and 1929.

(c) The changes in classification have been made (a) because the scales of pay were revised and increased subsequent to the fixation of the original classification, and (b) to equalise as far as possible, the percentage of quarters in each class.

(d) In view of the reply to part (c), the question of reviving the old classification hardly arises.

Statement showing the classification of clerks' quarters in New Delhi in 1921-22 and 1929-30.

Year.	Unorthodox clerks' quarters.				Orthodox clerks' quarters.					Remarks.
	A Class.	B Class.	C Class.	D Class.	A Class.	B Class.	C Class.	D Class.	E Class.	
1921-22	Rs. 301—500	Rs. 201—300	Rs. 200 and below.	..	Rs. 301—500	Rs. 201—300	Rs. 101—200	Rs. 100 and below.	..	
1929-30	501 & above.	350—500	225—349	*	501 & above.	350—500	225—349	224 & below.	*	

\* A certain number of quarters of these classes have been built and the question of fixing pay limits for them is under consideration.



## SHORTAGE OF QUARTERS IN NEW DELHI.

**277. Pandit Nilakantha Das:** (a) Is it a fact that about 50 per cent. of the staff of the migratory and non-migratory offices in New Delhi have not been provided with Government quarters in the current season?

(b) What steps do Government propose to take to provide them with more quarters to obviate the necessity and hardship involved in their having to make arrangement for their residence in Delhi city at a distance of several miles from their offices?

**The Honourable Sir Bhupendra Nath Mitra:** (a) Rather more than 50 per cent. of the migratory and non-migratory staff have been given accommodation in New Delhi. (The actual figure is somewhere about 57 per cent.).

(b) Each year Government review the position and provide, as far as possible, funds for building additional accommodation.

## DOCTORS PROVIDED FOR GOVERNMENT OF INDIA STAFF IN SIMLA AND NEW DELHI.

**278. Pandit Nilakantha Das:** (a) Will Government please state the names of the doctors appointed for the various grades of the Government of India staff for the last summer season in Simla and for the current season in New Delhi?

(b) Were their names, addresses and rules, etc., for consultation circulated in the offices for the information of those concerned? If so, when?

(c) If the reply to part (b) be in the negative, what steps do Government propose to take to avoid the repetition of this omission in future?

**Sir Frank Noyce:** (a) The information required by the Honourable Member is shown in the enclosed statements.

(b) and (c). The arrangements made at Simla in 1929 and at Delhi for the 1929-30 season for medical attendance on the staff and establishments of the Army and Royal Air Force Headquarters were communicated to the several heads of Offices for the information of those concerned. As regards other Government servants employed under the Government of India, the rules in regard to medical attendance at Simla are contained in the Department of Education, Health and Lands Resolution No. 780, dated the 12th December, 1922, while the names and addresses of Medical Officers specially deputed to attend the Government of India clerks who reside in the Delhi City are communicated each season to the several Departments of the Government of India for the information of those concerned. Government do not consider any further action is necessary.

*Statement showing the names of medical officers deputed in 1929 to attend the employees of the Government of India in Simla (excluding Army and Royal Air Force Headquarters.)*

Name of Medical Officer.	Pay of Government employee entitled to attendance by officer mentioned in column 1.
Major H. K. Rowntree, M. C., I. M. S., Civil Surgeon, Simla E.	Exceeding Rs. 500.
Lt.-Col. N. M. Wilson, I. M. S., Civil Surgeon, Simla W.	Ditto.
Dr. K. E. Robertson, I. M. D., in charge, Government of India Junior European Secretariat establishment.	From Rs. 150 to Rs. 499.
Dr. J. N. Mukerjee, P. C. M. S., in charge Government of India Junior Indian Secretariat establishment.	Ditto.
K. S. Dr. Muhammad Hussain, I. M. D., Sub-Charge, Civil and Military Dispensary.	Up to Rs. 150.

The duties of officers in medical charge of Army Headquarters Staff and Establishments and Royal Air Force Headquarters at Simla are divided as follows:—

An arbitrary line drawn across the Ridge from North to South through the Town Hall, divides Simla into an East and West area.

- (a) (i) Officers of Army Headquarters and their families. North side of Jakko Simla West (Exclusive of Elysium Hill). Major H. C. D. Rankin, O.B.E., B. B.E., R.A.M.C.

*Hotels included in area:—*

- (ii) Clerks of Army Headquarters on salaries of Rs. 250 per mensem and over and their families. Corstorphans. Grand. Cecil. Royal.
- (b) (i) Officers of Army Headquarters and their families. Elysium Hill, Simla East (Exclusive of North side of Jakko). Major W. C. Hartgill, M.C., R.A.M.C.

*Hotels included in area:—*

- (ii) Clerks of Army Headquarters on salaries of Rs. 250 per mensem and over and their families. Craig Dhu. Longwood. Harvington. Elysium. Clarke's. Central. Lawrie. U. S. Club.
- (iii) Officers and clerks on salaries of Rs. 250 per mensem and over of Royal Air Force and their families. Wherever resident.
- (c) Clerks of Army Headquarters on salaries of Rs. 75 to Rs. 249 and their families. 1st Class Assistant Surgeon, E. M. Cuzen, I.M.D.
- (d) (i) Indian clerks of Royal Air Force Headquarters on salaries of Rs. 75 to Rs. 249 per mensem and their families. Sub-Assistant Surgeon Subedar Major and Honorary Lieutenant Mohd. Raza Khan Bahadur, I.D.S.M. I.M.D.
- (ii) Menials.

*Statement showing the names of Medical Officers deputed to attend the employees of the Government of India residing in Old Delhi.*

Name and rank of Medical Officer.	Class of Government employees entitled to attendance of Medical Officers.
Lt.-Col. C. H. Reinhold, M.C., F.R.C.S. (Ed.), I. M.S., Civil Surgeon and Chief Medical Officer, Delhi.	Employees of Government drawing Rs. 500 per mensem or above as pay.
Dr. L. A. N. Greenway, I.M.D [Military Assistant Surgeon.	All European and Anglo-Indian clerks of Army and Royal Air Force Headquarters drawing less than Rs. 250 per mensem.
Dr. Parmeshwari Das, Civil Assistant Surgeon.	1. Indian clerks of Army and Royal Air Force Headquarters drawing less than Rs. 250 per mensem and living in Timarpur and Kingsway. 2. All Government servants on Civil side drawing a salary of Rs. 150 to Rs. 499 living in Timarpur and Kingsway.
Dr. Jagan Nath, Civil Sub-Assistant Surgeon.	All Government servants drawing less than Rs. 150 and above Rs. 15 and living in Timarpur and Kingsway.
Dr. Amar Nath Khosla, Civil Sub-Assistant Surgeon.	All Indian clerks residing in old Delhi.

*Note.*—For officers of Army and Royal Air Force Headquarters drawing Rs. 250 or over Major H. C. D. Rankin, O.B.E., R.A.M.C., Surgeon to Commander-in-Chief, is the authorised Medical Officer. When he is out on tour or when he moves to New Delhi in January 1930, the Officer-in-Charge, Detention Hospital, the Fort, Delhi, will be the Medical attendant for them—For emergent cases, the services of Chief Medical Officer can be availed of.

*Statement showing the names of Medical Officers deputed to attend the Government of India and Army Headquarters employees in New Delhi.*

Name of Medical Officer.	Class of Government employees entitled to attendance.
Major H. H. Elliot, M.B.E., M.C., I.M.S., Civil Surgeon, New Delhi.	All European and Indian Government servants of Army and Royal Air Force Headquarters and their families whose pay is over Rs. 250 a month. All Government servants employed on the civil side drawing Rs. 500 and over.
Dr. Dwarka Doshi, Assistant Surgeon	All European and Indian Government clerks of Army and Royal Air Force Headquarters and their families whose pay is less than Rs. 250 a month.
Dr. Bhagat Ram, Sub-Assistant Surgeon	Civilians drawing over Rs. 150 and less than 500.
Dr. Randhir Singh, Sub-Assistant Surgeon	Civilians drawing below Rs. 150
	Ditto.

*Note.*—Major H. C. D. Rankin, O.B.E., M.B., R.A.M.C., Surgeon to His Excellency the Commander-in-Chief, when in New Delhi, from January 1930 will be available for officers of the Army and Royal Air Force Headquarters drawing over Rs. 250 per mensem for consultation daily at the Combined Hospital, New Delhi, between 10 A.M., and 11 A.M., except on Sundays and Gazetted Holidays.

**PROVISION OF A MIGRATORY SCHOOL MOVING BETWEEN SIMLA AND NEW DELHI.**

**279. Pandit Nilakantha Das:** (a) Is it a fact that the Government of India have had under consideration for more than a year the question of starting a migratory school moving between Simla and New Delhi?

(b) Will Government be pleased to state what decision has been arrived at in the matter?

**Sir Frank Noyce:** (a) The question of establishing a migratory school which would move between Simla and New Delhi has been under the consideration of the Government of India since September last.

(b) No decision in the matter has yet been reached.

**EXAMINATIONS HELD BY THE PUBLIC SERVICE COMMISSION.**

**280. Pandit Nilakantha Das:** Will Government be pleased to lay on the table a list of the examinations held by the Public Service Commission since its formation in 1926?

**The Honourable Sir James Crerar:** A statement has been laid on the table.

*Statement showing the examinations held by the Public Service Commission since 1926.*

Year.	Name of Examination.
1926	1. Indian Audit and Accounts Service. } 2. Imperial Customs Service. } * 3. Military Accounts Department. } 4. Indian Police Service. } 5. Indian Railway Service of Engineers. } 6. Transportation (Traffic) and Commercial Depart- } * ments of State Railways. } 7. Ministerial Selection Branch.
1927	1. Indian Police Service. (Punjab). 2. Indian Forest Service. 3. Indian Police Service (General). 4. Indian Railway Service of Engineers. 5. Transportation (Traffic) and Commercial Depart- } * ments of State Railways. } 6. Indian Audit and Accounts Service. } 7. Imperial Customs Service. } * 8. Military Accounts Departments.
1928	1. Indian Civil Service. } 2. United Provinces Civil (Executive) Service. } * 3. Indian Forest Service. 4. Indian Police Service. } 5. United Provinces Police Service. } * 6. Indian Audit and Accounts Service. } * 7. Imperial Customs Service. } * 8. Military Accounts Departments. }
1929	1. Indian Civil Service. 2. United Provinces Civil (Executive) Service. } * 3. Indian Railway Service of Engineers. 4. Transportation (Traffic) and Commercial Depart- } * ments of State Railways. } 5. Signal Engineering Departments, State Railways. 6. Electrical Engineering Departments, State Rail- } ways

\*These were combined examinations.

Statement showing the examinations held by the Public Service Commission since 1928—  
contd.

Year.	Name of Examination.
1929—contd.	7. Indian Police Service.
	8. United Provinces Police Service. } *
	9. Indian Forest Service.
	10. Indian Audit and Accounts Service. } *
	11. Imperial Customs Service.*
	12. Military Accounts Department.*
	13. Ministerial Selection Branch (Qualifying).
1930 . . . . .	1. Indian Civil Service.
	2. United Provinces Civil (Executive) Service. } *
	3. Indian Railway Service of Engineers.
	4. Indian Service of Engineers.
	5. Superior Telegraph and Wireless Branches of } *
	6. Transportation (Traffic) and Commercial De- } partments, State Railways.

#### CENTRAL GOVERNMENT OFFICES LOCATED AT CALCUTTA.

281. **Pandit Nilakantha Das:** Will Government be pleased to state the names of the Central Government offices that are still at Calcutta and the reason why those offices are kept there when all other offices have been removed to Delhi?

**The Honourable Sir James Orerar:** The following subordinate offices of the Government of India are at present located at Calcutta. For administrative reasons Government did not consider it necessary to change their present location.

1. Commercial Intelligence Department.
2. Office of Metropolitan's Chaplain.
3. Office of the Presidency (Senior Chaplain, Church of Scotland.
4. Registrar of the Diocese.
5. The office of the Principal officer, Mercantile Marine Department, Calcutta District.
6. Central Stationery Office.
7. The Central Forms Store.
8. Central Publication Branch.
9. Government of India Press (Calcutta).
10. Office of Geological Survey of India.
11. Office of the Controller of Patents and Designs.
12. Office of the Chief Inspector of Explosives.
13. Office of the Superintendent, Government Test House, Alipore.
14. Office of the Controller of Inspection, Calcutta Circle.
15. Office of the Controller of Purchase, Calcutta Circle.
16. The Meteorological Office, Calcutta.
17. Office of the Director, Zoological Survey of India.
18. Office of the Director, Botanical Survey of India.

\*These were combined examinations.

19. Office of the Surveyor General of India.
20. Office of the Keeper of Records of the Government of India. A portion of this office has already been removed to New Delhi and the remainder will be removed in due course.
21. Office of the Librarian, Imperial Library.

STANDARD OF THE LAST PUBLIC SERVICE COMMISSION EXAMINATION FOR THE FIRST DIVISION IN THE SECRETARIAT.

282. **Pandit Nilakantha Das:** (a) How many candidates appeared at the last examination of the Public Service Commission for the First Division and what percentage of them have been declared successful?

(b) Is it a fact that this was a qualifying test?

(c) What percentage of candidates were passed in similar qualifying tests held in the previous years by the Commission and the Staff Selection Board, and why is the percentage of passed candidates so low at the last examination?

(d) What was the pass percentage of marks at the previous qualifying tests, and what was it at the last test? Has the standard been raised this time? If so, why?

**The Honourable Sir James Orerar:** (a) 292 candidates appeared for the Upper Division of whom seventeen qualified.

(b) Yes.

(c) A statement is being forwarded to the Honourable Member. The percentage of passes is low, because most of the candidates failed to reach the required standard.

(d) I have no information. I understand that a fairly high qualifying standard was adopted by the Public Service Commission on the advice of the Departmental Conference which reported on the subject in 1927.

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ELECTION OF MEMBERS TO THE STANDING COMMITTEE ON PILGRIMAGE TO THE HEDJAZ.

**Mr. President:** The House will now proceed to elect five Muslim Members to the Standing Committee on Pilgrimage to the Hedjaz. There are eight candidates whose names are printed on the ballot papers which will now be supplied to the Honourable Members in the order in which I call them. Of these Maulvi Muhammad Yakub has since withdrawn his candidature.

**Pandit Nilakantha Das** (Orissa Division: Non-Muhammadan): Sir, I want to say something . . . . .

**Mr. President:** Does the Honourable Member wish to withdraw his candidature? (Laughter.)

**Pandit Nilakantha Das:** I wanted to be a candidate, but I can't be one now, because the House is called upon to elect five Muslim Members. This matter somehow escaped notice of my friends, and it also escaped my notice . . . . .

**Mr. President:** Is there any point of order?

**Pandit Nilakantha Das:** I want to point out, Sir, that this is a vicious principle. If this principle were introduced as a matter of convention, none would have any objection, but that the House should be called upon to elect five Muslim Members to the Standing Committee is certainly open to objection. I should like to see that this objection may be recorded for future . . . .

**Mr. President:** I am afraid the Honourable Member and his friend to his left are always too late. They should have raised the point when the House was discussing the motion to elect five Muslim Members.

**Pandit Nilakantha Das:** We did not get the Report of the Haj Committee, nor did we give any proper consideration to the subject, when we, off-hand, decided on the election, but I merely suggest that this should be recorded for future guidance and from next year we should have it on the Agenda that five Members from the Assembly and not Muslim Members should be elected to this Committee. This is a matter of principle where no communal distinction should be tolerated. The President of the Committee too, here is not necessarily a Muslim.

(The ballot was then taken.)

#### THE INDIAN FINANCE BILL.

**Mr. President:** The House will now resume further discussion of the amendment\* of Sardar Gulab Singh to clause 7 of the Finance Bill.

**Sir Purshotamdas Thakurdas** (Indian Merchants' Chamber: Indian Commerce): Sir, I rise to oppose the amendment of my Honourable friend, Sardar Gulab Singh, and hope to be able to convince the House that the apprehensions on which my Honourable friend's amendment is based are not warranted. I believe, Sir, there were two more speeches from the European Group Benches, in support of the amendment of my Honourable friend. My Honourable friend, Sir Darcy Lindsay, spoke on this amendment with considerable reserve, but what struck me about his speech was its nervousness. If I may put it in colloquial language, he appeared to have got cold feet at this move of the Government of India, and did not try to understand how the huge oil combine works in India. I propose to read for his benefit the opinion of a person in the European commercial community who would have occupied the same position as my Honourable friend today occupies if there were a European Group in the Assembly in the year 1922. Sir Frank Carter, whose authority to speak on this question, I am sure, Sir Darcy Lindsay will not challenge, speaking in this House on the 7th March, 1922, said as follows:

"The import duty on foreign oil used to be 1½ annas per imperial gallon. It is now raised to 2½ annas per gallon. Government have also imposed an excise duty of 1 anna per gallon on kerosene oil produced in India. I do not myself see why this excise duty should not be the same as the import duty on foreign oil, namely 2½ annas per gallon. Most of the oil produced in India comes from Burma and we all know that oil companies are some of the largest and richest companies in the world. Is there any reason why the oil companies of Burma should be let off so cheaply? It is not as if all the profits they make are spent in India."

\*"In clause 7, for the words 'one anna and six pies' the words 'one anna and three pies' be substituted."

That, Sir, was the opinion of a distinguished European merchant in this House in 1922, and it would be interesting to know if my Honourable friend, Sir Darcy Lindsay, spoke yesterday on behalf of his party, and, if so, what justified the European Group today in the Assembly changing the opinion, so clearly expressed by Sir Frank Carter, not very far back in 1922.

**Sir Darcy Lindsay** (Bengal: European): The reason why the European Group approved of the views I expressed is that the Burma Oil Company have, by retaining the price of the yellow oil, given a great benefit to India.

**Sir Purshotamdas Thakurdas**: I sympathise with my Honourable friend on what I may call his ignorance of the problem on which he speaks. As I proceed, I shall point out that my Honourable friend is unfortunately, in this case, not well versed with the facts, because the Report of the Tariff Board on Oil absolutely puts out of court this one ground which my Honourable friend urged yesterday and which I am sorry he repeats again today. However, I hope to be able to convince him that either he, or, those in the European Group, who have been advising him on this question, have not made the best use of the Report which I think is the basis of this increase in duty. The other Member who spoke on this is the Honourable Member from Burma, Mr. Lamb. Mr. Lamb frankly told us that he at one time was connected with the Burma Oil Company. Whether he is so connected today or not, I do not know.

**Mr. W. S. Lamb** (Burma: European): No, Sir.

**Sir Purshotamdas Thakurdas**: However, my friend cannot have forgotten what he must have learnt when he was connected with the Burma Oil Company. All I can say is that Mr. Lamb gave a wrong lead to the House by the speech which he made yesterday. I expect to be able to show that Mr. Lamb should have said something quite different from what he actually did say, but before I proceed with the merits of the case, let me take exception to the manner in which Mr. Lamb started by prejudicing the support to this Government measure from this side of the House and especially prejudicing the discussion by what he said about my Honourable friend Mr. Ghanshyam Das Birla. Mr. Lamb tried to make out that simply because Mr. Ghanshyam Das Birla's firm had lately been importing kerosene oil, Mr. Birla wanted the import duty to be reduced. No more unworthy remark could have been made on the floor of this House. If this is the manner in which the European Group wish to keep out Indians from enterprises in this country, I can give them plenty of similar remarks in future. There is a painful precedent in this connection. My friends on the European Benches will remember Sir James Simpson, a very esteemable person otherwise, who, when he found that he had no better argument to oppose the Coastal Reservation Bill of my friend Mr. Sarabhai Haji, started his speech on that Bill in an objectionable manner by mentioning to the House that my Honourable friend Mr. Sarabhai Haji was a paid servant of the Scindia Steam Navigation Company—a method of beginning observations on measures before this House, which may recoil on my friends on the European Benches. Sir, if we on this side of the House happen to be proprietors of commercial concerns and industries in this country, my friends on those Benches expose themselves to the retort that they are nothing more than glorified Head Clerks and Managers, mere hirelings pleading for their masters.



**Sir Darcy Lindsay:** On a point of explanation. I am not a hireling. I am not a Head Clerk nor am I a Manager. I am an independent person, who has served for very many years in India, and I am offering my services to India so long as my health enables me to do so.

**Sir Purshotamdas Thakurdas:** My friend, Sir Darcy Lindsay, will realise that I have not named him at all, and unless my Honourable friend, Sir Darcy Lindsay, can get Mr. Lamb, who belongs to his Group, to realise that he made an unworthy attack on my Honourable friend Mr. Birla, I fear that what I have said ought to stand for the European Group generally. As Mr. Lamb still persists in holding by the remarks which he made, let me tell the House of the effort which is being made by the vested European interests in kerosene oil to prejudice this first step of Indians in the direction of getting a part of their share in the import of kerosene oil. Mr. Birla's firm has been importing kerosene oil in a very small proportion for the last six months or a year. What do these vested interests do? As soon as the oil arrives here, a frantic telegram is sent to the principals of that oil company in America saying that Mr. Birla's firm is selling that oil as Gandhi oil and thus encouraging the political agitation and propaganda of which all Europeans in this country are so frightened. (Cries of "shame".) Will my Honourable friend Mr. Lamb either ascertain and confirm this, or dare he challenge this? Naturally, Sir, the only reply Mr. Birla's firm gave to this was that so unworthy would this be that they would not think of connecting Mahatma Gandhi's name with such a small thing as kerosene oil imported into India. This, however, indicates exactly what the mentality of my Honourable friend from Burma is when he speaks on this question. Mr. Birla yesterday told the House how, although various items of taxation may suit his business, he is opposing them in the national interest, and where these do not suit him, he is supporting them. Can Mr. Lamb say the same of any item of taxation that has been before the House ever since he joined this House? Enough, therefore, of this prejudice sought to be created, and I only hope that Sir Darcy Lindsay's Group will not give us further cause to complain in this matter as he is here to serve the best interests of India, a self-imposed task for which I respect him highly. I hope he will lead his Group in this Assembly in a manner which is dignified and which would be, if I may use the word, respectable and gentlemanly. Let them not start by prejudicing issues. If they have not a better case, why not admit it without much ado?

Now, Sir, with regard to the main question of excise duty, I would always oppose an excise duty on any local produce, on principle, the principle being that the local production should compete with the imported article. If the local production of kerosene oil competed in normal course with imports of kerosene oil, I would oppose this excise duty; in fact, I would even favour taking off the excise duty. But what are the facts? In this connection I would like to read from the Note of Dissent by the President of the Tariff Board, Sir Padamji Ginwala. On page 55 of the Tariff Board Report this is what he says:

"Both indigenous and foreign kerosene are sold by this group at the same price."

There is a combination; the importer and the local producer both work together. The obvious inference therefore is that the extent to which the

excise duty is lower than the import duty, to that extent the profit of the indigenous companies is increased. On page 84 again Sir Padamji Ginwala says:

"Difference between prices of inferior and superior kerosene not necessarily beneficial to poor consumer only."

That is the heading of the paragraph. I do not wish to take the time of the House by reading this paragraph, but I indicate the relevant paragraphs in order to bring home to those who have supported this motion that they are overlooking the most valuable material available to this House in the Tariff Board's Report, and particularly in the Minority Report of the President of the Tariff Board, Sir Padamji Ginwala.

Now, Sir Darcy Lindsay referred to the cheap yellow oil for the poor and Mr. Lamb said that, by supplying this cheap yellow kerosene oil for the poor at a certain rate, the Burma Oil Company was conferring a great boon on the Government of India and on the masses of India. Again, I say that either my friends do not know their facts, or, if they know them, they have not put them forward in the correct manner that they should be put forward. Page 66 of the Minority Report has these words:

**Sir Darcy Lindsay:** What about the Majority Report?

**Sir Puroshotamdas Thakurdas:** You may refer to paragraphs 73 to 75 of the Majority Report. They do not support Mr. Lamb but I prefer the Minority Report to the Majority Report. Why should the references in the Minority Report be rejected summarily? Anybody who reads this Report with an impartial and open mind, will say that Sir Padamji Ginwala has gone into this problem more thoroughly and in a more business-like manner than the two dissenting members. I give him all the credit for it. In fact I suggest that this side of the House should express its great appreciation of the splendid efforts of Sir Padamji Ginwala to fight against these odds in his own country. Let the Honourable Member challenge what Sir Padamji Ginwala says in his able Report. Sir, to be in the minority is at times to be in the right. Sir Padamji says in paragraph 10 of his Minority Report on page 66:

"The result is to lower the average realised price. The reason given for this policy is the good of the consumer of inferior kerosene. The real object, however, is to eliminate competition and consolidate the monopoly of the Pool in the sale of inferior kerosene."

What a different picture from the one which Mr. Lamb would like this House to believe. Later on, Sir Padamji Ginwala develops how under the guise and pretence of giving this cheap kerosene oil at an apparently lower rate, this big combine maintained their monopolies in India. What is the good of saying that, because the combine give that, they are an asset to India? As a matter of fact, according to Sir Padamji Ginwala's Report, it is because they give this cheap oil, they are able to maintain and consolidate their monopoly here. Mr. Lamb harped on this and tried to bring out that during the war period the Burma Oil Company had not profiteered. Well, Sir, a commercial organization which does not profiteer is always entitled to the greatest respect. But he in the wide world who did not profiteer during the war period could either have been a saint or a fool.

**Dr. A. Suhrawardy** (Burdwan and Presidency Divisions: Muhammadan Rural): Those words are synonyms. I think he is either a knave or a fool.

**Sir Purshotamdas Thakurdas:** I would retain the word "saint". My Honourable friend may apply the other word if he prefers it.

Now, let us see if the Burma Oil Company is either saintly or foolish in their business methods. On page 7 of the Majority Report, the Tariff Board give financial details about the Burma Oil Company.

**Sir Hugh Cocks (Bombay: European):** Are the figures of the Majority Report reliable in this connection?

**Sir Purshotamdas Thakurdas:** They are facts, and if Mr. Lamb tells me that they are inaccurate, I will accept his statement. It is no use my Honourable friend from Bombay trying to interrupt in this naive manner. Sir, on page 7 the Majority Report gives these facts:

"In addition, in 1903, £500,000 debentures were outstanding but these were all paid off by 1913. Of the ordinary capital of £6,868,256, £5,590,564 represents bonus shares." And after giving details about the dividends declared by the Burma Oil Company they conclude with this:

"It appears, therefore, that an original holder of £100 shares in this Company would now hold shares of the nominal value of £540, which at present market quotations would be worth over £2,400 and in the period 1902—1927 would also have received dividends of over £1,600."

Now I venture to ask the Honourable Member from Burma who had some connection with the Burma Oil Company, where did all this money come from to that Company? Where did they get the money to give bonus shares to their shareholders?

**Mr. M. A. Jinnah (Bombay City: Muhammadan Urban):** By serving India.

**Sir Purshotamdas Thakurdas:** "By serving India" the Honourable Leader of my party suggests; possibly so in the eyes of the European Group. Not that I mind any increase in the prosperity of any commercial or industrial organization in India, but when it is a question of making out a case that that organization (the Burma Oil Company) has been a philanthropic body, solicitous of the welfare of the masses of India, it is the limit; and I suggest that either Mr. Lamb will get some Member from his party to explain the reasons of this phenomenal prosperity of the Burma Oil Company, or he will admit that there is something behind this cheap yellow kerosene oil on which both he and his Leader harp so much.

The Government of India, for the first time I think, had in 1928 an inquiry into the oil industry of India. There are many aspects of the way in which this inquiry was ordered and the way in which this inquiry was carried through, which are very exceptional. I think my Honourable friend, the Commerce Member, will bear me out if I say that the inquiry was ordered by the Government of India within a few weeks of the demand coming from the interests concerned.

**The Honourable Sir George Rainy (Member for Commerce and Railways):** No, Sir, nearly six months.

**Sir Purshotamdas Thakurdas:** Did they apply for an inquiry nearly six months before it was actually started?

**The Honourable Sir George Rainy:** It was first brought to the notice of the Government of India. I think at the end of September or beginning of October, 1927, and the inquiry, I think, was ordered towards the end of March 1928.

**Sir Purshotamdas Thakurdas:** I take it that the application of the oil companies, requesting the Government of India to hold an inquiry, and other papers connected with it, would be available to the House if I request the Honourable Member to place them on the table of the House?

**The Honourable Sir George Rainy:** I am afraid I could not possibly, without notice, give an answer to that just now.

**Sir Purshotamdas Thakurdas:** Will the Honourable Member give me a reply in the course of the debate tomorrow?

**The Honourable Sir George Rainy:** I think that is a request that cannot fairly be made.

**Sir Purshotamdas Thakurdas:** If the Honourable Member is not prepared to place on the table the relevant papers relating to this subject, then I take it that this particular inquiry was ordered by the Government of India within a few weeks after the application was made. Six months earlier, it may have been some other aspect for which an inquiry was required. If the Honourable Member wishes . . . . .

**The Honourable Sir George Rainy:** May I take it that the Honourable Member is questioning my veracity?

**Sir Purshotamdas Thakurdas:** Not at all.

**The Honourable Sir George Rainy:** Surely the Honourable Member ought to realise how serious it is.

**Sir Purshotamdas Thakurdas:** I do not challenge the Honourable Member's veracity. What I wish to know is if the inquiry for which a request was made to the Government of India six months back was on exactly the same subject on which the inquiry was finally ordered by the Government of India. The Honourable Member should place those papers on the table of the House.

**The Honourable Sir George Rainy:** Perhaps if I supplement what I have said a little while ago, it will make the matter a little clearer. What I said was that the Government of India was first approached towards the end of September or the beginning of October. What I cannot recollect at the moment is whether that was a written representation or in the first instance a verbal representation. The immediate reply of the Government of India to that was, "you have got to submit a full statement before we can consider it". It is quite true that that full statement, which I think was included in the reference to the Tariff Board, was submitted—I cannot recall the exact date—towards the end of December or beginning of January. That is my recollection, but I am speaking from memory. What I should be very glad to do, after looking up the papers is to supply the Honourable Member privately—I do not mean confidentially—with the information he wants for any use he may make of it. But I do not think it would be right for me to promise that I would give a reply in the course of the debate, when there is no guarantee that any reply that I can give would be relevant to the matter under discussion at the moment.

**Sir Purshotamdas Thakurdas:** I think, Sir, the matter is much clearer now than it was a few minutes back. There is no question of my challenging the veracity of my Honourable friend, Sir George Rainy. If there is any one about whose veracity I would have the least suspicion, it is Sir George Rainy's.

**Mr. President:** Then the Honourable Member makes a distinction between Member and Member!

**Sir Purshotamdas Thakurdas:** Not necessarily, Sir. I am dealing at present with Sir George Rainy and I say that I would not, even in my dream, think of suspecting the veracity of any statement that he makes in this House. He will, however, himself see that his last reply is more full and therefore I am prepared to leave this question at this point. I have now got this information that the oil companies did apply six months earlier, but they applied then without the full details which the Government of India insist upon before considering an application for a Tariff Board inquiry. That is enough for my purpose.

Sir, the inquiry was a summary one. It was completed within seven to eight weeks. Now I would like to draw the attention of the House, and I am sure the Honourable the Commerce Member must have studied this Report fully, to the manner in which the inquiry was considered by the parties concerned. On page 61 of the Minority Report, Sir Padamji Ginwala says:

"In view of the events which preceded the launching of the rate war in September, 1927, and of the understanding existing between the main participants it is difficult not to find the principals of the applicant Companies—I except the Indo-Burma Petroleum Company to whom the Asiatic Petroleum Company's promise of compensation does not refer—guilty of a lack of candour amounting almost to deliberate *mala fides*."

I wonder, Sir, whether the Honourable the Commerce Member, during his career as President of the Tariff Board, or as the Commerce Member of the Government of India till now remembers any such remark having been made by a responsible member of the Tariff Board, accusing the parties who apply for an inquiry of something which almost borders on *mala fides*. Further on, on the same page, Sir Padamji Ginwala says:

"It appears therefore that the local representatives of the applicant Companies had no knowledge of this agreement, and the blame for the failure to place all the material facts of the case before the Government of India must rest upon their principals in London. To my mind their conduct as disclosed by these facts is indefensible. The machinery of this Board is intended to be used upon the instructions of the Government of India for the purpose of enquiring into *bona fide* applications by indigenous industries for protection against foreign competition. But it is difficult to regard the present as a *bona fide* application except perhaps in the case of the Indo-Burma Petroleum Company. The assistance of the Government of India has been invoked for a purpose which cannot be regarded as legitimate. Though compensation had been promised by the principal belligerent, an application for protection was put in as if the whole of the indigenous industry was suffering serious damage throughout the rate war. This failure to disclose material facts might alone have justified a summary dismissal of the application in the interest of public discipline."

On page 63, Sir Padamji Ginwala says, referring to the evidence of Gulf prices:

"It is clear from the above that the quotations cannot be taken as reliable proof of actual prices."

What is, Sir, the difference between the actual prices of which Sir Padamji Ginwala complains? The *Petroleum Times* reports f. o. b. Gulf port prices as 5.75 cents. per American gallon on 3rd September, 1927. Reuters reports same at 5. The Standard Oil Company reports at 4½ cents. to 7½ cents., and the figure taken by the pool for the calculation of world parity is 8 cents. Take 1926 or any other year. Whatever year you take, there is a difference of ½ to 1 cent. Now, Sir, the freight quotations that

the oil companies calculate are not correct. I refer to page 65, paragraph 8—“Evidence of Freight Unsatisfactory”. I will content myself with referring only to the various heads under which Sir Padamji Ginwala has come to the conclusion that the evidence put before him has been unsatisfactory. The very data, facts and figures supplied to the Tariff Board are in the opinion of its President unsatisfactory.

Then regarding the difficulty of ascertaining current prices of indigenous kerosene, I refer to paragraph 9 of Sir Padamji Ginwala's Minority Report:

“It will be seen therefore that in the present condition there is no such thing as ‘current’ prices in the ordinary sense for they are what the Burmah Shell make them for the time being. In the entirely artificial atmosphere thus created by the deliberate action of the group, no correct valuation of current prices is possible. There is at present no economic relation between the foreign and internal prices and the level of current prices cannot seriously be regarded as evidence of dumping.”

In paragraph 10 he deals with foreign competition in respect of inferior kerosene oil, and I have already quoted the real cause of this cheap kerosene oil according to Sir Padamji Ginwala.

Sir Padamji Ginwala has something very interesting to say regarding the difficulty of ascertaining the financial position of the oil companies. He deals with it on page 56 of the Report, and in paragraph 6 he deals with the Attock Oil Company, which is said to be the only company which is an indigenous company. This company has a sterling capital but I do not mind the sterling capital part of it. This is the remark which Sir Padamji makes about this Company:

“The method adopted, moreover, involves far too many hypotheses and assumptions to ensure even a reasonable degree of accuracy. By way of illustration I cite the following passage from paragraph 55 dealing with the Attock Oil Company to show the process of reasoning by which some of these results have been arrived at.

In 1925 the profit in India was £48,361. Owing to the increase in production, the expenditure per unit produced has very much declined. After examining the cost accounts which have been produced we are satisfied that had the expenditure in 1926 been at the same rate as in 1927, on the production of the former year expenditure would have decreased by about Rs. 11,00,000 excluding from account London expenses, interest charged, and depreciation. On the 1927 scale of expenditure per unit, profits in 1926 would thus have been increased by about £83,000, giving a total profit of £131,000.

Having obtained hypothetical figures in the way indicated above as regards profits or losses, various adjustments are made sometimes in accordance with actual facts and at other times on hypothetical grounds, and the financial results so derived form the basis of the main recommendation that no case has been made out for national assistance.”

He concludes with this in paragraph 7:

“I am unable to agree with many of them without a good deal of more technical knowledge than I have been able to acquire in the space of seven or eight weeks. It appears to me that some of them, at any rate, may, if not found wholly inaccurate, on further examination require radical revision.”

This, Sir, is the method in which these oil companies acquitted themselves when there was an actual Tariff Board inquiry ordered by the Government of India at the request of these companies. Their accounts were put before the Tariff Board on hypothetical grounds, and even then are submitted to them in confidence—and this is the remark of even the majority. They say:

“It has not been possible to set forth the financial position of the different companies after a critical examination of the costs of producing and refining crude oil. Nor indeed for the purpose of the summary inquiry does this appear necessary.”

[Sir Purshotamdas Thakurdas.]

Now, I venture to ask whether it is justifiable for anybody, in view of what has been brought out in this Report, either by the majority or the minority, to say that Government are hitting the indigenous companies by levying an excise duty, or rather by increasing the excise duty. If the companies have a case, and if they feel that they are prepared to put all their cards on the table, by all means let them go before the Tariff Board, have a full inquiry made, and I will be the first to say after seeing the report of that full inquiry, that not only should the increase which we are considering today be reduced, but the whole of the excise duty should go in order that the indigenous industry may flourish and may not suffer any loss. But the material supplied in this Report either by the majority or by the minority sections—and I repeat here again that I do not put less reliance on the Minority Report of Sir Padamji Ginwala than on the Majority Report—the material submitted here absolutely puts any such pleading today out of court. Sir Padamji Ginwala has been a very distinguished and responsible member of the Tariff Board, and with the full weight of his responsibility he could not have made the remarks that he has made regarding the whole case without being able to meet any challenge that might be thrown out to him. Did the oil companies challenge Sir Padamji Ginwala's Report? Have they submitted anything to the Government of India against the various allegations and criticisms made by Sir Padamji Ginwala against them?

Sir Padamji Ginwala comes to a remarkable conclusion at the end of his able and full Minority Report. I will only again read the headings, which will be sufficient for the purpose of the picture which I wish to put before the House. The chapter is headed, "Exorbitant prices in India demand further exploration of subject". He starts with paragraph 46 touching upon "exorbitant prices" as he considers them to be. In paragraph 47 he deals with "Margin between prices of crude and of finished products"; and in paragraph 48 he examines the "Margin in America", which he makes out to be equivalent to one anna and six pies per Imperial gallon. In paragraph 49 he deals with "Margin in India" which he makes out to be a sum of two annas per gallon which is taken out of the consumer in India. What solicitude for the masses of India and for the consumer in India! In paragraph 50, Sir Padamji Ginwala refers to "Measure of Exploitation of Consumer". In paragraph 51 he deals with "Monopoly the Principal Cause", and in paragraph 52 he deals with the "Main Remedy; the Introduction of Competitive Conditions by Import of Crude". He finally concludes by suggesting an alternative remedy, namely, "Government Control of Prices".

I feel, Sir, that those who are interested in this subject should, before they criticise the Government of India's measure which is before the House, study Sir Padamji Ginwala's Report. Even though Sir Padamji Ginwala may have made an error of judgment, it was up to the oil companies to put all their cards before the Government of India to refute Sir Padamji Ginwala's attitude in this connection; and until they do so, we are quite justified in taking for granted that the difference between the excise duty and the import duty is a difference which goes into the pockets of the indigenous companies which work hand in hand with interests abroad. I have therefore come to the conclusion that the variation in excise and import duties as suggested by the Government of India is the right thing in the light of the information available up to now, but unless the oil

companies are prepared to submit to a full and searching inquiry by the Tariff Board, the Government of India will be justified in putting up the excise duty to the import duty. If the oil companies have a grievance, it is for them to ask for a full inquiry by the Tariff Board, when, if a case is made out that the excise duty is a hardship on the indigenous companies, or that the difference between the excise duty and the import duty does not go into the pockets of these companies, this House would be prepared to reduce not only the increase under consideration if passed but the whole of the excise duty.

I therefore, Sir, congratulate the Government of India on this first modest step which they have taken, and it is fully warranted by what is said in the Tariff Board's Report. I hope they will follow up the various suggestions of Sir Padamji Ginwala, who has indicated that the consumer of kerosene oil in India is being mulcted to the extent of Rs. 5 crores by this huge combine (paragraph 46 of Minority Report) and that the whole question of the kerosene oil supply of India requires a searching inquiry by the Government of India. Sir, I have great pleasure in supporting what the Government have proposed, and I oppose the amendment of my Honourable friend, Sardar Gulab Singh.

**Mr. Arthur Moore** (Bengal: European): Sir, I feel that my friend, Sir Purshotamdas Thakurdas, at the beginning of his speech, imported a little unnecessary heat.

**Sir Purshotamdas Thakurdas**: You started from your Benches yesterday.

**Mr. Arthur Moore**: That is just the point. Sir Darcy Lindsay and Mr. Lamb spoke yesterday and Mr. Lamb quite frankly spoke as a person who has a financial interest in oil.

**Sir Purshotamdas Thakurdas**: Making an insinuation.

**Mr. Arthur Moore**: Wait a minute.

**Sir Purshotamdas Thakurdas**: I am going to wait and follow you up.

**Mr. Arthur Moore**: First of all, he does not in the least object, as I understand him, to any one saying that he himself has interests in oil. He has interests in oil. We are accustomed in this House to people speaking quite frankly from the point of view of the industries in which they have a stake. Mr. Mody, as we all know, speaks here for the mill-owners, and it is right and proper that he should. Personally I do not consider that it was any very dreadful reflection upon my friend, Mr. Birla, who, we all know, has large financial interests though personally I have no knowledge as to in what way he is interested in this question. But I do not think that Mr. Lamb . . . . .

**Sir Purshotamdas Thakurdas**: My Honourable friend forgets that Mr. Lamb insinuated that Mr. Birla supported the import duty because he wanted encouragement to the import of oil in which he is interested. Does he not see the insinuation?



**Mr. W. S. Lamb:** Sir, may I be allowed to <sup>ask</sup> an explanation? As Mr. Moore has pointed out, it is well-known to Honourable Members—I have myself on two occasions said quite clearly—that I have an interest in oil, a very considerable interest in one of the smaller companies. No doubt Mr. Birla and others have discounted, and will always discount, anything I say about oil because of that fact. There is no reason whatever, I do not see any reason, to apologise for any remark that I have made.

**Sir Purshotamdas Thakurdas:** So he does not see the insinuation yet.

**Mr. W. S. Lamb:** And for the information of Sir Purshotamdas Thakurdas I might mention that Mr. Birla and I met last night and spoke in a friendly way. He said, "Mr. Lamb, we crossed lances today". He took no exception whatever to anything that I said, and I think, if he did, he is quite capable of speaking for himself without borrowing the thunders of Sir Purshotamdas Thakurdas.

**Mr. Arthur Moore:** As to the further remark made by Sir Purshotamdas about "Gandhi" oil—again I have no personal knowledge at all in the matter, but a Member of the Group has just now told me that, as a matter of fact there does exist an almanac displaying Mr. Gandhi as an advertisement for the oil importing agency with which Mr. Birla is connected. Somebody may have objected, and Sir Purshotamdas Thakurdas may have heard of such a thing. But if a Member of this House thinks that is a good way of recommending his business, I personally do not complain, if such a thing exists at all.

Now, Sir, I hope that we can leave those personal points and deal with the humble matter of kerosene. I, like Sir Frank Carter, to whom Sir Purshotamdas referred, and in common with a great many others, was brought up as a free trader. But Sir Frank Carter spoke at a time when we were faced with a deficit budget in 1922. When Sir Frank Carter spoke of this oil duty, the Fiscal Commission had not reported. India was a free trade country. We had never heard of the Tariff Board or of tariff inquiries, and we certainly had never had such examinations as we have had since in the case of steel and cotton and later of oil. Regretfully we have accepted since frankly in the interests of Indian industry, and do loyally accept, the declared policy of Government, which is discriminating protection. The great argument which endeared free trade to us in the old days was that it kept down the price to the consumer, and that it was in the interests of the general public. We have, in the interests of Indian industry, made great sacrifices of that doctrine. We are agreeing in this very Budget to taxes which we know the poor will have to bear. But, Sir, when we find that Indian industry after Indian industry puts up its claims to the Tariff Board and that those claims are considered, and subsequently we have the Government coming to this House and asking us to agree to tariffs for the sake of that industry and the House accepting them, the tariffs passed and the price put up to the consumer,—and then suddenly you have an industry which asks for protection, and gets not protection at all but in the next Budget, or the next Budget but one, a proposal to decrease the import duty and increase the excise duty in order apparently to damage that indigenous industry, then, I think the plain man begins to smell a rat. I have no financial interest in it whatever.

and I cannot agree with Sir Purshotamdas Thakurdas when he said that no impartial person could read the Minority Report of the Tariff Board without coming to the conclusion that it was unanswerable. I wish to reply to him that I consider myself impartial in this matter, and when I read the Minority Report I formed entirely opposite views to those of Sir Purshotamdas Thakurdas. The author of the Report makes a statement about deliberate *mala fides* which in the public interest merited summary dismissal of the application, and then he proceeds to produce what we may suppose to be justification for those remarks. Frankly, Sir, the whole statement seems to me ludicrous, if not libellous, and I think that Sir Purshotamdas Thakurdas might have remembered that a very convincing reply was immediately issued. Sir, if I might paraphrase a classical example, I would say that, if anybody but the President of the Tariff Board had made these statements, I should call them a tissue of contradictions. In fact, I would go further and say that they are a tissue of contradictions, and I could very easily prove it. Curiously enough, one of the main charges appears to be that the indigenous oil companies keep down the price—a very extraordinary remark. On page 94 of the Report under "Summary of Conclusions and Recommendations", it is stated that, "The price both of the indigenous and foreign oil marketed by this Company", that is, the Burma Shell Oil Distributing Company of India, Ltd., "has been deliberately kept lower than economic conditions would have justified and is therefore unreal". Therefore, it would appear that the gravamen of the charge against the oil companies is that they sell their stuff at too low a price to the consumer. Later on, on the next page, he says, "There is evidence which suggests that a great deal of petroleum products have been sold at exorbitant prices". A totally contradictory statement. At the same time, on the same pages, he says, first of all, that it is utterly impossible to establish what the American parity price is, and secondly, that that American parity price is being undercut by the indigenous companies, and thirdly, that they are going above it. Thus he does not know what it is but says it is both being undercut and exceeded. In addition, he bases most of his suggestions, insinuations and innuendoes on the results of the first six months of 1927. He then goes on to say that he quite realises that you cannot establish everything from the results of those six months, but nevertheless proceeds to do so.

**Mr. M. A. Jinnah:** May I ask the Honourable Member one question? Does the Majority or the Minority Report of the Tariff Board consider, in the end, that any case has been made out for any protection for this industry?

**Mr. Arthur Moore:** I am very far from suggesting that a further measure of protection is required for this industry. That is not the point.

**Mr. M. A. Jinnah:** That is what we have been discussing.

**Mr. Arthur Moore:** That is not the point which we have been discussing. We are discussing the proposal in the Budget to reduce the existing protection, and we have also the very remarkable statement of the Finance Member that this is only a first step in that direction.

**Sir Purshotamdas Thakurdas:** We all hope it is so.

**Mr. Arthur Moore:** I am afraid you do, and that is the deplorable part of it. I was interested to hear and sympathise greatly with a statement which Sir Purshotamdas Thakurdas made the other day, in which he said that he looked forward to a time when this distinction between Indian and European business would disappear. This is a sentiment which I entirely share. I should like to see European business in this country entirely done on a rupee basis. I should like to see share registers kept and share markets existing in all the towns, so that the Indian would be a participator to the very greatest possible extent in the benefits that can be obtained through British enterprise and British capital in this country. I should like to see European and Indian business interlinked and interlocked as far as possible. But, Sir, the oil business is centered in Burma where it is certainly a great national industry, where it is giving employment to many thousands, where it is leading to every kind of public development, and where there is a share register and a share market and where shares are held by the people of the country to any extent which they like. For the Indian Members of this House to make an attack on that Burmese industry, merely because they think that it is largely a case of European capital, is, to my mind, unfortunate.

**Sir Purshotamdas Thakurdas:** Who said so? I never said anything like that at all.

**Mr. Arthur Moore:** I have not said that you said that. But I have read the Report, and I am perfectly certain that the Report is the motive behind the Government's proposal. I am very glad that Mr. Aney withdrew his amendment yesterday. Personally I should be sorry to share in responsibility for refusing the Finance Member the money that he requires in the present situation, but, that is all the more reason why I would urge upon the Finance Member, if he can possibly do so, the advisability of accepting this very modest proposal of Sardar Gulab Singh, which will give him revenue, but which will, I think, avoid the much more disastrous result of a rise in price. It is that rise in price which really interests me. When the Budget was introduced, Sir Zulfiqar Ali Khan made a plea, which I thought had a great deal of force and point in it, for the poor man's lamp. I am perfectly certain that the Burma Oil Company, which is the largest in the industry, can protect itself. I am perfectly certain that my Honourable friend the Commerce Member will not succeed in defeating that Company. I think it is a mistake, when you find a bird that lays golden eggs for you, to assume that it must be a goose. My own opinion of this oil company,—with which I am unfortunately not connected,—is that it is quite another kind of downy bird, and that it will succeed in passing this tax on to the consumer. That, Sir, is where I think the Government are failing in their duty. The Tariff Board may say what they like, and Honourable Members may say what they like, but it is one of the most remarkable economic facts in the history of the past twenty-five years, when both currency and prices have crashed in the great countries of the world and when the world itself has passed through an unparalleled upheaval, that for the whole of that period of twenty-five years, the low grade yellow oil which goes into the poor man's lamp in this country has been absolutely stabilised to the extent of practically 2,00,000 tons a year, and the price of that quota has never gone up. That, Sir, is a very remarkable achievement. The paradoxical thing is that protection has kept down the price in the low

grade,—and this has been done as a matter of loyal obligation in return for a measure of protection. The Commerce Member assured us yesterday that there was no convention, no understanding, no obligation on the part of the Company. I am sure that he is right, and I think that makes it all the more remarkable that for 25 years the poor man's lamp in India has been lit at the same price because of that undertaking. I understand that a letter was written to the Viceroy of the day saying the company would contribute this amount at the fixed price. My Honourable friend appears to attach no importance to it. He seems to think it does not matter and says "Do your worst". He seems to think that he will be able to defeat these great Corporations, but I doubt it. I think he is very light-heartedly risking the poor man's lamp. Sir, we who live in towns are a little apt to underrate the part that kerosene plays in the life of this country. It is the light of the country, and when we talk about kerosene, let us not forget the tin. We know what an enormous part the kerosene tin also plays in this country. I myself have lived in shelters made entirely from kerosene tins, filled with earth. I have had my bath from kerosene tins. Even in New Delhi in the hostels the Government provide for legislators, the hot water supply is dependent upon kerosene tins. Can the Government give the slightest guarantee that the low rate of kerosene, which is what matters to the people of this country, can be kept down to its present price if they refuse to accept my friend's amendment? I feel, Sir, that they are being driven by political motives, and that, through the Tariff Board and through the Commerce Department, a political demonstration is being made. This fills us with great uneasiness. We are not satisfied that the Government of India today are discharging their duty as trustees for the Indian people. It seems to us that they are much more interested in pleasing big business and big politics than in thinking of the Indian home; that they are thinking much more of the veneer and polish of their mahogany Round Table than that it shall be spread with the unleavened bread of sincerity and truth. When the Finance Member tells us about Mr. Gandhi and the adverse influences in London affecting Indian credit, we can also tell him that it is not entirely Mr. Gandhi. If he will investigate the Commerce Department a little more closely, and if he will consider the attitude of Government to confiscation by predatory measures, he will begin to understand that there are other reasons which make his task difficult in obtaining money. It is British capital itself which is one of the standbys in the present difficult times. I am convinced that, if you could study the records of the Exchange Banks, you would find that it is Indian capital which is going out quickest and that the British capital is still here. It is necessary for this country, and it is necessary for the poor man . . . . .

**Mr. M. A. Jinnah:** Keep it here.

**Mr. Arthur Moore:** I am very glad to hear my friend say that, but I would like the Government to think long and hard before they refuse my friend's amendment today and pin themselves to this document which, as I say, is ludicrous. If that is their gospel, they will very soon find themselves in great difficulties.

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

The Assembly re-assembled after Lunch at Two of the Clock, Mr. President in the Chair.

**The Honourable Sir George Rainy:** Sir, I should like to begin what I have to say today with a brief reference to one who has been very frequently mentioned during the course of the debate, I mean my very close personal friend, Sir Padamji Ginwala, the President of the Tariff Board. I do not suppose there is anybody in this House who knows Sir Padamji better than I do, or who has a greater respect and admiration for the admirable work he has done in the Tariff Board, or for his independent judgment, his courage and the energy and thoroughness with which he always carries out his work. Sir Padamji Ginwala is about to quit the presidency of the Tariff Board and I am very glad to have this opportunity of paying my testimony to all that he has done.

My Honourable friend, Mr. Moore, used a phrase in connection with the Minority Report on the oil industry, and the phrase was "a tissue of contradictions". He gave one particular instance in support of this charge. The particular instance he gave was this. He quoted from the summary in Chapter VII of the Minority Report the following sentence:

"The prices both of the indigenous and the foreign oil marketed by this Company has been deliberately kept lower than economic considerations alone would have justified and are therefore unreal."

He then pointed out that, in other places in the Report, Sir Padamji had expressed the view that the prices charged by the oil companies were exorbitant and had caused a great deal of loss to the consumer. Now, if you place these two statements against each other and assume, without investigation, that they refer to the same prices, there is undoubtedly a contradiction. But if my Honourable friend, whose study of the Minority Report must, I think, have begun only a short time ago, had taken care to verify the particular prices which were referred to, he would have found that the prices which Sir Padamji Ginwala considered had been deliberately kept lower than economic considerations allowed were the prices charged while the oil war was in progress, and the prices he considered exorbitant were the prices charged before the oil war began. I think it is a pity that, because there has been some slight increase of tension during the course of the debate this morning, charges of that kind should be made on insufficient evidence against one who is not a Member of this House, and is not in a position to make any reply. Those who remember Sir Padamji as a Member of this House, will have no doubt that he would have been perfectly capable of making a very effective reply on his own behalf.

I felt it necessary, Sir, particularly because I have had some connection with the Tariff Board myself, to make that clear about Sir Padamji Ginwala, but I must also make it clear that, in putting forward the proposals which are under consideration, the Government of India did not base their conclusions on the Minority Report but on the Majority Report in so far as they arose from the Tariff Board Report at all. Sir Padamji and I—I am not revealing any secrets—did not always agree, and when we disagreed, I, being an obstinate Scotchman, sometimes used to say to

him, "You think you are right but I know I am right" and Sir Padamji was sometimes inclined to take up the same attitude. Well, in this case, I do not, on a great many points, agree with the Minority Report, and it is right that I should say so quite frankly. That is not in any way disparaging Sir Padamji Ginwala, but in my view, and in the view of the Government of India, it is the opinions expressed in the Majority Report which ought to prevail, and in so far as this proposal arises out of the Tariff Board Report at all, I will ask the House to understand that it is the Majority Report which has to be considered and not the Minority Report.

The Government of India came to the conclusion that a substantial increase in taxation was necessary if we were to meet our liabilities during the coming year, and naturally all the important subjects of taxation passed under review. One of them, of course was kerosene. Now when we are dealing with an article of general consumption, we have to consider in a case of this kind whether, if there is to be any increase in taxation, it should be in the form of an increase in the customs duty only,—or of excise duty only, or possibly of both. In some cases there may be a claim to protection, which may or may not be held to be established, but what is the position in this case? The arguments I have listened to from the European Benches seem to me to approach perilously near to this position, that because the industry has for a period of a quarter of a century enjoyed the benefit of a difference of one anna six pies per gallon between the excise duty and the import duty, therefore that difference must continue for an indefinite period. Looking at it, as I look at all these questions, from the point of view of the policy of discriminating protection, I find it very difficult to understand how an attitude of that kind is to be justified. The policy of discriminating protection is that industries are to be protected until they can stand alone and dispense with protection. It is true that, in this case, the import duty on kerosene was not originally imposed as a protective duty, but as part of the system of revenue duties which at the time of its imposition were the only kind of duties in the Indian tariff. Still let us take it on the basis that at one time the duty may have been required to keep the oil industry going. Let us take it on that assumption. A period of a quarter of a century has elapsed, and that being so, is it not fair to ask whether, in existing circumstances, the retention of that difference between the two rates of duty is still necessary in the interests of the Indian industry? What do we find? I would refer to the same figures which have already been quoted by my Honourable friend, Sir Purshotamdas Thakurdas, from the Majority Report of the Tariff Board. It appears from these figures that, out of the total share capital of the Burnia Oil Company,—a company which is responsible for rather more than three-quarters and rather less than four-fifths of the total production of crude oil in India,—it appears that of the total ordinary share capital of £6,800,000, only a little over £1,800,000 is subscribed capital, and about £5,500,000 consists of bonus shares. In addition, there are £4,000,000 preference shares. In the year 1927 the dividend declared on the ordinary shares was 20 per cent. That is, it must have been a little over £1,800,000 on the ordinary shares, and the dividend on the preference shares, in addition, brings that figure up to something over £1,600,000. The total subscribed capital is £5,800,000, and the proportion of the two dividends together on the total subscribed capital is nearly 80 per cent.

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Now, let us get away for the moment from the peculiar circumstances of this industry. Let us take a quite different industry. Let us take the cotton industry. Supposing that the cotton mills which were responsible for nearly four-fifths of India's production were in a position to pay dividends to that extent, 30 per cent. on the subscribed capital, would it be wrong for Government, at a time when it was in need of money, would it be wrong for Government, granted always the fundamental policy of discriminating protection, would it be wrong for them in those circumstances to impose an excise duty? I mention that case particularly because it is the case where for natural and right reasons, prejudice against the excise duties is strongest.

**Mr. Arthur Moore:** May I ask the Honourable Member if he will give us the 1928 figures, which will show that the particular company he refers to, the Burma Oil Company, paid the Government of India in taxation almost £2,000,000 sterling and they paid their shareholders, if you deduct the United Kingdom income-tax, only about £800,000 odd.

**The Honourable Sir George Rainy:** I am afraid I do not see the relevancy of my Honourable friend's interruption. I prefer to pursue my arguments on my own lines. What I was saying was this.

**Sir Gowasji Jehangir (Bombay City: Non-Muhammadan Urban):** The Honourable Member said that the percentage was 30 per cent. He also told us that the original share capital was £1 million and some thousands and bonus, £4 million and something. So the 30 per cent. is not on the one million originally subscribed, but is also on the bonus that was given.

**The Honourable Sir George Rainy:** No, Sir. I know how difficult it is, when one is dealing with figures, not to convey a wrong impression. What I did was this: I took the ordinary and preference dividends and added them together. I took the subscribed ordinary capital and the preference capital and added them together, and I took the percentage of the first total upon the second total. I did not wish to take the dividend purely on the subscribed ordinary capital, because you get an exaggerated result, which is not fair unless you bring in both the preference capital and the preference dividend; you would, in fact, get a figure which is misleading.

Now, Sir, this is the view the Government of India took as regards kerosene, that if the question arose of imposing extra taxation on kerosene, the proper way of dealing with the matter was by an increase in the excise duty. I am perfectly prepared to defend that proposal as being in all the circumstances the right solution, because I am not prepared to support the proposition, as my Honourable friend Sir Purshotamdas Thakurdas could do quite consistently with his principles, that there ought to be no excise duty at all, or that the existing difference between the excise duty and the import duty should be continued indefinitely. Why, Sir, what do we find? If a new application for protection comes forward, it is always very carefully and narrowly scrutinised, and the recommendations which have hitherto received the approval of the House have always been on the basis of giving no more than was really necessary to put the industry on a sound basis. Unless we abandon that policy I do not see how we can consistently defend a position which amounts to this that, because an industry has for a quarter of a century enjoyed actual

protection of a certain amount, owing to the difference between the excise duties and the customs duties, therefore this difference must be regarded as sacrosanct, and the Government must in no circumstances interfere with it. My Honourable friend, Mr. Moore, was good enough to speak of predatory measures and political demonstrations and to suggest that the malign inspirations underlying these measures came from the Commerce Department. If that means that the Commerce Department has any reason for desiring anything but the success of all Indian industries, if it means that the Commerce Department bears a grudge against any particular industry, I repudiate the charge. But if it means that I refuse to apply one weight and measure to a new industry, usually Indian, applying for protection, and a different and more generous weight and measure to a long established industry, in this case mainly non-Indian, then I accept the charge. I am not prepared to apply these different weights and measures. (Hear, hear.) It is the business of the Government of India, as it is the business of all Governments, to try to do justice, and that is the basis upon which the Government measure proceeds.

I should like to turn now to some of the reasons given by the previous speakers against the Government proposal. One of them can be very briefly dealt with. It was suggested that, because one company was so predominant in the oil industry, therefore the measure ought to be regarded as vindictive. I cannot see how, in point of principle, it makes any difference whether it is one company or more than one company. The only question is this; is the industry making large profits and is there reason to believe that those large profits are due to the difference between the customs and the excise duties? Whether it is one company or several companies to my mind, makes no difference at all.

My Honourable friend, Sir Darcy Lindsay, said that special consideration was due to the oil industry, owing to the fact that, during the war, the price of Victoria kerosene had not been raised. As far as I can make out, that statement is correct as regards the Victoria kerosene (that is the yellow oil) which was sold in bulk. There were increases in the price of Victoria kerosene sold in tins, but that was due to other causes, mainly owing to difficulties about the supply of tin-plate, and the price of the oil in tins was raised several times, always in agreement with Government and with the Ministry of Munitions at Home. Therefore, I accept that statement as generally correct. But my Honourable friend, Mr. Moore, went somewhat further and said that it was a very remarkable fact that the price of this inferior yellow oil, Victoria kerosene, had been stabilised for a period of 25 years.

**Mr. Arthur Moore:** To the extent of 195,000 tons, Sir.

**The Honourable Sir George Rainy:** I do not quite understand how the consumer can get it in that form, because the pool cannot market a certain quantity of the same kind of oil at one price and a certain quantity at another. My recollection is that, up to 1917, what was actually done was that the Burma Oil Company had its own separate selling arrangements, and the Victoria oil that they actually sold was sold at that price. But after the close of the war, a new arrangement was arrived at, when the kerosene pool was established, in which the Asiatic Company, representing the Shell interest became partners, and after that, the arrangement was different. The arrangement was this, that the



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Burma Oil Company and the other Indian companies in the pool under took to sell to the pool 195,000 tons of the inferior oil at a fixed price of Rs. 2-14-0 per unit of 8 gallons, plus the excise duty when that was imposed. Thereafter the pool did the marketing on behalf of the particular companies, and prices were so adjusted that, on the average, at the end of a period, the pool neither made nor lost money. But I should like to quote certain prices to show that it might convey a misleading impression if it were thought that there was no change in the prices of yellow oil in the last 25 years. In 1914 the price of two tins was Rs. 3-8-0, but in 1924 it was Rs. 5-6-0. It continued at about that level, with small variations, up to the latter part of 1927, when the big fall in prices took place on account of the oil war, and since the termination of the oil war, it has never, I think, quite got back to its former level. At one period in 1929 it was quoted at Rs. 5 and I believe it is now somewhat lower.

Now, Sir, I find great difficulty in understanding what the exact force of this argument is supposed to be, that because, during the war period, the oil companies were reasonable and did not attempt to profiteer as regards the oil used by the poorest classes of consumers, therefore they are to continue to enjoy indefinitely the benefit of the difference between the import and excise duties. I can quite understand the argument that, if that difference is narrowed, the companies may have to reconsider their price policy, for in their price policy they are entirely free agents and have no agreement with Government on the subject. But I do not understand why, ten years after the war, that particular argument must be treated as conclusive, and I should like to draw attention to a passage in the Majority Report—paragraphs 74 and 75—which indicates that the companies may have—or rather may have had—other reasons for keeping down the price of yellow oil besides the benefit to the poorer classes of consumers. The reason suggested is that they might do so in order to prevent competition from abroad in this class of oil. Whether the Tariff Board were right in their view on this point I am not prepared to say, because, whereas during the period preceding the oil war, right back till I think about 1922, the difference between the price of white oil and yellow oil was usually about Rs. 1-6-0 a unit, and the impression that I always got from any inquiries I made upon the subject was that the oil companies were apprehensive as to their ability to sell their whole output of yellow oil if the difference was made any smaller. Since May, 1928, the difference in the prices of white oil and of yellow oil has been only 8 annas a unit. That makes a very great difference, and that leads me on to another of the reasons why it is suggested the Government of India's proposal should not be approved. It is suggested that the actual result of the adoption of the measure will be not a reduction of price to the consumer, although the customs duty is proposed to be reduced, nor even the maintenance of the present prices, but an actual increase in the price to the consumer. I doubt very much whether any one in India is in a position to say what the result will be, for in all the inquiries that I have ever made on the subject I have never found anyone in India who could give me a perfectly clear explanation of how the policy of the kerosene pool was determined. I think it is only those in authority in London who can speak with authority on this subject. But clearly it is a somewhat remarkable position if, assuming that, the ordinary laws

of free competition apply, a reduction in the customs duty should be followed by a reduction in the price. For, India is not self-supporting in the matter of oil, and cannot be so at present, and therefore, the governing factor would usually be the cost of importation. It may be possible for the pool to maintain the old prices if, as has been suggested to me, for some time past they have been selling white oil at a price below world parity. The figures that were suggested to me were these. They have been selling the white oil in bulk at Rs. 4-10-0 a unit, whereas the world parity would be somewhere between Rs. 4-14-0 and 4-15-0 a unit. If that is so, then no doubt they could maintain the present price, in spite of a reduction of two annas a unit in the customs duty, and they might even raise the price by a little over two annas a unit without reaching a price which was above the world parity. But, if that is what we are asked to believe, then I do not understand what the maximum price policy of the pool, as it is called, means, and I do not understand the manner in which it has been applied since May, 1928, because, if the maximum price policy is intended to benefit the poorest classes of consumers, then it is difficult to see why the companies made a concession amounting to over four annas a unit to the consumers of white oil, who are not the poorest classes of consumers, and have narrowed down the difference between the price of yellow oil and of white oil to only eight annas a unit. It is circumstances like these which give one reason to doubt what the maximum price policy has actually meant in its operation.

Another circumstance which might make it possible for the companies to maintain the price of kerosene, notwithstanding the fall in the customs duty, would be, if there was an absolutely binding agreement with the only independent company which imports on a large scale, I mean the Standard Oil Company. That again would be difficult to reconcile with the reports one has seen in the newspapers in recent days as regards the possibility of the outbreak of another oil war. But I am not prepared to admit, until the actual facts prove it, that we are justified in assuming, as a matter of course, in contravention of the ordinary economic laws, that the reduction in the customs duty is likely to be accompanied by an increase in the price of kerosene.

Now, I should like to come to a point which was mentioned by Mr. Lamb, but which has not been dwelt upon much by subsequent speakers, namely, the danger which is said to threaten the smaller companies if the House should approve the proposals of the Government. One of the difficulties in considering this particular part of the subject has been this, that the arguments in support of it always contradict each other. We are told, on the one hand, that there is going to be an increase in price and that every bit of that 50 lakhs will be taken from the consumer. If so, there is no danger to the smaller companies, because they will be no worse off than they were before. On the other hand, if they are to be seriously endangered, then the consumer is not in danger, and I must really ask my friends sitting on my right to choose on which horn of the dilemma they would wish to be impaled, because they cannot have it both ways. As regards the smaller companies, I would say this. Clearly the onus rests upon them to make out their case, and to establish to the satisfaction of Government, or of some investigating authority, that their position is very seriously endangered as a result of this measure. If that could be established, then I do not doubt that this House, as well as the Government, would be perfectly prepared to consider fully and

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sympathetically what measures should be taken to prevent any serious danger. Take the Attock Oil Company. For obvious reasons, it is desirable that that Company should continue to produce oil. It is the only company in this part of the world which does produce oil, and for practical reasons, in a war, for instance, it might be of very real service. But it does not follow, even if it were established that the smaller companies do need some assistance, that we should adopt a method by which, for every penny which goes to the smaller companies, four pennies must be paid to the company that does not require assistance. That seems to me a point very well worth bearing in mind.

That, Sir, very nearly closes what I have to say on this subject today. The only remark I should like to make in conclusion is this. I think it is a pity that certain statements have been made without perhaps sufficient verification. One I referred to at the outset of my speech, namely, the tissue of contradictions said to be found in Sir Padamji Ginwala's Minority Report. Another I have frequently referred to in the last week or so, about the 15 lakhs that we were supposed to be putting into the pockets of the Standard Oil Company. Now the Honourable the Mover of the amendment had read the import trade returns and made that very clear by the figures in his speech. But if any of the speakers who in this House or in another place have referred to that alleged present of 15 lakhs to the Standard Oil Company had ever taken the trouble to look at the import trade returns, they would find that the oil coming from the sources under the Standard Oil Company is only a little more than half of the total imports. The total present we could conceivably make to them, even if the price remained unchanged, is not 15 lakhs but only a little over 7½ lakhs. These difficult and important questions cannot be disposed of merely by the hasty quotation of inaccurate figures. They are very serious and difficult matters, and I hope that the House will consider them in a serious spirit and with the desire to do justice to all.

**Mr. Arthur Moore:** On a personal explanation. I should like to apologise to the Honourable the Commerce Member for not having been present at his opening sentences. Therefore I did not hear his reference to the tissue of contradictions; but I would ask him, is it not a fact that in the Minority Report the President states that the Burmah Shell Company sells below the economic price, and also suggests that that Company sells at an exorbitant price?

**The Honourable Sir George Rainy:** That was precisely the contradiction with which I dealt. I pointed out that, if the Honourable Member had applied himself to the study of the Minority Report, he would have found that the prices that were considered too low were the prices during the oil war, and the prices considered exorbitant were the prices before the oil war.

**Mr. Arthur Moore:** I cannot quite accept that.

**Mr. B. Das (Orissa Division: Non-Muhammadan):** Sir, I think that a Member of our party should speak. A prominent Member of my party has been unworthily attacked and I would like to speak.

**Mr. President:** The Honourable Member, unless he has got any fresh contribution to make to this debate, will now allow me to put the question. We have taken nearly three hours on this amendment.

The question is :

"In clause 7 for the words 'one anna and six pies' the words 'one anna and three pies' be substituted."

The Assembly divided :

AYES—17.

Alexander, Mr. W.  
Ayyangar, Mr. K. V. Rangaswami.  
Chaman Lal, Diwan.  
Cocke, Sir Hugh.  
Crawford, Colonel J. D.  
Farookhi, Mr. Abdul Latif Sahab.  
Gidney, Lieut.-Colonel H. A. J.  
Gulab Singh, Sardar.  
Heathcote, Mr. L. V.

Kidwai, Sheikh Mushir Husain.  
Lamb, Mr. W. S.  
Lindsay, Sir Darcy.  
Moore, Mr. Arthur.  
Munshi, Mr. Jehangir K.  
Reddi, Mr. T. N. Ramakrishna.  
Scott, Mr. J. Ramsay.  
Sykes, Mr. E. F.

NOES—62.

Abdoola Haroon, Haji.  
Abdul Aziz, Khan Bahadur Mian.  
Abdul Haye, Mr.  
Abdul Qaiyum, Nawab Sir Sahibzada.  
Agnihotri, Mr. K. B. L.  
Banarji, Mr. Rajnarayan.  
Baum, Mr. E. F.  
Bhargava, Pandit Thakur Das.  
Birla, Mr. Ghanshyam Das.  
Chettiyar, Rao Bahadur P. T.  
Kumaraswami.  
Chetty, Mr. R. K. Shanmukham.  
Cosgrave, Mr. W. A.  
Crerar, The Honourable Sir James.  
Crosthwaite, Mr. H. S.  
Dalal, Dr. R. D.  
Das, Mr. B.  
Dutta, Rai Bahadur S. C.  
Ferrers, Mr. V. M.  
French, Mr. J. C.  
Ghazanfar Ali Khan, Raja.  
Gwynne, Mr. C. W.  
Haji, Mr. Sarabhai Nemchand.  
Hamilton, Mr. K. L. B.  
Hardy, Mr. G. S.  
Hira Singh Brar, Sardar Bahadur,  
Honorary Captain.  
Howell, Mr. E. B.  
Ismail Khan, Mr. Muhammad.  
Iswar Saran, Munshi.  
Jawahar Singh, Sardar Bahadur  
Sardar.  
Jinnah, Mr. M. A.

Mitra, The Honourable Sir Bhupendra  
Nath.  
Mitter, The Honourable Sir Brojendra.  
Monteath, Mr. J.  
Mukerjee, Mr. Saradindu.  
Mukherjee, Rai Bahadur S. C.  
Mukhtar Singh, Mr.  
Neogy, Mr. K. C.  
Noyce, Sir Frank.  
Pai, Mr. A. Upendra.  
Pandya, Mr. Vidya Sagar.  
Parsons, Mr. A. A. L.  
Patil, Rao Bahadur B. L.  
Purshotamdas Thakurdas, Sir.  
Rainy, The Honourable Sir George.  
Rajah, Rao Bahadur M. C.  
Rang Behari Lal, Lala.  
Rau, Mr. H. Shankar.  
Sahi, Mr. Ram Prashad Narayan.  
Sams, Mr. H. A.  
Sarda, Rai Sahib Harbilas.  
Schuster, The Honourable Sir George.  
Shah Nawaz, Mian Mohammad.  
Singh, Mr. Adit Prasad.  
Singh, Mr. Gaya Prasad.  
Slater, Mr. S. H.  
Tin Tut, Mr.  
Venkatakrishnayya, Choudhri, Mr. P.  
Yakub, Maulvi Muhammad.  
Yamin Khan, Mr. Muhammad.  
Young, Mr. G. M.  
Ziauddin Ahmad, Dr.  
Zulfikar Ali Khan, Sir.

The motion was negatived.

Clause 7 was added to the Bill.

Clause 8 was added to the Bill.

**Mr. President:** The question I have to put is:

"That clause 9 stand part of the Bill."

**Rai Bahadur S. O. Dutta** (Surma Valley *cum* Shillong: Non-Muhammadan): Sir, there is an amendment\* in my name.

**Mr. President:** Does the Honourable Member wish to move it?

**Rai Bahadur S. O. Dutta:** With your permission I want to withdraw it.

**Mr. President:** In that case, I must proceed to put the question.

"The question is that clause 9. . . ."

**Pandit Nilakantha Das** (Orissa Division: Non-Muhammadan): Sir, there is a small amendment, in my name, and it is that clause 9 be omitted. I move it because I find in the proposals of the Finance Member that this money, to the extent of Rs. 32 lakhs or something like that, which we have been spending so long for debt redemption is, I understand, going to be put into a new reserve fund created against the Postal cash certificate Bonus, which accrues from year to year. This money which is withdrawn from reducing unproductive debt is not going to be actually used for revenue expenditure purposes. Thus it is withdrawn from paying a debt bearing interest, say 5 per cent. or 6 per cent., and is going to be laid by for the prospective payment of another debt, in which the interest in the mean time is going on increasing. I have already said that I do not well realise the utility of creating such reserves. . . . .

**The Honourable Sir George Schuster** (Finance Member): On a point of order, Sir. My Honourable friend's objection seems to be to a grant which has already been passed by this House, namely, the provision of a special fund to go to suspense account against the liability in respect of Post Office Cash Certificates. I understand that the point of my friend's objection is that he dislikes that provision, but that provision, Sir, has already been approved by this House, and I suggest that he cannot argue on that ground in favour of his present amendment.

**Pandit Nilakantha Das:** Am I in order, Sir?

**Mr. President:** The Honourable Member is not.

**Pandit Nilakantha Das:** My objection is that if a new fund is going to be created. . . . .

**Mr. President:** That has already been created by the vote of this House.

**Mr. B. Das:** But, Sir, subject to the passing of this clause here.

**Pandit Nilakantha Das:** If that is irrevocable and inscrutable, then I am afraid I shall have to withdraw my amendment. My reasons are that, instead of creating such funds, we should utilise this money for revenue purposes, and in that case we will be relieved of a certain amount of interest which we do not get otherwise. These new reserve funds will either be deposited in the Imperial Bank with no interest or even in some security bearing 2 per cent., which is much less than the rate borne by our unproductive debt. This is the mystery about these reserves. They are

\*"That clause 9 be omitted."

shown in accounts. But the actual money is never available when necessary. We have got the Railway Reserve to the extent of about 28½ crores. We do not know where it is deposited. Last, I mean the current year, money was required for capital expenditure. But the Reserve Fund could not be tapped even for a loan. The actual money was not there in reserve. Thus this Reserve will simply appear in accounts, and in any case money will have to be borrowed to pay even from the Reserve. Why then simply forego the advantage of getting relief from the interest on debts for a number of years in the meantime? Why not now pay back the debt, and again borrow to pay the liability for Postal cash certificate? Anyhow, if that fund is already created, and cannot be revoked, I would like to withdraw my amendment with your permission, Sir.

**Mr. President:** The Honourable Member has not moved it.

**Pandit Nilakantha Das:** I moved the amendment in the very beginning, and therefore I beg your permission to withdraw it.

The amendment was, by leave of the Assembly, withdrawn.

Clause 9 was added to the Bill.

**Mr. President:** The question is:

“That Schedule I to the Bill stand part of the Bill. . . .”

Honourable Members are not quick. They ought to rise in their seats in proper time if they want to move their amendments. I take it that no Member wishes to move any amendment on this? (*Some Honourable Members:* “Haji Abdoola Haroon is standing.”)

**Haji Abdoola Haroon** (Sind: Muhammadan Rural): Sir, I want to move amendment No. 17, which stands in my name.

**Mr. President:** There is one other amendment\* from Diwan Chaman Lall.

**Diwan Chaman Lall** (West Punjab: Non-Muhammadan): I don't want to move it, Sir.

**Mr. President:** That is all right then.

**Haji Abdoola Haroon:** Sir, Before I say anything on my amendment, I must first of all congratulate the Honourable the Finance Member that, with this duty, which will yield about 5½ crores he will be able to pass the Finance Bill very smoothly and quietly. I am somewhat surprised, Sir, that there is no strong opposition from this side of the House to any fresh taxation, because I find that the Bill is framed in such a way that, for some reason or other the House supports it quietly. Take one instance. Take the cotton duty. There are some Members in this House who think that this 15 per cent. duty will give them some relief, and that the mill industry will be able to get on, that it will enrich many shareholders and so on, and therefore they are supporting fresh taxation. There

\*In entry (3) in Item 34 of the proposed amendment No. 3 in Schedule I to the Bill:

(a) the words ‘and sugar candy’ be omitted,

(b) the words ‘plus one rupee and eight annas per cwt.’ be omitted.”

[Haji Abdoola Haroon.]

are some other Members who are jubilant that more *khadi* will be consumed because foreign cloth will become dearer; therefore they are not objecting to this duty. While in regard to income-tax, there are some murmurs in some quarters, but the majority are in favour of it because they do not like capitalism.

Now, with regard to sugar, as the Finance Member has indicated in his budget speech that the sugar industry is struggling and that it is necessary to give it some relief, Members have given their support to it. I understand, Sir, that some group of sugar refineries which are mostly refining sugar from *gur* are not working profitably, and therefore they tried to set up an agitation, with the result that this duty on sugar has been imposed quietly in this Budget.

**Mr. President:** Does the Honourable Member wish to move his 3 P.M. amendment?

**Haji Abdoola Haroon:** Yes, Sir. I move:

"That for the proposed amendment No. 3 in Schedule I to the Bill the following be substituted:

'3. For Item No. 34 of Schedule II, the following shall be substituted, namely:

'34. Sugar, excluding confectionery (see No. 124)—		Rs. a. p.
(1) Sugar, crystallised or soft 23 Dutch Standard and above.	Cwt.	4 8 0
(2) Sugar, crystallised or soft inferior to 23 Dutch Standard but not inferior to 14 Dutch Standard.	Cwt.	4 0 0
(3) Sugar, crystallised or soft inferior to 14 Dutch Standard but not inferior to 8 Dutch Standard if imported for refining purpose.	Cwt.	3 0 0
(4) Sugar, below 8 Dutch Standard and sugar <i>Ad valorem</i> candy.		25 per cent. plus one rupee and eight annas per cwt.
(5) Molasses	<i>Ad valorem</i>	25 per cent.' "

In moving this amendment, I want to say that there may be some opposition to my amendment. We know very well at present the sugar duty is Rs. 4-8-0 per cwt., that is to say, there is 75 per cent. of the duty already imposed on the article. If you go through the history of the sugar duty, you will find that, up till February, 1916, there was only 5 per cent. duty on sugar and this means about 8 or 10 annas per cwt., but later on, on account of the war and scarcity of sugar in the world, the price in the market went very high. Further, owing to the revenue requirements, the duty on sugar was raised as shown below. From 1902 to 1916, 5 per cent., from 1st March, 1916, to 28th February, 1921, 10 per cent., from 1st March, 1921, to 28th February, 1922, 15 per cent., from 1st March, 1922, to 31st May, 1925, 25 per cent., from 1st June, 1925, to 28th February, 1930, Rs. 4-8-0 per cwt. Later on on account of the Budget, they raised the duty to Rs. 6. Up till 1925, the production of sugar in the world increased, with the result that the price of sugar commenced to fall

On the 18th February, 1925, the Indian Tariff Amendment Act was introduced by the Honourable Sir Charles Innes, the then Commerce Member. In his speech, he cleverly pointed out the fluctuation of the sugar market, as well as revenue, on account of *ad valorem* methods, and made the House understand the difficulty of preparing the Budget. He also pointed out that Rs. 4-8-0 should be fixed so that this difficulty might be got rid of. The following is a part of the exact speech made by him on that date in the Legislative Assembly Debates 1925, Vol. V, page 1191 :

"We decided therefore that the best plan would be more or less to stereotype the existing rates of duty. The rate of duty has averaged about Rs. 4-8-0 per cwt. in the last three years. In the year 1922, it was Rs. 6-9-0 per cwt., in the year 1923, it was Rs. 4/1 per cwt., in 1924, it was Rs. 4-7-0 and the present duty is Rs. 4/6 per cwt. We decided therefore that the best plan would be more or less to stereotype these rates and we are proposing a rate of Rs. 4-8-0 for Java 23 Dutch standard and over and a rate of Rs. 4 for sugar between 22 and 8 Dutch standard."

Sir, I am very sorry that at present I cannot produce the exact figures before the House about the sugar-cane cultivation in India, but I can assure the House that, within the time, that is from the year 1916 to 1930, the sugar duty increased from 5 per cent. to 75 per cent. This is about from eight annas per cwt. to Rs. 4-8-0 per cwt. But on the other hand, you can see from the reports that the sugar cultivation in India did not at all increase. Sir Charles Innes passed the Bill quietly then, and from that day, the sugar duty remains Rs. 4-8-0 per cwt., although the market went down terribly. It rose from 25 to 30, then to 60 and lastly to 75 per cent.

I shall now give the House, Sir, some figures about the cultivation of sugar in India. In 1916-17, the acreage under sugar-cane in India was 24,51,000, when the price of sugar was Rs. 14-12-0, and the duty, at 5 per cent., came to Rs. 0-11-9. In 1917-18, the acreage was 28,53,000 and the price of sugar was Rs. 16/4. In 1919-20, it was 26,84,000. In 1920-21 the acreage was 25,75,000. In 1921-22 it was 23,95,000 and the sugar rate was Rs. 32-4-0. I would inform the House that the sugar rate really went as high as Rs. 32-4-0, whereas the acreage went down. In 1922-23, it was 27,47,000 whereas the sugar market rate, *ad valorem*, was Rs. 26-14-0. In 1923-24, it was 27,29,000, whereas the sugar rate was Rs. 16-4-0. In 1924-25, the acreage went down to 25,32,000, whereas the sugar rate was Rs. 17-12-0. In 1925-26, it was 26,79,000, whereas the sugar rate was Rs. 17-8-0. In 1926-27, the acreage was 29,25,000 although the sugar market went down. That year the price was Rs. 14, including duty. In 1927-28, the acreage was 29,58,000 whereas the sugar market was between Rs. 10-8-0 and Rs. 11 without duty. In 1928-29, the acreage was 27,50,000 when the sugar market was only Rs. 9 without duty. This year, that is 1929-30, the acreage—I have no accurate figures—seems to be about 27,50,000 and the sugar market is only about Rs. 6-8-0 or Rs. 7 without duty. It will be seen that the sugar cultivation in India always depends on the weather and rain and such other things and not on the sugar market. Besides that, I want to say that, the sugar industry in India only started in 1917-18 when the sugar market was Rs. 37. Now, they have some mills in Cawnpore and they prepare sugar from *gur* which is not profitable. Lately some sugar mills started in Bihar and they are preparing sugar directly from cane. They are still preparing it, and they are going on in their own way.



**Mr. Vidya Sagar Pandya** (Madras: Indian Commerce): You have got a sugar industry in Madras.

**Haji Abdoola Haroon**: May be. But I may tell my Honourable friend that, so far as white sugar is concerned, India is not producing more than 125,000 tons, whereas the imported sugar comes to about 1,200,000.

**Mr. M. S. Aney** (Berar Representative): Will the Honourable Member give us figures for the manufacture of sugar. He has been giving us the duties, as well as the land under cultivation. I want him to give us figures for the manufacture of sugar.

**Haji Abdoola Haroon**: I am sorry I have not got the figures at present with me. But I may remind my Honourable friend that, up till now, they have not been able to produce more than 125,000 tons of refined sugar by machines in India. I have already sent in two Resolutions, in 1928 and 1929, recommending protection for the sugar industry in India. But as my Resolutions did not find a place in the ballot, I could not move them in the Assembly. I also consulted Sir Godfrey Corbett on development of this industry.

(At this stage Mr. President vacated the Chair which was taken by Mr. Deputy President.)

I think, Sir, the House will be aware of the appointment of a Sugar Committee by the Imperial Council of Agricultural Research. This Committee had begun their work and have also passed a Resolution to the effect that this question should be handed over to the Tariff Board to consider as to how the cultivation of sugar should be carried out, and the manner in which sugar produce could be increased. Till that Report comes out, I strongly oppose and urge that this new duty should not be levied. Supposing the House levies this new duty, namely, from Rs. 4-8-0 to Rs. 6, and supposing the Tariff Board, after a careful inquiry into the sugar industry, comes to the conclusion that some more protection is required, or if they say that no further protection is required and Rs. 6 is good enough, then of course the Government will say, the duty of Rs. 6 is quite good, but we have no spare money to spend on the development of the sugar industry, and therefore we are helpless. Sir, you might remember that a Sugar Committee was appointed in 1918 and the Report was published in 1920 or so. I do not know up till now what action the Government took on their recommendations. If anything has been done, I am not aware of it. If the Government are not prepared to spend any money for the proper development of this industry, what will be our position? We have already enhanced the duty from Rs. 4-8-0 to Rs. 6. As Honourable Members are aware, sugar is consumed by all classes of people, the poor, the rich and the middle classes. When such is the case, you must consider whether the Government are entitled to enhance the duty on a commodity which is consumed by all classes of people. The increase of duty on sugar at present from Rs. 4-8-0 to Rs. 6 would not at all increase in any way the sugar industry, but on the other hand, about Rs. 2½ crores would go to the Government's pocket and revenue, whereas the Honourable the Finance Member estimates it to be one crore and eight lakhs. I have carefully read the speech of the Honourable the

Finance Member, in which he refers to the increased duty on sugar. He explains to the House that the duties on sugar in most of the European countries and in the United States of America are on the same level as in India. I cannot understand the way in which the Honourable the Finance Member compares India with the richest countries in the world. India earns an income of two annas per day per head, whereas England's daily income per head is Rs. 2 and in the United States of America it is again about Rs. 4 per day per head. Of course I cannot speak about the income in France, Germany and other European countries. Although they are charging a heavy duty on sugar, yet, side by side, they are spending the money on sugar production, and they give enormous bounties to sugar refineries, cultivation and so on. Take for example, England, where, as my Honourable friend said, they are levying very heavy duties as compared with other European countries. Everybody will agree with this, but he has not shown us how these countries have been spending that income from the duties on sugar. For example, England is recovering from the people about 18 to 19 million sterling as sugar tax per year. I quote from circular No. 195-E./709 of 1930 from Pusa, a sugar institution which belongs to Government. This Report was an extract from the *Journal des Fabricants de Sucre*, dated the 1st February, 1930, published in Paris, which says:

"A revised supplementary estimate of a further £12,50,000 required for beet sugar subsidy was issued yesterday."

That is in England:

"The original estimate was £3,000,000 sterling, and the revised estimate of the subsidy in 1929 is £42,50,000."

I want to remind the House that England has recovered, as sugar duty, through the consumers, about 18 to 19 million pounds, whereas they are spending on sugar about four and a quarter million pounds. I want to inform these Benches that, even in the last ten or twelve years, the Government of India have been increasing the sugar duty by leaps and bounds from 5 per cent. to 100 per cent., and within the last three years, namely, in 1926-27, 1927-28 and 1928-29, the income from the sugar duty averaged 7 crores. How much have they spent on the sugar industry? Last year they recovered 8 crores and 35 lakhs, but how much have they spent on the sugar industry? According to the new duty, they probably recovered from the people of India about 12 crores of rupees, out of which the Honourable the Finance Member has very broad-mindedly sanctioned 10 lakhs. If this is to be the way, I am sure the Indian sugar industry cannot be revived in any way.

Sir, there may be some in this House who may say that I am a sugar merchant, and that is why I am opposing this. But I must make it clear to this House that I know very well, as an Indian, that in the whole world, up till 1912, India was the biggest producer of sugar. Of course within the last few years Cuba and Java have been and today are producing more sugar than India. I am proud to say that I am informed that India was the first country in the world to produce sugar-cane; and if this Government and we, the representatives of the people, try our level best to help the sugar industry according to our ways and means, as the modern Governments are doing, I can assure this House that, in five years, India will consume her own white sugar and stop importing foreign sugar.

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whereas in the next five years I am sure India can export one million tons to foreign countries. But if you only want a little help and you raise your duty from 5 per cent. to 100 per cent. and all that money goes to Government to be spent as they like, then I can assure you that you cannot increase your sugar duty at all. Sir, since 1920 every year, or for three or four years, we have been increasing the duty on sugar, whereas in England—I am sorry I have not got the figures at present with me—but in England they are reducing their sugar duty, and side by side, they are helping their own industry. I want to inform this House that, during the whole of its history until recently England never produced a ton of sugar. From 1926 they tried to help this industry, and they started this industry by giving big subsidies to the producer or refiner. For three years they cultivated and last year they produced 3,20,000 tons. If England, which formerly never in its history produced a ton of sugar, can produce 3,20,000 tons, why should India not produce two million tons a year if it is properly protected? Sir, I think you can very well understand that Indians are not rich, and it is not fair on the part of Government that 100 per cent. should be charged on a food article which is used by nearly all classes of people. I hear from my countrymen that, even in the olden days, that is in the darkest days of India, the rulers did not at all impose such a duty on any food article.

Owing to the fall in the prices of sugar, the sugar industry is now in a critical condition. I am aware that the industry had already suffered a good deal because it is hardly producing one ton of *gur* per acre, whereas Java can produce about  $4\frac{1}{2}$  to 5 tons of refined sugar per acre. Java can supply India with the cost of production and freight extra at Rs. 6 per cwt., that is to say, Rs. 4-8-0 per maund, whereas India cannot produce the same for less than Rs. 8-8-0 or Rs. 9 per maund. So I think it is fruitless for India to compete with the foreign countries at the present moment. The sugar industry cannot survive this, though zemindars, cultivators and refiners may find some sort of relief at present by the raising of the duty to Rs. 1-8-0 a cwt. It will not survive until and unless the Government of India come forward and introduce some measure, as was done in Java and Cuba, and the European Governments, that is to say, the economic and scientific and agricultural advice, subsidies, help, and so on. Taking these difficulties into consideration, I think this newly imposed duty cannot help the Indian sugar industry, but on the other hand will fill the Government's treasury in order that they can spend more money on extra wages in the Military Department, in paying high salaries to the high officials and in building huge, fine palaces, etc. I submit to the House that this newly imposed duty should be taken away.

Now I want to make clear what my amendment is: Paragraphs (2) and (3) of amendment 3 of Schedule I of the Finance Bill say that the duty on "28-Dutch Standard" and above is to be Rs. 6-0-0 per cwt. and on sugar inferior to 28-Dutch Standard it is to be Rs. 5-8-0 per cwt., whereas I want to substitute Rs. 4-8-0 and Rs. 4-0-0. That is for white refined sugar, Government propose a duty of Rs. 6-0-0, and I am proposing Rs. 4-8-0. For brown sugar, that is inferior to 28-Dutch Standard, but not inferior to 8-Dutch Standard, they charge Rs. 5-8-0, whereas for sugar inferior to 28-Dutch Standard but not inferior to 14-Dutch Standard, I am proposing Rs. 4. In changing this, I want to make clear some points, namely, that

sugar between No. 14 and No. 8-Dutch Standards cannot be consumed; this sugar is meant only for refining purposes. I have also suggested in clause (3) that the duty to be levied on sugar inferior to 14-Dutch Standard and not inferior to 8-Dutch Standard should be only Rs. 3, if imported for refining purposes. Sir, I want to draw the attention of the House to the fact that England which always used to import white refined sugar, lately reduced the duty on raw sugar to about 2s. 8d. per cent. That reduced the price of raw sugar. Therefore they are importing raw sugar from other countries and are refining it in their own country and consuming that sugar. On account of that, the sugar industry in England has revived, and today many thousands of people are getting employment. So if the Government take up this attitude in India also, and give proper protection and facilities to the sugar-cane growers, it will be a great source of help. I request the Government to allow this raw sugar to be imported into India. If they do so, there may be some people coming forward and having refineries in India, and thus it will be giving employment to many people. The Honourable the Finance Member knows that, from 1928, the British Government in England have introduced this system in England, and as a result of this, employment has increased, and so they charged 2s. and some pence per cwt. less than the refined sugar. Secondly, Indians can purchase sugar from the world-wide market and refine it in India for direct consumption. During the year 1928, the Java Sugar Trust had plenty of sugar, and they were aware that India was bound to consume their sugar. Therefore it was that they fixed 18 guilders (one guilder is equal to Rs. 1-2-0) per 100 kilos for India, whereas they fixed 11½ guilders for the west of Suez. They have done an injustice to India by playing this trick and have taken away about 15 crores of rupees from India, because we cannot import raw sugar from Cuba for the purpose of refining it. Therefore we had to purchase Java sugar. According to my amendment to Schedule I, I think if you put the duty at Rs. 3 per cwt., the raw sugar, namely, Nos. 8 to 14-Dutch Standard, may be imported to India, and we can refine it here without allowing it to go into direct consumption. By this, India can increase her refining industry and also increase employment.

In paragraph 3 of the Finance Bill, it is stated that, on sugar below No. 8-Dutch Standard and sugar-candy the duty is 25 per cent. *ad valorem*, plus Rs. 1-8-0 per cwt. I agree with this suggestion, because I know that Java wants to export that sort of sugar to India and ruin the Indian production of *gur*. I want to tell the House that lately I saw a sample of that sugar, and I found that it could not be consumed directly. Up till now, they imported very little of that and I learn that that *gur* also is coming into India for refining purposes. If that is so, I am not in favour of putting Rs. 1-8-0 more duty on that *gur*. But if the Government have further information on the subject, then I must agree with them. Of course I do not oppose the duty on candy, because that is a rich kind of sugar, known as *misri*. But for *gur*, which is coming in for refining purposes, I do not advise the Government to charge Rs. 1-8-0 more.

Of course, I am feeling very much the fact that, till 1912, India was the biggest producer in the world in sugar-cane, and I am told that India was the first country to commence the production of sugar-cane growing in the world. As an Indian, I want this industry to be kept intact. I

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boldly say to these Treasury Benches that they have already snatched away between 8 or 9 crores of rupees in sugar duty by Customs, and they still want to snatch some more money in order to balance their Budget. This method can be of effect only for some years, say one or two years only, and later on they may come forward again with further taxation on sugar or something else. I assure that this will leave no scope behind for further taxation in India.

I wish to remind the House that I have today seen some old records in which I find the following figures. The Customs duty collected by the Government in:

1909-10 was Rs.	7,44,00,000.
1910-11	9,92,00,000
1911-12	9,70,00,000
1912-13	10,51,00,000
1913-14	10,29,00,000
1914-15	9,54,00,000
1915-16	8,91,00,000

whereas, in the present Budget, the Customs duty amounts to 55 crores. During the last 15 years it has increased from 9 crores to 55 crores. How can the people of this country pay this huge amount of duty? I cannot understand how the Government can get its money in the next two or three years, because the traders, the merchants and others will say that they are suffering from depression. If this taxation is further increased, I do not know whether India can stand it. Therefore it is a very wise plan for Government to reduce the military expenditure, the high salaries to the big officials, the creation of more and more appointments in the civil administration; also some of the extra charges incurred for buildings and other things. If these are not stopped by the Government, I do not think India can pay any more taxes. I know very well that this Government would not listen to these things, because I have read a chapter in the history of a great historical writer by name Ibne-Khaldoon, in which he says how Governments are created and how they fall. He says that, if a new Government come into existence in any country, they have a small establishment, they impose a small amount of taxes and spend only a very small amount on the military and other expenditure in the beginning; but when they stabilise their Government and when peace and order reigns over the land, the officials become slowly luxurious, and they require more and more money. On account of this, they increase the taxes bit by bit. as I have illustrated in the case of the Customs tax, which has increased from 10 crores in 1915, to Rs. 55 crores now, with the result that the people become discontented. In order to put an end to their discontent, they increase their military forces and the police and so on. In order to balance this expenditure, newly incurred, they again have to rely on more taxes. The people at last become exhausted: they approach the neighbouring Government or nation to save them from this tyranny, and call upon the army of the land to do likewise. With the usual struggle and privation, they come out successful at last. Please compare your Government with this great historian's description and decide as you please.

But I may say that, whatever unrest is prevailing in this country at present, is only due to the Treasury Benches, and not due to the people. I think the future historian must decide whether the responsibility lies on the people or on the Government for whatever bloodshed or some other thing that might happen in the near future, but I for my part will say that it is only owing to the Government. With these remarks I am putting this amendment forward for discussion, and I hope at least Honourable Members on this side will consider twice before they decide to reject it.

**Mr. Abdul Qadir Siddiqi** (Central Provinces: Muhammadan): Sir, I rise to oppose the amendment. What I have to say is that my Honourable friend the Mover of the amendment has rather supported the case for Government than for his amendment. It will be found that, in 1913-14, the production of indigenous sugar or *gur* was 84 lakhs of tons, and at that time there were 26 lakhs of acres of land under sugar-cane cultivation. In 1927-28, as my friend has already stated—of course the acreage has been fluctuating, sometimes it has been high, sometimes it was reduced—but even in 1927-28 the production of *gur* was 32,08,000 tons.

**Haji Abdoola Haroon**: I never quoted any figure for 1913-14; I said something about the figures for 1923-24.

**Mr. Abdul Qadir Siddiqi**: I have no figures for 1923-24, but I have got figures for 1927-28. In that year the production of *gur* in India was 32 lakhs tons, acreage 29 lakhs.

(At this stage Mr. President resumed the Chair.)

So the problem is really a very important one, and it should be very carefully considered by the House. We all know that the price of *gur* has gone very low. It should also be remembered by the House that there is over production of sugar in the world nowadays, and an attempt has been made by all the countries to dump sugar wherever it can find its way. Most of the countries have protective duties, and some of the countries have enacted anti-dumping laws to prevent foreign sugar entering their own country. But none of these protective duties exist in this country to prevent foreign sugar entering our market, and the import of foreign sugar has been increasing. From the Government's Report for 1927-28 it will be found, that in 1927-28, the import of sugar increased by 23 per cent. in three years, and the result of it must naturally be that refined sugar, which is produced here, has to face very hard competition. The prices which are now prevailing are such that they not only affect the refined sugar which is being produced in India, but also affect the production of *gur*, which is particularly used by the poorer classes. Therefore, if this industry of *gur* and sugar production is affected by foreign competition, then we will find that the present acreage of 29 lakhs, which is always fluctuating, will be enormously reduced, and all that land will become useless, and lakhs of men, who are getting employment in producing *gur* or sugar, will lose their employment. Therefore, this problem is really very important, and it should be very carefully considered. Of course Government ought to have taken earlier steps to protect this industry, but they have so far done nothing of the kind till now. In 1920 the Sugar Committee was appointed, made investigations and submitted certain recommendations, but we do not find that anything has been done to develop the sugar industry or to protect the indigenous *gur* industry. They

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have been imposing certain duties for revenue purposes, and from the quantity of import of sugar which has always been increasing, it appears that they have had no effect on foreign sugar. The House should also remember the fact that the import of sugar is not more than one fourth the quantity of *gur* that is produced in this country. The sugar which is produced in India is not more than one lakh of tons. If proper care is taken, and the industry is properly developed, not only will our present production of sugar be maintained, but we will be able to produce as much sugar for the richer classes as is imported from foreign countries. The present duty, Sir, may have some effect, I mean some protective effect, and it may indirectly help the sugar and *gur* industry; but we cannot definitely say what effect it will have on the industry as a whole for the present. The Government should therefore refer the whole question to the Tariff Board and investigate it thoroughly and help both the industries of sugar and *gur*.

**Haji Abdoola Haroon:** Where will they get money from for that purpose?

**Mr. Abdul Qadir Siddiqi:** If my friend has no objection to it, it might come out of the income which they will get from the Customs duties on sugar, and that can be utilised for the development of the sugar and *gur* industry of this country. Let them also give bounties, but I cannot off-hand recommend anything to the Government unless the whole question is thoroughly investigated by the Tariff Board. But for the present, the duty which has been imposed by the Government, will certainly have some effect to protect the indigenous industry, and therefore I maintain that it should not be reduced. With these remarks, Sir, I oppose the amendment of my friend.

**Mr. Mukhtar Singh** (Meerut Division: Non-Muhammadan Rural): Sir, I regret very much that I do not find Sir Frank Noyce in his place, though the subject under discussion happens to come under his Department. It is really very regrettable that Government do not care to see the cultivators' point of view, and even in a manner like this, the Honourable Member in charge does not want to know what the opinions of Honourable Members of this House are.

Now, Sir, I do not know whether I should congratulate the Honourable the Finance Member for the imposition of this duty, or whether I should say that the Finance Member has succeeded in one way to keep away the protection proper to a certain extent, but at the same time he has given only a very small amount of that revenue duty for the improvement of the sugar industry. It is really very regrettable. Sir, that, out of one crore and 80 lakhs, the Finance Member has proposed to give only ten lakhs for the development of this industry, and this paltry sum cannot really improve the industry. This clearly shows that, at the time when the Finance Member thought of this duty, he had no definite idea that it should be given for the improvement and development of the indigenous sugar industry, otherwise he would certainly have found more money for the improvement of this industry. I may tell the House straightaway that India is one of those countries which was producing sugar in such enormous quantities that it was not only sufficient to meet the requirements of this country, but it was able to export the surplus quantity to other countries. But a time came when the people of other countries decided to give

bounties to sugar, and they began to dump their cheap sugar on to this country with a view to kill the indigenous sugar, and the Government of India, being interested in the countries which were manufacturing sugar outside, decided that India should remain a free trade country, and the result of it today is that we are in a very disgraceful position either as manufacturers or as growers. It is a very disgraceful thing that even by putting on a duty of Rs. 4-8-0 a cwt., we are quite incapable of competing with the imported sugar. This is all due to the fact that the Government of the country do not take any interest in the masses of this country (*An Honourable Member*: "Shamé"), otherwise, with a duty of Rs. 4-8-0 per cwt., I daresay, as far as this sugar industry is concerned, it would have stood by this time on its own legs. I need not remind the House that, as far back as 1920, the whole question was investigated by a Sugar Committee, but the Government sat tight upon the recommendations of that Committee. They did not take any action on it. My friend Haji Abdoola Haroon wanted to move a Resolution. Unfortunately, on the day when the Resolution was to be moved he was absent, and I moved it in his place. The Government then told this House that the Royal Commission on Agriculture would report upon this question and their recommendations were awaited, and the whole thing was shelved for the moment. Though I persisted and said that the Royal Commission on Agriculture would not make any recommendations because sugar was not within their sphere of inquiry, I was told I was wrong, and that the Government had placed this matter before the Royal Commission for investigation. Now, what do we find? The Royal Agricultural Commission made recommendations for the formation of Boards for different crops, but they have not said a word about sugar. That also shows, Sir, how far the Government and the Royal Commission on Agriculture are interested in the improvement of the sugar industry of this country.

Sir, I am very thankful to the Mover of this Resolution, as he has expressed sentiments in favour of improving the sugar industry of this country, but I fear, Sir, I shall have to oppose his motion. Before giving my reasons, why this imposition of the duty is welcome, let me say a few words on the question raised by the Mover. He seems to be under the impression that, as the area under sugar-cane cultivation has not gone up, the imposition of the duty on sugar will not benefit the grower. Let me tell him that this impression is incorrect. The problem of the sugar industry does not lie in bringing a larger area under sugar-cane, but the real problem is to produce more from the area that we are already cultivating. The area under sugar-cane cultivation, which is about 29 lakhs, or which has varied from 23 to 29 lakhs of acres, is quite enough to produce enough sugar for this country. But the main point is that our production today is insufficient, and if we were to attempt to increase the tonnage of sugar per acre, the result would be that the production would be quite enough to meet the requirements of this country. . . . .

**Mr. Muhammad Yamin Khan** (United Provinces: Nominated Non-Official): How will you be able to do it? By this increase of duty?

**Mr. Mukhtar Singh**: I shall come to that a few minutes later, and I shall show that this is not the way in which the sugar industry can be protected. Certainly, an increase of duty will be indirectly an advantage both to the grower as well as to the manufacturer, but I do not think that it will improve the condition of the sugar industry of this country. I was



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4 P. M. submitting, Sir, that the acreage is not the main point. According to the Sugar Committee's Report, if I remember aright, the tonnage per acre in India was considered to be 8 tons an acre, while in Java they found out that the tonnage of sugar-cane per acre was 36 tons. That is, it was about  $4\frac{1}{2}$  times more than India was producing. In the meantime Java people have been able to produce 42 tons to an acre. It clearly means that there is a very big margin between 8 tons and 42 tons to an acre, and that will clearly convince my friend, Mr. Haroon, that, if we increase the tonnage of sugar-cane per acre, we shall be able to produce a sufficient amount of sugar which will not only be able to give us the entire amount needed for this country, but we shall also be able to export something outside. The main point then would be whether it is possible to increase the yield per acre from 8 tons to 42 tons.

**Mr. President:** That is not relevant to this amendment.

**Mr. Mukhtar Singh:** That will be relevant in this way. My friend Mr. Haroon, in submitting his motion, stated that, because the area under sugar-cane had not increased, therefore there was no necessity of imposing the duty. I am meeting his argument by saying that there is a likelihood of increasing the amount of tonnage per acre and then it will give more sugar, though the area remains the same.

**Haji Abdoola Haroon:** How are you going to increase the tonnage?

**Mr. Mukhtar Singh:** If my Honourable friend will refer to the reports of the different Agricultural Departments in the country, he will find that, by the introduction of new varieties of canes, the tonnage has increased by at least 100 per cent. (Interruption.) I was submitting, Sir, that it is a certainty that the increase in tonnage of sugar-cane per acre has gone up since the introduction of new varieties of canes, and we shall be able to produce more sugar-cane than we are producing today. My Honourable friend has stated that we are producing only 1,20,000 tons of sugar in this country, while we are importing more than 8 lakhs of tons from foreign countries, and therefore it is no good to impose a duty on sugar. I may remind my friend that, besides 1,17,048 tons of sugar, we are making 32,16,000 tons of *gur* and ~~there~~ is a very large amount of refined sugar produced under the indigenous manufacture. Unfortunately figures are not available as to how much sugar we are producing by the indigenous methods. So to compare 8 lakhs with one lakh will be a fallacy. When we are considering a question of this nature, we must take the total consumption, and if we do not take the amount of sugar produced by the indigenous method, the amount consumed will be something more than 40 lakhs of tons per year. As a matter of fact, the main point that we ought to consider would be whether the producer of *gur*, who is producing not less than 32 lakhs of tons every year, is to be protected. My Honourable friend has suggested that there should be created a third category and that refineries should get *gur* at a cheaper rate.

**Haji Abdoola Haroon:** Nobody in the world can compete with *gur* in India. Whereas the sugar market varied from 1901 to 1915, *gur* was at that time and is still at the same level.

**Mr. Mukhtar Singh:** I consider my friend is wrong. Two years before, Java could not manufacture *gur* and therefore there was no competition

with Java, but now things have changed. The Java people came to India, they studied the manufacture of *gur* in this country and consignments of *gur* are already reaching India.

**Haji Abdoola Haroon:** I want to explain that. My friend has stated that *gur* was not prepared in Java. There is some indigenous industry in Java, where they make *gur*. That was being exported to China and Japan for refining purposes. I have seen the sample. They are now sending it here for refining purposes and it does not compete with the *gur* here.

**Mr. Mukhtar Singh:** I do not understand what is the difference. My friend says that the *gur* that is imported into this country for refining purposes does not compete directly with the *gur* in this country. Even if I take it for argument's sake, then does it not compete with Indian *gur* directly? Any stuff which contains sugar competes directly with sugar produced in this country, and as it is at present, affects the price of *gur*, and as my Honourable friend himself admitted, there are a number of factories working in this country, there are a large number of refineries working in this country which want to produce sugar from *gur*, and for their sake he suggests that there ought to be a cheaper rate of duty on that kind of stuff. May I tell him that these factories consume the Indian *gur* for that purpose?

**Pandit Nilakantha Das:** The Honourable Member, Haji Abdoola Haroon, and the Government have no quarrel as to the duty on *gur*.

**Mr. Mukhtar Singh:** I do not know that. Clause 3 of the amendment says:

"Sugar, crystallised or soft inferior to 14-Dutch Standard but not inferior to 8-Dutch Standard if imported for refining purpose, Rs. 3, per cwt."

**Haji Abdoola Haroon:** That is not *gur*. That is raw sugar which is 96 per cent.

**Mr. Mukhtar Singh:** My friend can call it raw sugar as *gur* is not the technical word and *bura* sugar is the proper word to be used for that purpose. He wants a cheaper rate of duty for that purpose. What would be the result? The result would be that the refineries here would not consume Indian *gur*, but they would depend upon *gur* imported from Java.

**An Honourable Member:** It is raw.

**Mr. Mukhtar Singh:** You can call it raw. I think he used the word Muscovodos sugar. I was submitting, Sir, that the importation of any stuff which will be used by the refineries in this country will directly compete with the *gur* manufactured in this country and that will have a depressing effect. No doubt it will not hit directly the manufacture of sugar, but it will directly hit the small grower who manufactures *gur* in this country. From my point of view, I want that the farmers of this country should live, and in order to save them from ruin, I want that the importation of *gur*, or anything which can directly compete with *gur*, should be stopped altogether. It is with that idea that the Sugar Committee was appointed by the Bihar Research Council and it recommended that the import duty on *gur* should be levied at once, and that was approved by the Imperial Agricultural Research Council in December last, and it is in accordance with that that this duty has been raised.

[Mr. Mukhtar Singh.]

My Honourable friend Haji Abdoola Haroon said that Indians are not able to compete with the imported sugar, because they are mostly manufacturing sugar out of *gur*. But this is not correct. For his information I may tell him that the production of sugar direct from cane in 1924-25 was 9,21,950 maunds, while refined from sugar, it was 9,16,121 maunds, and in 1927-28, the sugar produced direct from cane was 18,45,752 maunds, and refined from sugar it was only 14,16,926 maunds. So as a matter of fact the amount of sugar refined from *gur* is going down and down every day, and the sugar produced directly from cane is going up and up every day. That clearly shows, Sir, that the new factories that are being set up generally manufacture their sugar directly from cane, and there is one very great difficulty in this country, on account of which the sugar factories which manufacture sugar directly from cane are not in a position to give better results. The question of transport is a very difficult problem in this country and especially when the transport is controlled by railways. I regret very much to say that it is a fact that, even when there are two factories working, one owned by a European and another by an Indian, the railways give better facilities to the European owned factory. When things like these have happened and are happening, you cannot depend upon railways for transport and there cannot be any cheaper way of transport than railways. The result is that it becomes very very difficult for factories to manufacture sugar directly from sugar-cane, and this is one of the reasons why people in India have to manufacture their sugar from *gur* rather than direct from cane, and it is on account of that, that the Sugar Committee pointed out that the Government of India should try and find out some other product which may be between sugar and *gur* and which may be used for refining purposes. But the Government of India have done nothing so far. Rather the expert opinion that was given, by the Members of the Sugar Committee, was that it was an impossibility, and there could not be found anything between *gur* and sugar. If the research departments of the Government of India had taken that recommendation seriously, it was possible that we could have found out some other stuff which could be used by these refineries and could very well be manufactured by the ordinary grower. But unfortunately this was not done. As I was submitting, Sir, this is one of the difficulties. There is another great difficulty and it is this. If the sugar-cane does not reach the sugar factory fresh, it gives a very low percentage of sugar, and it always happens that when sugar-cane is transported by railways the canes do not arrive fresh, and in that way . . .

**Mr. President:** The Honourable Member knows that this is not at all relevant to the amendment. I think it is high time that Honourable Members restricted themselves to amendments; otherwise there will be no end to this debate.

**Mr. Mukhtar Singh:** I submit, Sir, that my Honourable friend Haji Abdoola Haroon pointed out . . .

**Mr. President:** But two wrongs do not make one right. If the Honourable Member who moved the amendment was irrelevant, there is no reason why the speaker should also be irrelevant.

**Mr. Mukhtar Singh:** Then, I will leave that point, Sir. I may tell the House that the sugar industry has improved to a very great extent in this country, in spite of the apathy of the Government. From the

Sugar Committee's Report you will find that the percentage of sugar got in the different factories of this country was a bit above 5 per cent. In 1920 the sugar factories in India got 6.85 per cent. In 1927-28 they got 8.5 per cent. and in large factories they got 9.25 per cent., and in one factory the percentage of sugar got from cane was 10.3 per cent., while in Java the percentage of sugar got is about 11 per cent. So practically the efficiency of the sugar factories in India has reached the Java figure; and when we remember that the sugar-cane that we are producing is more fibrous than they are producing in Java, it will be quite clear that we have practically reached a stage when we can say that the sugar factories working in India are efficient. That clearly shows that it is quite necessary that some protection should be given.

I may tell this House what has happened in other countries. I am quoting the instance of Australia. In 1928 they prohibited the import of sugar. An Act was passed to remain in force up to 1929, but now they have extended the application of that Act up to 1934. In the meantime, they did not remain quiet. They appointed a Sugar-cane Price Board and a Sugar Board. Both these Boards decided at what rate sugar-cane should be sold; these Boards decided at what rate sugar should be sold, and the result is that the cost of production has gone down considerably. The same ought to have been done in this country. What has happened in this country is that the sugar-cane grower and the sugar manufacturer are not co-operating, and the result is that the sugar factories are not getting what they ought to have got. In considering the help to any industry, our main point ought to be whether it is likely that, at a future time, it is possible for that industry to stand on its own legs. And if we are quite satisfied that the sugar industry is likely to stand upon its own legs, Government should certainly help that industry. As I have stated, the sugar industry, in spite of the apathy of Government, has done a great deal, and if Government support that industry, it will be able to stand completely upon its legs in ten years. Unfortunately, the Finance Member has imposed a revenue duty, and I would have liked that the whole revenue duty had been a protective duty, so that the people in the country would have known that, at least for a few years to come, they were quite safe and they could start their sugar factories. What will happen now? The Finance Member has proposed an increase in revenue duty. It is possible that, next year, the revenue duty may not be required or may not be levied, and all these factories which come into existence in the meantime will have to suffer a loss. If the whole thing had been changed into a protective duty, it would have been done by an Act of the Legislature, and it would not have been within the power of Government to decrease that duty at their sweet will. And in consideration of the protection given by Government, private people would have established their own factories themselves. The Sugar Committee did not recommend the imposition of a sugar duty, but they asked for a reference to the Tariff Board, so that all these questions might be gone into and it might be decided in what way protection should be given to the sugar industry. I hope and trust that, by the increase in the import duty, Government are not shelving a reference of the matter to the Tariff Board. Rather, side by side with this, the question should be referred to the Tariff Board, so that an investigation might be made in the meantime, and the tottering condition of the sugar industry may be improved within a few years. If by reference

[Mr. Mukhtar Singh.]

to the Tariff Board it is found that protection is needed, protection should be given. Unless it is done on these lines, I am afraid the sugar industry, in spite of this duty, will not survive. Government have already lost ten years, and if they are going to lose a few years more, I am afraid at a time when the world production is much more than the consumption, the sugar industry will be doomed.

Referring to the *Trade Review*, Sir, you will be pleased to find that, in 1927-28, the sugar production of the world was 24,000,000 pounds, while the world consumption is considered to be only 28,000,000 pounds. When the world is producing much more sugar than it can consume, and India is the only country where this surplus can find a place, the result will be that we shall be very hard-hit. You will be pleased to find that we have proposed an increase in duty to the extent of Rs. 1-8-0 per cwt.; but if you refer to the prices of sugar, you will find that the price has gone up only by 12 annas. It means that Java can stand this duty, at least by half, very easily, and it will not be in any way a very great help to the industry.

There is one more point, Sir, which I consider to be very important. From the conduct in the past of the Java manufacturer, we have found that Java has given two different rates, one for India and another for Europe. That clearly shows that it wants the sugar industry here to become extinct. The monopoly will be in the hands of Java, and the result will be that the prices will go up very high, and at the same time the sugar grower will be very hard-hit, especially at a time when there is no other valuable crop, or as we call it, cash crop, left. Sugar-cane growing is the only cash crop, so far as the United Provinces and the Punjab are concerned, and if the sugar industry is ruined, the natural result will be that, not only will the sugar-cane grower be hard-hit, but the revenues of Government, which are mainly drawn from irrigation and land revenue in the United Provinces, will be seriously affected.

With these words, I oppose the motion, and I hope the House will consider that, at least a small duty, which will indirectly give a small protection, should be imposed.

**The Honourable Sir George Schuster:** Sir, I listened with very great interest to the speech made by the Honourable the Mover of this motion, and I must congratulate him on having got together such an interesting lot of information. Since then, we have had two very able speeches opposing my Honourable friend's motion, and I feel that the case against the motion—which I also must oppose—has been so very ably put, that I myself am left with very little to say. My Honourable friend Haji Abdoola Haroon, as far as I can summarise his speech, seemed to me to make two points. His first and his substantial objection to the proposal which Government have put forward was, as I understood it, that he objected to this measure of additional taxation because it was not balanced by a corresponding expenditure on the development of sugar production in India. I think I must be right in so interpreting him, because, last year, he himself put down a Resolution proposing that the duty should be increased practically in exactly the way in which we are now proposing an increase, and he added to this, "the proposal that a corresponding amount should be spent on the development of the sugar

industry. Now, Sir, if I am right in my interpretation of him, I think, that by itself answers a great part of his argument. That is to say, it answers all that part of his argument which was based on objections to so high a rate of duty. His objection is not to the high duty in itself, but rather to the failure of the Government to put forward proposals for spending something like two crores this year on the development of the sugar industry.

The second part of his speech, as far as I can put it shortly, dealt rather with the details of his proposals, the variations in the rate of duty which he has proposed in order to encourage the development of the refining industry in India. I should like to make clear what is the Government's position in this matter. I think I am entitled to say that there is every probability that a Tariff Board inquiry into the sugar industry will be held in the course of the next 12 months. Pending such an inquiry, the Government can only deal with sugar duties from a revenue point of view. There were certain changes in the classification of sugar which we should have, for administrative reasons, been glad to introduce this year; but, pending the Report of the Tariff Board, we thought it better to leave the existing classification undisturbed and merely to propose an all-round increase in the duty of all three grades. That is our reason for being unable, at the present moment, to consider such alterations of detail as my Honourable friend proposes.

Coming, Sir, to the speech to which we have just listened, made by my Honourable friend, Mr. Mukhtar Singh, he is, I am glad to find, on my side in this matter in supporting our proposals for an increased duty. But he also had a complaint to make that the Government were not proposing to allocate a sufficient amount for expenditure on sugar measures this year. I should like to put it to him that, even when we are considering such valuable expenditure as the encouragement of sugar growing, there is just the same need for economy and careful consideration of how the money is to be spent as when it is being spent on such unpopular subjects as salaries for high officials. Actually the proposals which are before the Department of Education, Health and Lands can be amply met from the sums which we are providing this year, namely, the 10 lakhs which is being specially voted for sugar measures which could also be supplemented by money which has been already voted for agricultural research.

Finally I should like to say one thing in conclusion, and this is all that I need say. I wish this House to take our proposals in respect of sugar this year as a first step in a definite policy. The step perhaps does not go very far, but if, as a result of the Sugar Committee's inquiries, and if as a result of the work of the Central Council of Agricultural Research, or again as a result of the Tariff Board inquiry, we find that further measures are necessary, it is certainly the intention of the Government that they should be proceeded with. I am full of hope myself that, if things go well, we shall find ourselves next year with some margin for further expenditure without the imposition of additional taxation. At present, we are carrying our proposals as far as we think it right to go, because we are providing money for all those schemes which are already ripe for being taken up. But that is not the end of the matter, and, therefore, I can confidently commend our proposals, so far as they concern sugar policy, to the support of this House.

(Mr. Muhammad Yamin Khan rose to speak.)

**Mr. B. Das:** Sir, how can he speak now? I was not allowed to speak on a very important issue to my party.

**Mr. President:** What is the complaint of the Honourable Member?

**Mr. B. Das:** I was not allowed to speak on the other motion—where a Member of my party was attacked.

**Mr. President:** I simply made an appeal to the Honourable Member which I am going to make now to other Honourable Members. The Honourable Member was good enough to accede to my request then and I hope other Honourable Members also will do the same now. I think the Honourable Members will now allow me to put the question. The question is:

"That for the proposed amendment No. 3 in Schedule I to the Bill the following be substituted:

3. For Item No. 34 of Schedule II, the following shall be substituted, namely:

		Rs.	A.
34	Sugar, excluding confectionery (see No. 124)—		
	(1) Sugar, crystallised or soft 23 Dutch Standard and above.	Cwt.	4 8
	(2) Sugar, crystallised or soft inferior to 23 Dutch Standard but not inferior to 14 Dutch Standard.	Cwt.	4 0
	(3) Sugar, crystallised or soft inferior to 14 Dutch Standard but not inferior to 8 Dutch Standard if imported for refining purpose.	Cwt.	3 0
	(4) Sugar, below 8 Dutch Standard and sugar candy.	<i>Ad valorem</i>	25 per cent. plus one rupee and eight annas per cwt.
	(5) Molasses . . . . .	<i>Ad valorem</i>	25 per cent."

The motion was negatived.

(Rai Bahadur S. C. Dutta rose to move his amendment No. 16.)

**Mr. President:** The Honourable Member has lost his opportunity. He was called upon and he said he did not want to move it.

**Rai Bahadur S. C. Dutta:** I thought that Haji Abdoola Haroon was to move his amendment first and then I had to move mine.

**Mr. President:** If I remember aright, when the Honourable Member rose I asked him whether he wanted to move his amendment and he said, "No".

**Mr. Faral Ibrahim Rahimtulla:** That was amendment No. 14. This is another one.

**Mr. President:** I do not know.

**Rai Bahadur S. C. Dutta:** This is my time to rise.

**Mr. President:** This is not your time. The Honourable Member's amendment is No. 15 and he was called upon. Perhaps the Honourable Member was not in the House then.

**Rai Bahadur S. C. Dutta:** I was in the House.

**Mr. President:** Then why did not the Honourable Member rise?

**Rai Bahadur S. C. Dutta:** Because the understanding was that Haji Abdoola Haroon was to move his amendment first.

**Mr. President:** There was no such understanding.

**Rai Bahadur S. C. Dutta:** He was to move the lower duty and I was to move the higher duty.

**Pandit Nilakantha Das:** According to the proper order, his amendment should come after Haji Abdoola Haroon's amendment. Haji Abdoola Haroon wants to reduce the duty more than he.

**Mr. President:** It is not for the Honourable Member to decide the proper order.

**Mr. M. S. Aney:** Is it not the right of an Honourable Member to make a suggestion for your consideration?

**Mr. President:** Does the Honourable Member consider his amendment of sufficient importance that I should allow him to move it at this stage?

**Rai Bahadur S. C. Dutta:** Yes, Sir.

**Mr. Muhammad Yamin Khan:** Is it necessary for an Honourable Member to convince the House first before he moves his amendment?

**Mr. President:** The Honourable Member knows that the Honourable Member has lost the right, and it is out of mere courtesy that the Chair is prepared to allow him if it is of great importance. Mr. Satis Chandra Dutta.

**Rai Bahadur S. C. Dutta:** Sir, I move the amendment which stands in my name and which is as follows:

"That for the proposed amendment No. 3 in Schedule I to the Bill the following be substituted:

'3. For Item No. 34 of Schedule II, the following shall be substituted, namely:

		Rs. A.
34	Sugar, excluding confectionery ( <i>see</i> No. 124)—	
	(1) Sugar crystallised or soft 23 Dutch Standard and above.	Cwt. 5 0
	(2) Sugar, crystallised or soft inferior to 23 Dutch Standard but not inferior to 8 Dutch Standard.	Cwt. 4 8
	(3) Sugar, below 8 Dutch Standard and sugar candy.	<i>Ad valorem</i> 25 per cent.
	(4) Molasses . . . . .	<i>Ad valorem</i> 25 per cent.



[Rai Bahadur S. C. Dutta.]

Sir, I want the House to consider what will be the effect of an import duty on an article which is also partly produced in this country. The price will certainly increase, not only of the article which is imported, but also of the article which is produced in the country. When the consumer purchases the imported article, the duty that is imposed goes to the State, but when the consumer purchases the article which is produced in the country, that portion does not come to the Government treasury, but goes to the producer. Where the production of an article in the country is considerable—and in the case of sugar there is a considerable production of an indigenous character in this country—and if we take *gur* along with sugar, as there is a reaction of prices between sugar and *gur*, as adverted to by my Honourable friend Mr. Mukhtar Singh, the disparity between the quantity imported and the quantity produced in the country is much more, and the result in loss to the consumers is much more than the gain to the treasury. Only a very small portion of the amount paid by the consumer comes into the Government treasury. Now this is a very serious evil. On account of some import duty on an article on which there is no countervailing excise duty all of what the consumers pay do not come into the Government treasury. This evil has to be guarded against. The evil can be tolerated only where a case for protection is made out. Now if we are to consider the effect of an import duty from the point of view of protection of the indigenous industry, we have to consider whether a case has been made out that the industry requires protection and that the industry is in a position to profit by the protective duty.

**Sir Cowasji Jehangir:** I rise on a point of order, Sir. Is the Honourable Member in order in placing before the House arguments against his own amendment?

**Rai Bahadur S. C. Dutta:** My point is, Sir, that Government do not justify the duty on the ground of protection; they want it on the ground of revenue. It is rather a matter for congratulation that the Government want to help the industry in some other way, Sir, for which provision has been made in the Budget. What I put to the House is that, when the object is not protection, but one of revenue, then it is an evil that, out of the amount contributed by the consumers, only a small portion comes to the Government coffers. This should never happen, and from this point of view I urge that when an import duty is to be levied without a countervailing excise duty on an article largely produced in the country, the import duty should never be high; and therefore I propose to raise the import duty from Rs. 4/8 to Rs. 5/- and from Rs. 4/- to Rs. 4/8, while the Government want to increase the same up to Rs. 6/- and 5/8. What I say is that if there is really any need for increased revenue, there should be only a slight increase, and my proposal would not hit any of the existing interests, for I do not propose to lower the existing duties, but only to raise them slightly. I also wish the House to bear in mind that such an increase as the Government propose is not justified for purposes of revenue. If the duty is much higher, then it may affect consumption and reduce the income. From that point of view, I submit that my amendment may be accepted by this House.

**Mr. President:** The question is:

"That for the proposed amendment No. 3 in Schedule I to the Bill the following be substituted:

3. For Item No. 34 of Schedule II the following shall be substituted, namely:

		Rs. A.
34	Sugar, excluding confectionery ( <i>see</i> No. 124)—	
	(1) Sugar, crystallised or soft 23 Dutch Standard and above.	Cwt. 5 0
	(2) Sugar, crystallised or soft inferior to 23 Dutch Standard but not inferior to 8 Dutch Standard.	Cwt. 4 8
	(3) Sugar, below 8 Dutch Standard and sugar <del>and</del> candy.	<i>Ad valorem</i> 25 per cent.
	(4) Molasses . . . . .	<i>Ad valorem</i> 25 per cent."

The motion was negatived.

**Mr. W. S. Lamb:** Sir, may I be permitted to move my amendment to item 4 of Schedule I?

**Mr. President:** Have copies been supplied to Honourable Members? The Honourable Member wants to move the following amendment:

"That item No. 4 in Schedule I to the Bill be omitted altogether and that the subsequent items be renumbered accordingly."

**Mr. W. S. Lamb:** Sir, I rise to move the amendment which you have just read to the House. This item No. 4 concerns the proposal of Government to reduce the import duty on kerosene imported into India. Sir, the recent debate on clause 7 is very closely allied to this motion of mine, and, therefore, particularly as I desire to speak of the smaller companies, I may be permitted to refer to one or two points made by the Honourable the Commerce Member. I do not propose to attempt to deal with my friend Sir Purshotamdas Thakurdas. If I had sat in my place here when I first came to the Assembly some four years ago, and heard his thundering directed at me, I should have been awed. As it is, in all these years I have learnt that the Honourable Member is not unwilling to lend his eloquence to causes of which he knows very little. Regarding his particular attack on this group, I will say nothing, but merely that he may consider, when he sees the official report tomorrow morning, whether he is happy to think that such language is on record and whether it is worthy of the position he desires to hold in this House and in the country.

Now, Sir, with regard to the Commerce Member . . .

**Mr. President:** More or less the same thing.

**Mr. W. S. Lamb:** I desire to reply to one or two points raised by him. I had no opportunity of doing so, and it is germane to my present motion . . .

**Mr. Vidya Sagar Pandya:** How is it germane?

**Mr. W. S. Lamb:** If you will wait a little you will see how it is germane. Sir, the Honourable the Commerce Member said something about the smaller companies. He said that if the price, as we are told, is going up, they will recover the duty. The situation is this. The Burmah Oil Company or the Burmah Shell Company control the prices in India. As the House knows, I think, a certain proportion of the oil they sell is foreign

[Mr. W. S. Lamb.]

oil, and they will get a certain proportion of the 15 lakhs remission if this proposal is accepted, so that if the prices are increased, as I think they will be, they will not be able to increase them to the full extent of the four annas which have now been put upon a unit. That is, the price may be increased by 2 annas or  $2\frac{1}{2}$  annas, and the smaller companies will recover only that amount; that is, all the oil sold by them is indigenous oil and therefore they will have to pay four annas extra and receive only Re. 0-2-6, so that, assuming the price is raised in that way, on their sales, they will lose 0-1-6 or Re. 0-2-0 per unit. That is one point.

Now, Sir, the Honourable the Commerce Member seems to make somewhat of a fetish . . . .

**Mr. M. S. Aney:** Will the Honourable Member tell me what percentage of the oil sold by the Burmah Oil Company is foreign oil?

**Mr. W. S. Lamb:** I have not got the exact figures, I could not tell you that. The point I was making is this. The Honourable the Commerce Member seems to make somewhat of a fetish of the difference between the prices of inferior oil and superior oil. He suggests that 8 annas is very small. Actually, before the war, when I myself had something to do with kerosene sales, the difference between the two qualities was not more than Re. 0-4-0 and Re. 0-6-0, so that I do not quite understand why he should place so much significance on this difference of 8 annas.

Then again the Honourable the Commerce Member appears to believe that refineries in India are compelled to produce this inferior quality of oil. Sir, at one time that was so, and it was quite a good thing that India could take it. But nowadays there is no reason why they should continue to make that quality, because by a recent process invented called "cracking", we are able to make petrol and white oil out of it, and if because of Acts of this House, India will have to go without this cheap inferior kerosene, it will have to pay much more for the superior kerosene oil.

With regard to this motion, Sir, I should like to put to the Finance Member and to the House that, as things are at present, the import duty has not prevented foreign oil from coming into India. As the indigenous oil has decreased, the foreign oil has increased, so that really I see no reason whatever why the Honourable the Finance Member should give away 15 lakhs.

I would, then, suggest to him and to the House that they accept my motion and that the Finance Member may retain this 15 lakhs, so that later on, when difficulty arises, he might give some help and assistance to the smaller companies. As I have suggested, and as is possible, we are threatened with a very severe war of rates. I am not pleading for the Burmah Oil Company, I am pleading for the smaller companies, and if, as is possible, they are driven to the wall, I think the Finance Member might very well contemplate the putting by of some money, such as this 15 lakhs, so that he might possibly apply it to some scheme for the relief of the smaller oil companies.

**Mr. President:** The question is:

"That in Schedule I to the Bill the proposed amendment No. 4 be omitted altogether and that the subsequent amendments be renumbered accordingly."

The motion was negatived.

**Mr. President:** Mr. Rahimtulla.

**Mr. B. Das:** Sir, as there is a meeting of the Empire Parliamentary Association at 5 P.M., might I suggest that the House might adjourn now?

**Mr. President:** Public business has precedence over all other business.

**Mr. Fazal Ibrahim Rahimtulla:** Sir, I beg to move that:

"In Schedule I to the Bill, the proposed amendment No. 5 be omitted and the subsequent amendments be renumbered accordingly."

Sir, I do not wish to take up the time of this House by making a long speech on this question. The question is of very great importance and has been engaging the attention of the country for a long time. This question, Sir, was debated in all its aspects at the recent meetings held on the 14th, 15th and 16th February, 1930, of the Federation of Indian Chambers of Commerce and Industries. The Resolution at that meeting was moved by Mr. Chunilal Mehta and it was to the following effect:

"The Federation views with alarm the serious depreciation in the value of silver caused by Government sales which has seriously affected the value of the savings of the masses in India. The Federation considers it imperative that the Government of India should stop the sales of silver."

Whilst dealing with this question, Sir, Mr. Chunilal Mehta also adequately dealt with the question of the import duty, which is detrimental to the country and which the Honourable the Finance Member has now introduced. He says that, "From certain quarters suggestions have come that import duty should be imposed on silver". Gentlemen, let me say that the remedy is worse than the disease. The imposition of an import duty on silver will fictitiously raise the internal price of silver, but the external price will decline to an extent from which the white metal could never recover. India is vitally interested in high prices of silver in the international market, even if we are to adopt Gold Standard.

The Government of India, in their memorandum submitted to the Currency Commission, had suggested an import duty on silver. The Currency Commission, while rejecting the suggestion, observed as follows:

"In our opinion however the efforts to maintain the domestic price of silver, that is by import duty, irrespective of world price, would probably fail. There has always been a considerable trade in silver over the land frontiers of India: and apart from the difficulties of attempting to exclude a valuable metal from a wide frontier, if people who are accustomed to do that trade were to find that the value of silver in the outside world was very much below the value in India, it would probably affect confidence in the value of silver in India itself. In the case of an article which like silver is largely kept as a store of value, the influence of opinion on its value is extremely important."

In the light of what the Currency Commission has said it is clear that import duty on silver is both inadvisable and detrimental.

Now, Sir, I will come to the speech of the Honourable the Finance Member in dealing with this question. The reasons why he wished to introduce it were two. The first was this:

"I consider, however, in the special circumstances now prevailing, that it is on every ground desirable to have some margin of safety, taking into account the uncertain prospects which we have before us and taking into account also the paramount importance to which I have already referred, of improving our credit by displaying a strong financial position to the world."

[Mr. Fazal Ibrahim Rahimtulla.]

The second point was this :

"I am prepared to say that we have a very special purpose in mind for the application of that surplus. We regard this duty, principally in fact, as a measure which will give us a margin of revenue from which we shall be able to make a distribution to provinces after the forthcoming statutory revision to give them the funds which they require for nation building services."

Now, Sir, these are the two objects which the Honourable the Finance Member has in view in introducing this duty. A friend of mine, a very influential man in Bombay, on hearing this point, has informed me to this effect, and I think it is very important because he is actually in a position to give an opinion on this subject. He says :

"Regarding the merits of duty on silver, it amounts to robbing Peter to pay Paul. It is really a misfortune that the unrepresented masses who are actual consumers of silver will have to pay over a crore of rupees more for their silver which in the ordinary course would cost so much less. I do not understand what earthly good the artificial high rate of silver is to do to the country or to the farmers. Contrastly, the Chinese Government only recently have issued a statement that no duty or restrictions will be imposed on the movement of silver. China is holding many times more silver than the Government of India or the combined British Empire."

I am told, and I think I may be voicing the feelings of many here, that the duty has been imposed in order to keep up the ratio of 1s. 6d. I do not know how far that statement is correct, but rumours are to that effect. I do not know whether my Honourable friend the Finance Member had realised the disastrous effect of this import duty on the masses of India. I think my friend, Sir Purshotamdas Thakurdas put the whole thing in a nutshell, and he has pointed out the disastrous effect it will have on the masses of India. He said :

"With regard to the disposal of silver about which Mr. C. B. Mehta gave certain figures; he said that 8 crores worth of silver has been sold and 2 crores has been added to gold and therefore 6 crores have disappeared. If the Government wish to persist in this policy, I should like it to know what happens in a private household. A private household which has gold ornaments and silver utensils, when it is badly shaken, what do they do? Part with silver utensils worth Rs. 5,000 or 50,000 or 20,000 according to the position of the man. The next thing is the jewellery and in the case of India it will be gold. Government have begun to part with India's silver. If they sold silver because they felt that India did not want it and if they had put it in some more useful way, namely, gold or gold securities which bring interest, one can understand it. But Government are parting with our silver for good, selling it off. It is true for a time they convert it into gold securities and a few weeks later hand them over to the Secretary of State for India. That is the weakest aspect of the currency operations during the last two years. One cannot help sympathising with the Honourable Member for his having to step into the legacy which he has had to inherit. However, I do feel that we are entitled, in the friendliest spirit, to tell him that we desire him to desist from his present policy and stop frittering away India's gold and silver, in the pursuit of not the 1s. 4d. ratio which he called the will-o-the-wisp but the 1s. 6d. ratio which may turn out to be the mirage."

I wish, Sir, the Honourable the Finance Member, when he arrived in India, had not made a hasty statement which we all regretted at that time, namely, that so long as the Honourable the Finance Member remained in office, he would not look at the question of considering the revision of the ratio. He also made this emphatically clear at the meeting of the Federation of the Indian Chambers. I hope, Sir, he will consider that most of the troubles in this country are due to this ratio question. I assure him, Sir, that the Imperial Preference questions, which have been

debated in this House, would not have been debated had it not been for the 1s. 6d. ratio. If you were to revert to the 1s. 4d. ratio, the textile industry in India would not need protection, and the question of Imperial Preference would therefore not arise. We are well aware that the Government want to do the right thing in the wrong way. They always give us a choice, but the choice is made in such a manner that we are made helpless.

**Mr. President:** All the same they do the right thing.

**Mr. Fasal Ibrahim Rahimtulla:** But in the wrong manner. If they want to give protection to the textile industry, that is the right thing, but they do it in the wrong manner by introducing Imperial Preference and raising a controversy in this House and outside as to how our position should be towards India, towards Parliament, towards British India and the Round Table Conference. If they want really to help this country, the remedy lies in the 1s. 4d. ratio, and I hope the Honourable the Finance Member will still reconsider his former position in the light of what is happening in this country, and stop further ruination and the disastrous effect of the 1s. 6d. ratio.

**Mr. President:** If no other Honourable Member wishes to speak, I shall call upon the Honourable the Finance Member to speak.

**Sir Purshotamdas Thakurdas:** Is it necessary always that we from this side should speak before the Honourable the Finance Member speaks? I think one would like to hear what the Honourable the Finance Member has to say.

**Mr. President:** Perhaps the Honourable the Finance Member might like to hear what other Honourable Members have to say.

The House stands adjourned till tomorrow morning Eleven o'clock.

The Assembly then adjourned till Eleven of the Clock on Saturday, the 22nd March, 1930.