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CONTENTS—*contd.*

	PAGES.
THURSDAY, 25TH AUGUST, 1927—	
Questions and Answers	3373—3454
Statement of Business	3455
Resolution <i>re</i> Improvement and Expansion of Banking Facilities—Adopted as amended	3455—74
Resolution <i>re</i> Indianisation of Half the Cadre of Officers in the Indian Army—Discussion adjourned	3474—98
MONDAY, 29TH AUGUST, 1927—	
Address by H. E. the Viceroy to the Members of the Council of State and the Legislative Assembly	3499—3502
Members Sworn	3503
Questions and Answers.. .. .	3503—47
Unstarred Questions and Answers.. .. .	3547—55
Election to the Panel for the Advisory Publicity Committee	3556
The Gold Standard and Reserve Bank of India Bill—Discussion on the motion to consider adjourned	3556—85
TUESDAY, 30TH AUGUST, 1927—	
Questions and Answers.. .. .	3587—3634
Unstarred Questions and Answers.. .. .	3634—49
Floods in Orissa	3649
The Gold Standard and Reserve Bank of India Bill—Discussion on the motion to consider adjourned	3649—92
WEDNESDAY, 31ST AUGUST, 1927—	
Questions and Answers.	3693—3736
Message from the Council of State	3737
The Indian Lighthouse Bill—Report of the Joint Committee laid on the Table	3737
The Indian Tariff (Amendment) Bill—Presentation of the Report of the Select Committee	3737
The Indian Tariff (Cotton Yarn Amendment) Bill—Presentation of the Report of the Select Committee	3737
The Bamboo Paper Industry (Protection) Bill—Presentation of the Report of the Select Committee	3737
The Indian Securities (Amendment) Bill—Presentation of the Report of the Select Committee	3737
The Gold Standard and Reserve Bank of India Bill—Motion to consider adopted ; Consideration of clauses continued	3738—89

ADDRESS BY HIS EXCELLENCY THE VICEROY TO THE
MEMBERS OF THE COUNCIL OF STATE AND THE
LEGISLATIVE ASSEMBLY.

H. E. the Viceroy : Gentlemen, little more than a year ago, I invited India to pause and consider seriously the communal situation, and I then appealed to leaders and rank and file to pursue peace and cultivate a spirit of toleration towards one another. For several months past I have had it in mind again to speak to the conscience and heart of India upon that question which still dwarfs all others in her life, but I have felt some doubt as to the most convenient means of doing it. I finally came to the conclusion that there was no more appropriate way of reaching the ear of the multitudes of India than by addressing them through the representatives of India in the Central Legislature. Accordingly I decided, in exercise of the statutory privileges conferred upon me by the Government of India Act, to ask the Members of the Legislature to meet me here to-day, and I am gratified that so large a number of Honourable Members of both Houses should have been able to attend.

Let me recall the salient incidents of India's recent history.

I am not exaggerating when I say that during the 17 months that I have been in India, the whole landscape has been overshadowed by the lowering clouds of communal tension, which have repeatedly discharged their thunderbolts, spreading far throughout the land their devastating havoc.

From April to July last year, Calcutta seemed to be under the mastery of some evil spirit, which so gripped the minds of men that in their insanity they held themselves absolved from the most sacred restraints of human conduct. Honest citizens went abroad in peril of their lives from fanatical attack, and the paralysis that overtook the commercial life of a great metropolis was only less serious than the civic loss that flowed from a naked and unashamed violation of the law, which perforce had to be reasserted by methods drastic and severe. Since then we have seen the same sinister influences at work in Pabna, Rawalpindi, Lahore and many other places, and have been forced to look upon that abyss of unchained human passions that lies too often beneath the surface of habit and of law.

In less than 18 months, so far as numbers are available, the toll taken by this bloody strife has been between 250 and 300 killed, and over 2,500 injured. While angry temper reigns we are not always sensible of the tragedy that lies behind figures such as these. The appreciation of it is dulled in the poisoned atmosphere, which for the time prevails, suggesting that such things are inseparable from the defence of principles jealously revered, and tempting men to forget how frequently in history the attempt has been made to cloak such crimes against society in honourable guise. But let us translate these things into terms of human sorrow and

[H. E. the Viceroy.]

bereavement, and let our minds dwell in pity and in shame upon the broken human lives that they represent, mothers robbed of sons whose welfare they counted more precious than their own, the partnership of lives severed, the promise of young life denied. The sorrows of war are often mercifully redeemed, as many of us have known, by an element of self-sacrifice that transfigures and consecrates them to the achievement of some high purpose. But here, over these domestic battlefields, sorrow holds sway unredeemed by any such transforming power, and speaks only of the senseless and futile passions that have caused it.

Nor are the many houses of mourning the only measure of the damage which is being done to India. Is there not much in Indian social life that still cries out for remedy and reform and which enlightened India of to-day would fain mould otherwise? Nowhere perhaps is the task before the reformers more laborious; for in India civilisation is age-long, immemorial; and all things are deep-rooted in the past. United must be the effort if it is to gain success; and on the successful issue of such work depends the building of the Indian nation. Yet the would-be builders must approach their task sorely handicapped and with heavy heart, so long as the forces to which they would appeal are distracted and torn by present animosities. For nothing wholesome can flourish in unwholesome soil, and no one may hope to build a house to stand against the wind and the rain and the storm of life upon foundations that are rotten and unsound.

And what shall we say of the effect of these troubles upon India's progress in the field of constitutional evolution? There are many who hold that the very reforms that were designed to lead India along the peaceful road of political development have, by reason of the political power that they conferred, been directly responsible for the aggravation of these anxieties. True it most certainly is that national self-government must be founded upon the self-government and self-control of individuals. Where private citizens do not possess these qualities, political self-government of a nation is an empty name, and merely serves to disguise under an honourable title the continuance of something perilously akin to civil war.

And thus this problem, of which the reactions upon the future of India must be so intimate, is a problem with which Great Britain, not less than India, is vitally concerned. For India desires to win self-government, and it is Great Britain's self-appointed task to guide her to this end. Surely it is evident that those who desire to win, and those who desire to lend assistance in the winning, are mutually and vitally confronted with the necessity of laying the spectre that besets the path of their common hopes. By the logic of our purpose or desires, we are partners in the task, and no one of us can here shirk or decline responsibility. Of the burden which India's unhappy disunion imposes on Government, the figures I gave earlier in my speech are eloquent. It is our inalienable duty to preserve order and to vindicate the law. We may make mistakes in doing it; there are few human beings who can avoid them; but if we make them, they are, believe me, mistakes made in the cause of a genuine attempt to discharge the difficult and painful duty that is ours.

But I cannot reconcile it with my conception of a real and effective partnership in this matter between Great Britain and India to confine the responsibility, either of myself or my Government, to a mere repression of disorder. Necessary as that is, the situation, as I see it to-day, demands a more constructive effort.

A year ago an appeal was made to me by many men of influence and distinction that I should take the initiative in convening a conference to examine any means that might hold out promise of amelioration. For reasons which seemed to me convincing, I thought it inadvisable to take that step ; and I have not wavered in my conviction that my decision was well-founded. But the passage of events between that time and this has compelled me perpetually to review the grounds on which I then formed my judgment. I had hoped that, in answer to my appeal to the communities, it might not have been impossible that they themselves, freely taking counsel together, might have reached an agreement genuine, convinced and thus effective, that would have brought much-desired and long-sought relief from these distractions. In this respect my hopes have been disappointed. Partial agreements, it is true, have been reached in regard to this or that aspect of the problem, reflecting much honour upon those who exposed themselves, I do not doubt, to considerable risk with many of their own friends in making them. But, so far as I can judge, those agreements have failed to offer that fundamental solution of the problem, and to gain that measure of acceptance, which are necessary if we are to win through the present distress. And one condition remains constant, which is, as I said last year, that no conference can offer any hope of success unless those participating in it are truly inspired with a will to peace.

It was with real pleasure that I observed statements recently in the press which indicated that fresh efforts might be made to bring together Hindus and Muslims for the discussion of these matters. Any such attempt deserves the active good-will and support of all who care for India's welfare and good name. I myself have long been considering anxiously whether any action by Government could help to stimulate that general desire of reconciliation without which nothing can be done. It is not easy, or perhaps possible, for me to give a positive or assured answer to these reflections. In matters of this kind, each man must search his own heart and answer for himself whether he does in truth and without reserve desire to play his part as an apostle of peace, and whether those associated with him are like-minded. But this I can say. If it were represented to me by the responsible leaders of the great communities that they thought a useful purpose might be served by my convening a conference myself with the object of frankly facing the causes of these miserable differences, and then in a spirit of determined good-will considering whether any practical solution or mitigation of them could be found, I should welcome it as evidence of a firm resolve to leave no way unsearched that might disclose means of rescuing India from her present unhappy state. And, if these representations were made by those who occupy such a position in their communities as to permit me to assume that the communities would accept and abide by any decisions at which they might arrive on their behalf, then, allying myself with them and such other leaders of public thought as might be willing to assist, I should gladly and cordially throw my whole energies into this honourable quest.

[H. E. the Viceroy.]

I have been told that any such efforts are foredoomed to failure, and that all we might accomplish would be to contribute a few more barren pages to the story of unprofitable discussions. I do not underestimate the difficulties; I do not minimise the risk of failure. But difficulties are meant to be surmounted, and outward success or failure is not the sole or the final test of conduct in this sphere. After all, many of the greatest ventures in human history have sprung from what the world deemed failures. At any given time the evil forces of life may be so strong that the efforts we can make against them appear unavailing. Yet to allow this thought to drive us into a posture of feeble acquiescence in something against which our whole moral sense rebels, and into losing our will for better things, this surely would be deliberately to turn our back upon everything that makes life worth living.

There is an epitaph in a small country churchyard of England upon an English country gentleman, whose lot had been cast in those unhappy days of English history, when England too was torn by religious strife. It runs as follows :

“ In the year 1643, when all things sacred were either demolished or profaned, this Church was built by Sir Francis Shirley, Baronet, whose singular praise it is to have done the best things in the worst times, and to have hoped them in the most calamitous.”

I doubt whether higher testimony could be paid to any man, or more concise expression given to the forces by which this world is moved.

There must surely have been times during these latter months when Indian patriots, gazing upon their motherland, bruised by this internecine and senseless struggle, must have been hard put to it to maintain their faith in India's destiny untarnished, and when many must have been even tempted to hate the very name of religion, which ought to be man's greatest solace and reward. Yet may it not be that the purpose of these trials has been to test the calibre of our faith, and that some day when the testing time is past, those who with trust in their hearts, and hope in their eyes, have striven unceasingly to spread kindly feeling among their fellowmen, will reap for India a reward that will repay tenfold the bitter cost at which it has been purchased ?

You will forgive me, Gentlemen, for speaking in a strain that may seem to some to accord ill with the hard facts of life and the common atmosphere of politics. But I believe—and I think India believes—in the power of spiritual forces to assert themselves over their material expression by which they may often be betrayed. And it is because of this belief that is here and mine that I have ventured once more to trace out the only path along which India can lead her peoples to take their appropriate part in the fulfilment of the ordered purpose for humanity.

LEGISLATIVE ASSEMBLY.

Monday, 29th August, 1927.

The Assembly met in the Assembly Chamber at Twelve of the Clock, Mr. President in the Chair.

MEMBERS SWORN.

U. Hla Tun Pra, M.L.A. (Burma : Non-European) ;

Sir Alexander Robertson Murray, Kt., C.B.E., M.L.A. (Associated Chambers of Commerce : Nominated Non-Official).

QUESTIONS AND ANSWERS.

†474*—476.*

DUTY REALISED ON SUGAR UNDER THE INDIAN TARIFF (AMENDMENT) ACT, 1925, FROM THE 1ST JUNE 1925, TO THE 30TH MARCH 1927.

477. ***Haji Abdoola Haroon** : Will Government be pleased to produce accounts of the duty realized on sugar under the Indian Tariff (Amendment) Act, 1925, in comparison to the same as if it were realised in accordance with the previous practice of 25 per cent. as from the 1st June 1925, and up to the end of the last official year, and show exactly what surplus has thereby been gained ?

The Honourable Sir Basil Blackett : The duty realised on sugar during the period 1st June, 1925, to 30th March, 1927, under the Indian Tariff (Amendment) Act, 1925, amounted to Rs. 13,05,08,390. Under the old rate of 25 per cent. during the same period it is estimated that it would have amounted to Rs. 8,25,43,068.

ALLEGED RUDE CONDUCT OF A GUARD AND A CONSTABLE TOWARDS INDIAN PASSENGERS ON THE NORTH WESTERN RAILWAY.

478. ***Pandit Thakur Das Bhargava** : (a) Will the Government please state if any complaint by a gentleman of Panipat, Ambala Division, Punjab, was received by the Agent, North-Western Railway, and the Inspector-General, Government Railway Police, Lahore, regarding the rude treatment and abuse of powers by the guard of 23 Up of 4th July 1927 and a constable of the same train in respect of reserving a compartment occupied by some ladies at some intermediate station between Delhi and Ambala resulting in great discomfort and humiliation to the passengers concerned, of whom one was an invalid old lady and the other a pregnant lady ?

(b) If the answer is in the affirmative, will the Government state what action has been taken by the authorities in this matter ?

Mr. A. A. L. Parsons : (a) and (b). Government have no information. The gentleman seems to have taken quite the proper course in approaching the Agent.

† Not put at the meeting, owing to the absence of the questioner, but the questions and answers to them will be found at page 3541 of these proceedings.

OPENING OF THE BOOKING OFFICE AT DELHI OF THE METRE GAUGE SECTION OF THE BOMBAY, BARODA AND CENTRAL INDIA RAILWAY.

479. ***Pandit Thakur Das Bhargava :** Is it a fact that the third class booking office at Delhi (Bombay, Baroda and Central India Railway) metre gauge does not remain open in accordance with the rules, but that, to the great inconvenience and exploitation of the passengers concerned, it is generally opened only half an hour or so before the time of departure of trains ?

Mr. A. A. L. Parsons : Government have no information, but a copy of the question has been sent to the Agent of the Bombay, Baroda and Central India Railway for such action as may be necessary.

ALLEGED HARASSMENT OF PASSENGERS BY THE TRAVELLING LUGGAGE INSPECTORS ON THE BOMBAY, BARODA AND CENTRAL INDIA RAILWAY.

480. ***Pandit Thakur Das Bhargava :** Is it a fact that since some time the travelling luggage inspectors on the Bombay, Baroda and Central India Railway metre gauge section, have become a source of great havoc, inconvenience, and trouble to illiterate passengers, poor peasants and ladies in so far that they try to extort money for themselves and sometimes overweigh the luggage and work on the fears of the passengers in other ways ?

Mr. A. A. L. Parsons : Government have no information, but a copy of the question has been sent to the Agent of the Bombay, Baroda and Central India Railway for such action as may be necessary.

ALLEGED MUHAMMADAN FANATICISM IN DELHI AND THE NORTH-WEST FRONTIER PROVINCE.

481. ***Pandit Thakur Das Bhargava :** (a) Has the attention of the Government been drawn to the piece of news appearing on page 1 of the *Hindustan Times* of July 30th under the heading " Victims of *Rangila Rasul* vendetta and Muslim fanaticism let loose " ?

(b) If so, do Government propose to inquire into the allegations and in case the inquiry has already been made to state how far the allegations contained in the report are correct ?

(c) What steps have the Government taken to protect the Hindus and Sikhs of the affected area and what punishment has been awarded to the offenders ?

(d) Are the Government aware that organised attempts are being made by some Mussalmans throughout India to inflame the public mind and incite Muslims to injure the Hindus under cover of the *Rangila Rasul* agitation, and that virulent and inflammatory speeches have been made by some Muslim leaders containing open threats of violence to the author of the book *Rangila Rasul* and the Hindus in general and advocating the boycott of Hindus ?

(e) Have the Government prosecuted so far any of the persons responsible for such speeches as clearly came within the ambit of Section 153-A, I. P. C. in the Province of Delhi and the North-West Frontier Province ?

Sir Denys Bray : (a), (b) and (c). I have seen the article. That it contains some exaggeration and misstatements will have been apparent from the statement I made on the 18th August.

To that statement, there is nothing, I think, which I can usefully add at present, except that the Pakhai and Zakha Afridi and the Shinwari Elders have invited the Hindus from their country to return, and have given a written guarantee not to molest them in any way if they do so. The Shinwari Hindus are about three-quarters of the total number of refugees now in Peshawar.

(d) Government are aware that the contents of the pamphlet and the acquittal of the publisher stirred strong feelings and gave rise to agitation in the course of which speeches of an extreme character were made in certain places.

(e) No, Sir.

Mr. Amar Nath Dutt : Are the Government convinced that this written guarantee will be observed ?

Sir Denys Bray : I hope so, Sir.

Mr. K. Ahmed : Are the Government aware that the decision of the High Court of the Punjab remains a dead letter and an *obiter dictum* as Justice Broadway's Judgment has confirmed the decision of the Allahabad High Court and therefore Justice Dalip Singh's ruling will have no application to any other case ?

Is it not a fact, Sir, that it remains a dead letter as an *obiter dictum* in the law report of the Punjab High Court ?

ALLEGED VILIFICATION OF HINDUS AND ARYA SAMAJISTS BY HASAN NIZAMI OF DELHI.

482. ***Pandit Thakur Das Bhargava** : (a) Has the attention of the Government been drawn to the persistent campaign of vilification of Hindus in general and Arya Samajists in particular by Hussan Nizami of Delhi ?

(b) Has that gentleman ever been and is he at present in the employ of the C. I. D. of Delhi or any other Province ?

The Honourable Mr. J. Orerar : (a) The attention of Government has been drawn to an objectionable article published in a paper edited by Khwaja Hasan Nizami, for which he subsequently made a public apology.

(b) He is not and never has been in the employ of the Criminal Investigation Department of Delhi, and Government have no reason to suppose that he has ever been so employed in any Province.

UNFOUNDED ALLEGATIONS MADE BY HASAN NIZAMI AGAINST THE ARYA SAMAJISTS OF DELHI.

483. ***Pandit Thakur Das Bhargava** : (a) Has the attention of the Government been drawn to a piece of news published in Hussan Nizami's paper *Munadi* to the effect that Arya Samajists adopted foul means of conversion so much so that a motor car containing girls with a placard "Choose and be converted" was paraded by them in the public streets of Delhi, which news Hasan Nizami was subsequently forced to own to be absolutely unfounded ?

(b) Will the Government be pleased to state its reasons for not prosecuting Hasan Nizami in this case ?

The Honourable Mr. J. Orerar : (a) Government have not seen the newspaper in question, but their attention was drawn to the incident.

(b) In view of Khwaja Hasan Nizami's public apology and retraction of the statement made, no prosecution was thought necessary.

Mr. K. Ahmed : Would it not be for the benefit of the country if the writer of the article set out in the question No. 481, and also Maulana Hasan Nizami are prosecuted ? If the Public Prosecutor and the Government counsel on behalf of the Crown are instructed to move for the setting aside of the order of acquittal of the High Court Judge of the Punjab and, the writer of the article is retried for promoting class hatred, would it not be for the benefit of the country ? Maulana Hasan Nizami may be prosecuted as well to stop communal trouble and to bring about peace in the country ?

The Honourable Mr. J. Orerar : The Honourable Member's supplementary question refers to a question which has not yet been asked.

OBJECT OF THE PUBLICATION OF THE BOOK "RANGILA RASUL" AND THE ARTICLE "SAIR DOZAKH" IN THE "VARTMAN."

484. ***Pandit Thakur Das Bhargava :** Will the Government state if it is a fact that the book *Rangila Rasul* and the article *Sair Dozakh* in the paper *Vartman* was written by way of reply to similar books *Unnisvin Saddi ka Maharishi* and the article *Sair Din Va Dunia* written by Muhammadan authors ?

The Honourable Mr. J. Orerar : Government have no reason to suppose that this was the case.

PROSECUTION OF THE AUTHORS OF "UNNISVIN SADDI KA MA'ARISHI" AND "SAIR DIN VA DUNIA", ETC.

485. ***Pandit Thakur Das Bhargava :** Will the Government state if the authors of *Unnisvin Saddi ka Maharishi* and *Sair Din Va Dunia* have been prosecuted and the publication proscribed ; if not, why not ?

The Honourable Mr. J. Orerar : No. The authorities concerned did not consider that the effect of these publications was such as to call for the measures mentioned.

RESENTMENT OF THE HINDUS AND ARYA SAMAJISTS AT THE ATTITUDE OF GOVERNMENT IN THE MATTER OF COMMUNAL AND RELIGIOUS QUESTIONS.

486. ***Pandit Thakur Das Bhargava :** Are the Government aware that there is a widespread feeling of dissatisfaction and resentment among the Hindus in general and the Arya Samajists in particular that the Government is not holding the scales even between the two communities in respect of various communal, religious questions specially with reference to prosecution, proscription of literature, and observance of *Nagar Kirtans* and *Ramlilas* ?

The Honourable Mr. J. Orerar : Government are aware that allegations of this character have from time to time been made by members both of the Hindu and of the Muhammadan community. Such allegations are entirely without foundation.

RESTORATION OF CONFIDENCE AMONG THE HINDUS OF THE NORTH WEST FRONTIER PROVINCE.

487. ***Pandit Thakur Das Bhargava :** Will the Government be pleased to state what steps they have taken to restore confidence among the

Hindus of the North-West Frontier Province in general and of Kohat in particular after the riot of 1924 ?

Sir Denys Bray : In Kohat the City Police has been strengthened by 50 per cent. and at least 30 per cent. of the total strength in the City and Cantonments is composed of Hindus and Sikhs. At least one Hindu first class magistrate is always posted to Kohat, and there is also at present a Sikh District Judge and a Hindu Treasury Officer. Liberal loans were granted by Government for the rebuilding of houses and the restarting of business ; financial assistance was given for the rebuilding of the Dharamsala ; and the civil courts are showing consideration over terms of payment when granting money decrees against those who suffered in the riots. The good effect of these measures has been demonstrated by the calm atmosphere prevailing in Kohat during the recent tension elsewhere over the Rajpal case.

STRENGTH OF MUHAMMADAN POLICE OFFICERS IN THE NORTH-WEST FRONTIER PROVINCE, THE PUNJAB, DELHI, AJMER-MERWARA AND THE UNITED PROVINCES.

488. ***Pandit Thakur Das Bhargava :** Will the Government be pleased to state the total number of Constables, Head Constables, Sub-Inspectors, Inspectors, Deputy Superintendents and Superintendents of Police separately in each of the Provinces of the North-West Frontier, the Punjab, Delhi, Ajmer-Merwara and the United Provinces, and what percentage of these posts is manned by Muhammadans as well as the percentage of Muhammadans in these posts with regard to the population bases in these Provinces ?

The Honourable Mr. J. Crerar : I place on the table a statement showing the total number of constables, etc., in the North-West Frontier Province, Delhi and Ajmer-Merwara, and the percentage of Muhammadans among them. The last part of the Honourable Member's question is not very clear, and I am not sure what further information he desires.

Rank.			Number of posts.	Percentage of posts manned by Muhammadans.
NORTH-WEST FRONTIER PROVINCE.				
Constables	..	..	4,910	90 per cent.
Head Constables	..	..	624	87 per cent.
Sub-Inspectors	..	..	176	69 per cent.
Inspectors	..	..	32	72 per cent.
Deputy Superintendents	..	..	14	86 per cent.
Superintendents	..	..	7	14 per cent.
DELHI.				
Constables	..	..	1,814	56 per cent.
Head Constables	..	..	163	64 per cent.
Sub-Inspectors	..	..	36	53 per cent.
Inspectors	..	..	10	20 per cent.
Deputy Superintendents	..	..	2	50 per cent.
Superintendents	..	..	2	nil.

<i>Rank.</i>			<i>Number of posts.</i>	<i>Percentage of posts manned by Muhammadans.</i>
<i>AJMER-MERWARA.</i>				
Constables	..	..	746	47 per cent.
Head Constables	..	..	85	69 per cent.
Sub-Inspectors	..	..	34	41 per cent.
Inspectors	..	..	4	50 per cent.
Deputy Superintendent	..	..	1	nil.
Superintendent	..	..	1	nil.

Government have not the corresponding information for the Punjab and the United Provinces.

THE SKEEN COMMITTEE'S REPORT.

489. ***Pandit Thakur Das Bhargava** : Will the Government kindly state when they propose to take action on the Skeen Committee's Report ?

Mr. G. M. Young : The Honourable Member is referred to the reply given to Diwan Chaman Lal's starred question No. 109.

TOTAL MUSLIM POPULATION OF INDIA SHOWING MALES AND FEMALES AND LITERATES AND ILLITERATES.

490. ***Khan Bahadur Makhdum Syed Rajan Bakhsh Shah** : Will the Government please state the Muslim population in British India and how many of them are males and females, scholars and non-scholars ?

The Honourable Mr. J. Orerar : The Honourable Member is referred to Table VIII on pages 74-75 of Part II of the Census of India, 1921, Volume I, a copy of which is in the Library of the Assembly.

PROMULGATION OF AN ORDINANCE TO STOP SCURRILOUS ATTACKS ON THE FOUNDER OF ISLAM.

491. ***Khan Bahadur Makhdum Syed Rajan Bakhsh Shah** : Do the Government propose to introduce an Ordinance stopping mean and scurrilous attacks on the Great Founder of Islam in future ?

The Honourable Mr. J. Orerar : Government introduced a Bill on the 24th August, which is intended to have the effect among other things of preventing such attacks.

NUMBER OF INDIANS SELECTED FOR THE INDIAN CIVIL SERVICE FROM 1922 TO 1927.

492. ***Khan Bahadur Makhdum Syed Rajan Bakhsh Shah** : (a) Will the Government please state the number of the Indians selected for the Indian Civil Service from 1922 to 1927 both in India and in England ?

(b) How many appointments have gone to the Muhammadans, the Hindus, the Sikhs and the Indian Christians ?

The Honourable Mr. J. Orerar : (a) The number of Indians, including Burmans, who have been selected since 1922 for the Indian Civil Service is 109.

(b) 10 appointments have gone to Muhammadans, 81 to Hindus, 2 to Sikhs and 7 to Indian Christians. The remaining 9 appointments have gone to Burmans.

Lieut.-Colonel H. A. J. Gidney : Will the Honourable Member kindly inform the House how many Anglo-Indians were admitted into the I. C. S. during this period ?

Mr. K. Ahmed : That question does not arise. (Laughter.)

The Honourable Mr. J. Crerar : I must ask for notice of that question.

GRANT OF A LARGER NUMBER OF KING'S COMMISSIONS TO MUHAMMADANS.

493. ***Khan Bahadur Makhdum Syed Rajan Bakhsh Shah** : (a) Will the Government please state the number of Muslims, Hindus, Sikhs and other Indians selected for the King's Commissions, from 1922 to 1927 ?

(b) If the representation of the Muhammadans in the said Commission is not in proportion to their population as compared with the Sikh representation (who are only 4 millions), do Government propose to make up the deficiency by recruiting them in greater numbers than before ?

Mr. G. M. Young : (a) As far as can be gathered from the Army Lists of the years in question, the answer is 20 Muhammadans, 15 Hindus, 15 Sikhs and none of other religions.

(b) Government do not consider the suggestion feasible.

NON-REPRESENTATION OF THE MUSLIMS OF THE PUNJAB IN THE POSTAL DEPARTMENT.

494. ***Khan Bahadur Makhdum Syed Rajan Bakhsh Shah** : (a) Are the Government aware that the Muslims are 55 per cent. of the whole population in the Punjab ?

(b) Are the Government aware that the Muslims are not represented in the Postal Department according to their population ?

(c) If so, are Government prepared to direct the Director General of Post and Telegraph to recruit Muhammadans in proportion to their population ?

The Honourable Sir Bhupendra Nath Mitra : (a) The correct figure is, I understand, 51.04 per cent. according to the Census of 1921.

(b) The proportion of Muslims in the Postal Department in the Punjab and North-West Frontier Circle is 47.82 per cent.

(c) The Government of India are not prepared to go beyond the general instructions already laid down for all Departments.

Mr. K. Ahmed : Will the Government be pleased to state what the instructions are ?

The Honourable Sir Bhupendra Nath Mitra : The instructions have on several occasions been referred to by the Honourable the Home Member in this House.

(Mr. K. Ahmed then put a supplementary question twice, but it was inaudible.)

The Honourable Sir Bhupendra Nath Mitra : I shall be obliged if the Honourable Member will put down that question.

Mr. K. Ahmed : It is not necessary to put it down, because it is so clear, and in the alternative it will remain a dead letter in the Standing Rules and Orders of this Assembly if it is not acted upon, that is to say, if questions are not answered.

The Honourable Sir Bhupendra Nath Mitra : I cannot find anything in my answer which can lead the Honourable Member to assume that the policy of the Government of India in the matter is not being given effect to.

Mr. K. Ahmed : But the rules and procedure of this House are being trodden down, that is to say, the Honourable Member is unable or will not answer what is called a supplementary question in clear terms.

RECRUITMENT TO THE ROYAL INDIAN NAVY.

495. ***Mr. N. M. Joshi :** (a) Will the Government be pleased to state from which class they have selected men for the Royal Indian Navy ?

(b) Is it a fact that only Muhammadans are at present considered eligible for recruitment ?

(c) Are Government aware that on the western coast of the Bombay Presidency there are castes of Hindus who have been well known for their sea-faring qualities ?

(d) Is it a fact that the Government have refused to make recruitment from any of these Hindu castes ?

(e) Will the Government be pleased to explain the exclusion of Hindus from recruitment ?

(f) Are Government prepared to take the opinion of the Assembly on this question by a Resolution ?

Mr. G. M. Young : (a), (b), (d) and (e). The Honourable Member is referred to the replies given to Mr. M. S. Aney's questions Nos. 321 to 324.

(c) The Government of India are aware that there are seafaring Hindu communities both on the Bombay coast and in other parts of the coast of India.

(f) The Government of India, in view of my answer to Mr. Aney's question No. 324, see no necessity to elicit a debate in the House by moving a Resolution.

INFLAMMATORY COMMUNAL WRITINGS IN A SECTION OF THE PUNJAB PRESS.

496. ***Mr. K. C. Roy :** (a) Has the attention of the Government of India been drawn to the speeches made by the Honourable Sir Geoffrey deMontmorency and Mr. H. D. Craik in the Punjab Legislative Council on the 18th July last on the subject of inflammatory communal writings in a section of the Punjab Press ?

(b) Have the Punjab Government submitted any proposals, whether of a legislative or administrative character to deal with this problem ?

(c) If the answer to (b) be in the negative, will the Government of India be pleased to state if they have at all been addressed by the Punjab Government on the subject and if the reply be in the affirmative, will they be further pleased to place on the table of the Assembly, a copy of the Punjab Government's letter on the subject?

The Honourable Mr. J. Crerar : (a) I have seen reports of the speeches in the Press.

(b) and (c). A letter has been received and is under consideration. It is not proposed to lay a copy on the table.

INFLAMMATORY COMMUNAL WRITINGS IN THE VARIOUS PROVINCES.

497. ***Mr. K. C. Roy :** Will the Government of India be pleased to state whether it has satisfied itself that the Provincial Governments have used their full resources in dealing with communal inflammatory writings in the various provinces?

The Honourable Mr. J. Crerar : The Government of India are satisfied that Provincial Governments are fully alive to the evil caused by such writings and are using to the best advantage the power which the existing law gives them.

LENGTHS OF JURISDICTION OF DISTRICT TRAFFIC SUPERINTENDENTS AND EXECUTIVE ENGINEERS ON THE ASSAM BENGAL, THE EAST INDIAN, THE EASTERN BENGAL AND THE NORTH WESTERN RAILWAYS.

498. ***Mr. Sriish Chandra Dutta :** Will the Government be pleased to state the average area in miles over which District Traffic Superintendents and Executive Engineers are placed on the (1) Assam Bengal Railway, (2) the East Indian Railway, (3) the Eastern Bengal Railway, and (4) the North Western Railway?

Mr. A. A. L. Parsons : There are no longer Traffic or Engineering Districts on the East Indian and North Western Railways where the Divisional System has been introduced. On the Eastern Bengal Railway, though the Divisional System has not yet been introduced, the Transportation and Commercial work of the old Traffic Department has been separated, and apart from the Chitpur Yard the only remaining Traffic District is the Dacca District. This district is in charge of a District Traffic Superintendent and has a route mileage of 161. The average route mileage on the districts in charge of Open Line Executive Engineers on the Eastern Bengal Railway is 245. The average route mileage under District Traffic Superintendents and District Executive Engineers on the Assam Bengal Railway is approximately 273.

(At this stage Sir Victor Sassoon, wearing a top hat, entered the Chamber and took his seat without removing his hat.)

Mr. K. Ahmed : Sir, I rise to a point of order. Is an Honourable Member of this Assembly allowed to sit here with a top hat on? (Laughter.)

Mr. President : Order. order.

ACCIDENT ON THE ASSAM BENGAL RAILWAY BETWEEN BARLEKHA AND LATU STATIONS.

499. ***Mr. Sriish Chandra Dutta :** Will the Government be pleased to publish the results of the enquiry held regarding the accident that

occurred on the Assam Bengal Railway line between Barlekha and Latu stations to No. 10 down train on the night of the 30th March last? What was the accident due to? Is it the opinion of the experts that it is possible for carriages being severed from the train by a violent storm even though they may be securely chained?

* **Mr. A. A. L. Parsons** : Government do not consider it necessary to publish the results of the enquiry, but I am quite willing to show the Honourable Member the report if he will call at my office. The accident was due to a cyclone, and the answer to the last part of the question is in the affirmative.

INCONVENIENCES OF HIGHER CLASS PASSENGERS ON THE ASSAM BENGAL RAILWAY.

500. ***Mr. Srish Chandra Dutta** : Are the Government aware that higher class passengers are subjected to much trouble and inconvenience on the Assam Bengal Railway line specially at night for want of accommodation owing to the Travelling Ticket Examiners being allowed to travel by second class? If so, do Government propose to recommend providing more accommodation so that the passengers may not be subjected to any inconvenience?

Mr. A. A. L. Parsons : Government have received no complaints to this effect, but a copy of the question and this answer will be sent to the Agent, Assam Bengal Railway.

†501.*—503.*

DISCONTINUANCE OF THE UPPER SUBORDINATE ENGINEERING SERVICE ON STATE RAILWAYS.

504. ***Mr. Mukhtar Singh** : (a) Will the Government be pleased to state the time since when the upper subordinate engineering service has been discontinued in the Railway Department?

(b) How many employees were serving in the different State Railways at the time when the upper subordinate service was discontinued?

(c) Are there some rules made for the future prospects of the employees of this service as regards their promotion, allowance, etc.? Will the Government be pleased to place on the table a copy of these rules?

(d) Since when has any increment not been given to the employees of this branch and how long is it not likely that they will be given any promotions?

(e) Is there any objection to granting them the time-scale pay as in other branches of the service?

Mr. A. A. L. Parsons : (a) No recruitment has been made to what was designated the State Railway Upper Subordinate Engineering Establishment since 1923.

(b) 58.

* Not put at the meeting, owing to the absence of the questioner, but the questions and answers to them will be found at page 3542 of these proceedings.

(c) No definite rules have been laid down for the future prospects of the men in question. Promotion within the class of overseers is regulated according to the length of service and that to the other grades depends on the occurrence of vacancies. The men are also eligible for promotion to the Provincial Engineering service and the Indian Railway Service of Engineers.

Their allowances are regulated by the Fundamental and Supplementary Rules.

(d) The last promotions were made in August 1927. Further promotions will be made as occasion arises.

(e) Government do not consider it necessary to introduce a time-scale of pay for this class of subordinates.

TEMPORARY ENGINEERS IN THE RAILWAY DEPARTMENT.

505. *Mr. Mukhtar Singh : (a) How many temporary engineers have been employed in the Railway Department during the last three years ?

(b) Why were the men already in service not given any promotions to these posts instead of recruiting men from outside ?

(c) What is the nature of the work entrusted to them and what are their qualifications ?

(d) What is the amount of salary drawn by these temporary engineers and what is the amount of salary drawn by permanent men of the same qualifications ?

(e) How many employees are serving as temporary engineers for more than 10 years in the Railway Department ?

(f) Why are they not made permanent and attached to the cadre of different departments of service for which they are qualified ?

Mr. A. A. L. Parsons : (a), (d) and (e). The Honourable Member will find the information which he wants in the Classified List of State Railway Establishment, copies of which are in the Library.

(b), (c) and (f). To supplement the permanent staff of engineers to the extent necessary to cope with survey, construction and special works, the volume of which is subject to fluctuation from year to year, engineers with acceptable qualifications are engaged on short term agreements. The employment of this temporary engineering staff does not affect the prospects of the permanent engineering staff ; on the contrary the expansion of the permanent cadre to meet these temporary needs would not only affect the prospects of the permanent staff unfavourably, but would expose members of the permanent staff to the risk of their services being terminated prematurely when the programme of such work is slowed down or is completed.

RESTRICTION ON THE PLAYING OF MUSIC BY HINDUS IN THEIR HOUSES DURING THE MUHARRAM.

506. *Mr. Mukhtar Singh : (a) Will the Government be pleased to state the places at which the authorities stopped the Hindus playing music in their own houses during the last Muharram days ?

(b) Did the Imperial Government issue any instructions on this point ? If so will the Government be pleased to place on the table a copy of such instructions ?

The Honourable Mr. J. Orerar : (a) The Government of India are not in possession of the information.

(b) The answer is in the negative.

SUPPLY OF GHEE TO THE ARMY.

507. ***Mr. Mukhtar Singh :** (a) Will the Government be pleased to state whether or not tenders are taken from the different firms who wish to supply ghee to the Army ? If the answer be in the affirmative were the tenders invited in 1926-27 ?

(b) If not, why was the general rule departed from and to whom and at what rate was the contract for the supply of ghee given ?

Mr. G. M. Young : (a) and (b). Tenders are invited from firms whose names are borne on the list of approved ghee contractors maintained by the Director of Contracts. In 1926-27, as an experimental measure of economy, ghee was obtained through a purchasing agent at actual cost to Government *plus* a small buying commission instead of on contract at fixed rates. Messrs. Pahlad Das Alopi Parshad and Company were appointed as the buying agents and the rate at which ghee was purchased was Rs. 79|7|0 per 100 lbs.

SUPPLY OF GHEE TO THE ARMY.

508. ***Mr. Mukhtar Singh :** At what rate was the contract for the supply of ghee to the Army given in 1925-26 and in 1926-27 ?

Mr. G. M. Young : In 1925-26 the ghee cost Rs. 90 per 100 lbs. In 1926-27 the actual cost of ghee *plus* the agent's commission amounted to Rs. 79|7|0 per 100 lbs.

ANALYSIS OF THE DIFFERENT BRANDS OF IMPORTED GHEE.

509. ***Mr. Mukhtar Singh :** Will the Government be pleased to state the method employed by the Military Department to ascertain that the ghee supplied is really ghee made from milk and is not adulterated by the imported artificial ghee ? Has the Military Department analysed the imported ghees of different brands and have they found out the method of distinguishing them from the natural product ? If so, will the Government be pleased to place on the table the analysis of the different brands and the method of distinguishing them from the natural product ? If not, do the Government propose to take steps to do it now ?

Mr. G. M. Young : The ghee tendered for acceptance is conditioned and sampled in the manner prescribed for analytical and other tests by the Military Food Laboratory. I am not myself aware of the precise methods employed, nor would it serve any public purpose to give technical details. The answer to the second part of the question is in the affirmative. It is not usual to disclose any analysis of the Military Food Laboratory and the Government see no reason to do so in this case. The

information which the Honourable Member requires could be obtained from any competent analyst on payment of his fee.

Sir Victor Sassoon : Is artificial ghee less beneficial to the health than natural ghee ?

Mr. G. M. Young : I believe it to be the opinion of medical authorities that it is less beneficial. It is certainly less preferred by the sepoys who consume it.

†510.*—511.*

PUBLICATION OF THE REPORT OF THE SUB-COMMITTEE OF THE INDIAN SANDHURST COMMITTEE WHICH VISITED EUROPE AND AMERICA.

512. *Pandit Hirday Nath Kundera : (a) Are Government aware that a Sub-Committee of the Indian Sandhurst Committee went to England, France, Canada, and the United States of America to study the military training institutions there ?

(b) Did the Sub-Committee receive oral evidence or written memoranda from military, educational, or other authorities in those countries on the points which it was required to study ?

(c) Did it submit its report and the information collected by it to the Indian Sandhurst Committee ? Did it recommend that its report and proceedings should be published ?

(d) Did the Indian Sandhurst Committee approve of their publication ?

(e) Did the report of the Sub-Committee form part of the report submitted by the Committee to the Government of India ?

(f) Has the Sub-Committee's Report been published ? If not, will Government be pleased to state the reasons for the suppression of the Sub-Committee's report ?

(g) Did Government modify the report of the Indian Sandhurst Committee in any manner before allowing its publication ?

(h) Will Government reconsider their decision and lay the Sub-Committee's report on the table ?

Mr. G. M. Young : (a) and the first part of (c). My Honourable friend will find the answer to his questions in paragraph 4 of the Indian Sandhurst Committee's Report.

(b) The Sub-Committee received in the course of their proceedings both oral evidence and written memoranda.

(c) Second part. The Report of the Sub-Committee contains no such recommendation, but I understand that the Sub-Committee made the recommendation to the Committee.

(d) It appears from the Committee's proceedings, as well as from an informal communication made to Government, that the Committee desired that the Sub-Committee's report should be published. Government were aware of this fact when they decided not to publish the report.

† Not put at the meeting, owing to the absence of the questioner, but the questions and answers to them will be found at pages 3542—43 of these proceedings.

(e) No, Sir.

(f) The principal reason was that the report of the main Committee was self-contained. The main Committee incorporated *verbatim* in their report such passages of the Sub-Committee's report as they thought necessary, but did not submit the Sub-Committee's report as a whole. Apart from this there were passages in the Sub-Committee's report which influenced the Government of India and His Majesty's Government in their decision not to publish it. The report of the Sub-Committee moreover was made to the main Committee, and not to the Government of India. It thus merely formed part of the material on which the Committee based their main report. It is not required for a proper understanding of the main report or it would doubtless have been submitted as part of the main report. For these reasons it has not been published.

(g) The Committee's main report was published exactly as it stood. It was not modified in any respect before publication.

(h) The answer is in the negative.

Pandit Hirday Nath Kunzru : How is it, Sir, that the Honourable Member stated the other day on behalf of Government that they were not aware of the fact that the Indian Sandhurst Committee had recommended the publication of the Sub-Committee's report and proceedings ?

Mr. G. M. Young : The Indian Sandhurst Committee made no such recommendation. As I have just stated, it appears from their proceedings that they desired the Sub-Committee's report to be published, but they did not make a recommendation to the Government that it should be published.

Pandit Hirday Nath Kunzru : Were Government aware of the fact that there was a Resolution in the proceedings of the Committee recommending the publication of the Sub-Committee's report, when he answered a similar question before ?

Mr. G. M. Young : Sir, I was not aware of it then, and I am not aware of it now. I have perused the minutes of the Committee's proceedings and there is no such Resolution recorded.

Mr. M. A. Jinnah : May I ask whether the fact of a recommendation of the Sandhurst Committee regarding the publication of the report of the Sub-Committee and of the proceedings having been made would have weighed with the Government in deciding the question of publication of the report and the proceedings of the Sub-Committee ?

Mr. G. M. Young : I cannot answer a hypothetical question of that kind.

Pandit Hirday Nath Kunzru : May I know whether the Government received any communication from the Secretary of the Committee formally asking them that the report of the Committee should be published ?

Mr. G. M. Young : No, Sir. As I have already stated, it was an informal communication.

Mr. M. A. Jinnah : May I know if it is a fact that the Government decided not to publish the report of the Sub-Committee and the proceedings purely on the ground that they themselves considered it undesirable ?

Mr. G. M. Young : Sir, I have given in full the reasons why the Government of India decided not to publish the report of the Sub-Committee.

Mr. M. A. Jinnah : Do I understand then that the decision had nothing whatever to do with the fact whether the Sandhurst Committee formally recommended its publication or not ? It had nothing whatever to do with that fact ?

Mr. G. M. Young : That, Sir, is the case. The fact that the recommendation, such as it was, was made in an informal manner made no difference at all. Government were aware that the Committee desired the publication of the report, and the mere fact that they had not stated that desire formally did not weigh with the Government in the least.

Pandit Hirday Nath Kunzru : Sir, may I know whether the Honourable Member stated the other day on behalf of Government that it was His Majesty's Government that had stipulated that the material placed before the Sub-Committee should not be published, and how does he reconcile that reply with the reply which he has given to-day, namely, that not merely His Majesty's Government but also the Government of India are against the publication of the Sub-Committee's report and proceedings ?

Mr. G. M. Young : My Honourable friend, I think, is confusing, if I may say so, the material which was placed before the Sub-Committee by official representatives of His Majesty's Government and which formed part of the Sub-Committee's proceedings, with the Sub-Committee's report.

Pandit Hirday Nath Kunzru : Am I to understand that while His Majesty's Government were opposed to the publication of the proceedings, the Government of India went further and opposed the publication of the report also ?

Mr. M. A. Jinnah : Do I understand the Honourable Member to state that any stipulation was made by anybody, either by the authorities or the witnesses who appeared before the Sub-Committee, that they were not to publish their proceedings, their materials or their evidence ?

Do I understand the Honourable Member to state on the floor of the House that any stipulation was made by anybody to this effect ?

Mr. G. M. Young : The Government of India are aware that that is the case ; and they also informed the Secretary of State that the Sub-Committee had stated that no stipulation was made to them and that they were not told that any part of the material laid before them was confidential. The stipulation was made by His Majesty's Government with the Government of India.

Mr. E. Ahmed : Are the Government of India aware that it is derogatory to the principle of spending the money of the tax-payer from the Indian Exchequer to appoint a Committee while not giving publicity to the report of the Committee ? Do Government realise that ?

REPORT OF THE AUXILIARY AND TERRITORIAL FORCES COMMITTEE.

513. ***Pandit Hirday Nath Kunzru :** Have the Government of India received a despatch from the Secretary of State for India announcing the

orders of His Majesty's Government on the Auxiliary and Territorial Forces Committee's report ? If so, will they be pleased to lay the despatch on the table ?

Mr. G. M. Young : The Honourable Member is referred to the Resolution published in the Gazette of India on the 20th August. The Secretary of State's sanction to the Government of India's proposals was received by cable and contained no comments. Government do not propose to lay any correspondence on this subject on the table of the House.

Pandit Hirday Nath Kunzru : The Honourable Member has not answered the last part of my question about laying the correspondence on the table ?

Mr. G. M. Young : The Government will consider that.

SUPPLY OF RIFLES AND PRACTICE AMMUNITION TO THE UNIVERSITY TRAINING CORPS IN THE UNITED PROVINCES.

514. *Pandit Hirday Nath Kunzru : (a) Which Universities and Colleges in the United Provinces have made arrangements for the safe custody of rifles ?

(b) Have service rifles been supplied for the members of the University Training Corps to those Universities and Colleges in the United Provinces, which have armouries, in accordance with the promise given by the Army Secretary during the Budget Debate on the 14th March, 1927 ?

(c) Has the quantity of ammunition supplied to the University Training Corps in the United Provinces been increased as was promised by the same authority ?

Mr. G. M. Young : (a) None at present, Sir, but the military authorities have the matter in hand. It is a question either of storing the rifles in the nearest military armoury, and conveying them under guard to the unit headquarters when required ; or of substituting armed and disciplined guards for unarmed chowkidars at the existing armouries in the Universities. The first course was found too inconvenient and expensive. The second is now being worked out.

(b) Service rifles have not yet been issued ; but they will be issued, in accordance with my undertaking, when adequate arrangements for their safe custody have been effected.

(c) If my Honourable friend will consult the record, he will find that I said that if the University Corps wished to fire more rounds, and if that feeling should make itself apparent, there was no desire on the part of Government to prevent anything of the sort. No representation has been received from any University or College in the United Provinces on the subject of practice ammunition.

Pandit Hirday Nath Kunzru : I did not catch the reply to the first part of the question. Did the Honourable Member say that no armouries had been erected anywhere ?

Mr. G. M. Young : No, Sir ; the armouries are for the most part in existence, but adequate arrangements have not yet been made to guard them.

Pandit Hirday Nath Kunru : Did the military authorities communicate that fact to the universities and colleges and tell them that, as soon as proper arrangements were made, they would get service rifles ?

Mr. G. M. Young : No, Sir, it is not a question of the universities providing these armed guards ; the military authorities are going to do it themselves.

Haj Pilgrims.

515. ***Haji Abdoola Haroon :** Will Government be pleased to state :

- (a) How many Haj pilgrims returned to India out of the total number of pilgrims that went to the Haj during the years 1924, 1925 and 1926 ?
- (b) How many return tickets were issued in all during the years 1924, 1925 and 1926 ?
- (c) How many of those pilgrims who had taken return tickets in 1924, 1925 and 1926 died in the Holy Lands and never returned to India ?
- (d) How many pilgrims kept deposits in the years 1924, 1925 and 1926 with the Government for their passage, etc., and what was the total amount of such deposits ?
- (e) Whether these deposits have been returned to the pilgrims concerned ?
- (f) How much interest was realized from these deposits and how were they spent ?
- (g) Whether there is any amount remaining unclaimed with the shipping companies since the last three years ? If so, what is the total amount ?
- (h) Whether there is any amount remaining unclaimed with Government since the last three years ? If so, what is the total amount ?
- (i) How much per cent. is deducted by the Agents of the shipping companies at Jedda while allowing a refund of the difference of passage fare between single and return tickets to the pilgrims who do not return to India ?

Mr. G. S. Bajpai : The information has been called for from the Local Governments concerned and will be supplied to the Honourable Member when received.

Mr. K. Ahmed : Is the Honourable Member not aware of the fact that before his arrival, his predecessor, on behalf of the Government in this Assembly, promised in this House to supply a list of Muhammadan pilgrims to Jeddah who did not return to India after they had purchased their return tickets and paid for them ?

Mr. G. S. Bajpai : I am not aware of the undertaking to which the Honourable Member refers. I made an investigation into our records and did not find any such undertaking.

Mr. K. Ahmed : In view of the fact that it is such a long time since Mr. Bhore was in this Assembly, when he had promised to supply a list of pilgrims and the arrival of the Honourable Member to fill his place here

Mr. President : Mr. Haroon.

COST OF RETURN TICKETS TO JEDDAH.

516. *Haji Abdoola Haroon : (a) Are Government aware that during the year 1927 the Companies issued tickets at Rs. 195 return to Jeddah which was the maximum fixed by the Government ?

(b) Are Government aware that during the War, when the rates of freight were enormously advanced and the cost of running steamers was very high, return tickets were issued at Rs. 125 which was the maximum fixed by Government ?

(c) Do the Government propose a reduction of the passage fare now and to fix the maximum at Rs. 150 ?

Mr. G. S. Bajpai : (a) The price of return tickets varied from time to time. In Bombay the maximum was Rs. 195 and the minimum Rs. 100. In Karachi the maximum was the same as in Bombay and the minimum Rs. 70. In Calcutta a maximum of Rs. 235 and a minimum of Rs. 210 were charged. No rates were fixed by Government.

(b) The price of return tickets during the War was Rs. 125 per pilgrim, but was not fixed by Government.

(c) No.

Mr. K. Ahmed : In view of the fact that the price of the ticket has been unnecessarily put up, much higher than the rate which was paid before, do Government propose to take steps to minimise the amount of the rates for the tickets to Jeddah ?

Mr. G. S. Bajpai : I am not quite sure as to whether the Honourable Member has any particular figure in mind, or whether he wants Government to take action to fix minima. If the latter is his idea, then I would refer him to the proceedings of the Select Committee which discussed the Bill to amend the Indian Merchant Shipping Act. The Committee definitely came to the conclusion that it was not in the interests of the pilgrims to fix minima figures ; and if the Honourable Member would look at the figures which I supplied in reply to part (a) of the question, he will find that the Committee's conclusion was correct. At one stage return tickets were sold for Rs. 100 last season.

Mr. K. Ahmed : In view of the fact that the Honourable Member is perfectly in a position to know the figure and it is for the benefit of pilgrims going to Jeddah that the Government of India must intervene, so that

Mr. President : Order, order. The Honourable Member is not putting a supplementary question but is making a speech. Mr. Shervani.

+517*.

* Not put at the meeting, owing to the absence of the questioner, but the question and answer to it will be found at pages 3543—44 of these proceedings.

INFORMATION AND DATA RELATING TO WAGES.

518. ***Sir Purshotamdas Thakurdas** : Will Government be pleased to get information and data up to the latest date available to them for the whole of India on the lines of the chart submitted by Mr. Jennings on wages to the Royal Commission on Indian Currency and Finance, as appearing on page 364 of Vol. II, Appendices, to the said Commission's Report ?

Mr. G. S. Bajpai : The attention of the Honourable Member is invited to paragraphs 65 and 67 of the Report of the Indian Economic Enquiry Committee, which show that wage statistics are unreliable in some places and non-existent in others. Cost of living indices exist for a very few places only. The Government of India regret, therefore, that it is not possible to obtain reliable information and data for the whole of India on the lines required by the Honourable Member.

Sir Purshotamdas Thakurdas : Is the Honourable Member aware that the table to which I refer does not contain figures about the whole of India at all, but only contains figures regarding Bombay city and the urban areas in the Bombay Presidency ?

Mr. G. S. Bajpai : I have seen, Sir, the report to which the Honourable Member refers and I am aware of the fact that it compares the wages and cost of living for Bombay only. If the Honourable Member wishes that we should get information in regard to Bombay only, I shall certainly consider the suggestion and communicate with the Government of Bombay with a view to getting it.

Sir Purshotamdas Thakurdas : Under the circumstances, Sir, nothing more appears feasible.

CANCELLATION OF THE CITIZENSHIP OF 45 INDIANS NATURALISED IN THE UNITED STATES OF AMERICA.

519. ***Mr. Gaya Prasad Singh** : (a) Are Government aware that the United States Supreme Court has rejected the application of the United States Solicitor General, who petitioned to the Supreme Court that the decision rendered in favour of Mr. Sakharan Ganesh Pandit, Attorney-at-Law, of Los Angeles, by the Circuit Court of Appeals at San Francisco, California, be reviewed by the Supreme Court ?

(b) Do Government propose to ascertain whether it is a fact that the United States Courts have already cancelled the citizenship of about 45 Hindus, who were naturalized before ?

Sir Denys Bray : (a) Yes, Sir.

(b) According to Government's information the number is about 30.

ACCIDENTS IN MINES DUE TO WORKMEN SLEEPING IN DANGEROUS PLACES.

520. ***Mr. N. M. Joshi** : (a) Has the attention of the Government been drawn to a statement in the Report of the Chief Inspector of Mines for 1925, that some accidents resulting in deaths had taken place on account of the workmen having gone to sleep in dangerous places ?

(b) Do the Government of India propose to enquire whether these accidents were not the result of long hours of work in mines ?

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

(b) An enquiry is being made, though Government have no reason for believing that hours of work in mines are unduly long.

Mr. N. M. Joshi : May I know how Government conclude that they have no reason to believe that the hours of work in mines are not long ?

The Honourable Sir Bhupendra Nath Mitra : That conclusion, Sir, is based on reports received from the Inspectors of Mines.

Diwan Chaman Lall : How do the hours of work in mines in India compare with the hours of work in mines in Great Britain ?

The Honourable Sir Bhupendra Nath Mitra : That, I submit, does not arise out of the question. If the Honourable Member wants to have that information, I shall be glad to supply him with it, but the fact that the comparison may be unfavourable to the Indian mines does not prove that the hours of work of the latter are by themselves long.

Diwan Chaman Lall : May I ask what the test is as to the hours of work being too long ?

The Honourable Sir Bhupendra Nath Mitra : The test, Sir, is that there is a limit to the number of hours which a miner may work every week.

Diwan Chaman Lall : May I ask the Honourable Member whether he does not mean that a miner can work for 24 hours out of the 24 hours ? Would he consider 24 hours not too long ?

The Honourable Sir Bhupendra Nath Mitra : I should consider 24 hours to be unusually long, because I know that a miner could not possibly work 24 hours.

Diwan Chaman Lall : Would he consider 8 hours too long ?

The Honourable Sir Bhupendra Nath Mitra : I should certainly not consider 8 hours to be long.

Diwan Chaman Lall : May I take it that the Honourable Member means that he would consider 8 hours work too long ?

The Honourable Sir Bhupendra Nath Mitra : I should not I said.

Diwan Chaman Lall : Will the Honourable Member try to work in a mine for 8 hours and see....

Mr. President : Order, order.

Mr. N. M. Joshi : May I ask whether the fact that the miners go to sleep in the mines is not indicative of the long hours of work in the mines ?

The Honourable Sir Bhupendra Nath Mitra : That, Sir, does not follow necessarily.

PENALTIES IMPOSED ON OFFENDERS CONTRAVENING THE INDIAN MINES ACT.

521. ***Mr. N. M. Joshi :** With reference to the Appendix III to the Report of the Chief Inspector of Mines for 1925, are Government prepared to request the Chief Inspector to give in the statement in his future

Reports the nature of the penalties imposed upon the offenders by the Magistrates or Judges ?

The Honourable Sir Bhupendra Nath Mitra : The information is already given in section IV of the letter-press of the Report.

Mr. N. M. Joshi : Does the Honourable Member suggest that the information regarding the penalties and the amount of fines levied on these people is given ?

The Honourable Sir Bhupendra Nath Mitra : I believe so, Sir.

AVERAGE WAGES PAID TO PERSONS EMPLOYED IN INDIAN AND BRITISH MINES.

522. ***Mr. N. M. Joshi :** (a) Is it a fact that the Report of the Chief Inspector of Mines for 1925, gives on page 3 comparative figures of the average output of coal per person employed in Indian and British mines ?

(b) Are the Government of India prepared to request the Chief Inspector of Mines to give also the comparative figures of the average wage paid per person employed in Indian and British mines ?

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

(b) Some particulars of wages in Indian mines have been given in recent reports and an endeavour is being made to collect further information regarding wages with a view to publication. Government do not consider it necessary to publish figures relating to wages in British mines, which are given in English reports.

Mr. N. M. Joshi : May I ask whether Government do not consider it to be unfair to the miners in India that there should be a comparison made as regards production and not as regards wages ? The report of the Chief Inspector of Mines makes a comparison about the production of the British miners and the Indian miners ; at the same time there is no comparison made as regards wages paid in Great Britain and in India.

The Honourable Sir Bhupendra Nath Mitra : At that particular place in the report to which the Honourable Member refers the Chief Inspector of Mines is only comparing production ; he is not from that trying to draw any conclusion. If my Honourable friend or anybody else wants thereafter to draw any conclusions, it is open to him to compare the miner's wages in India with the miner's wages in England ; the latter is always available from the reports of the Ministry of Labour in England.

Mr. N. M. Joshi : May I ask, Sir, whether the public which read these reports does not draw any conclusions ?

The Honourable Sir Bhupendra Nath Mitra : The public which wants to draw conclusions are in a position to get the complete information.

†524*.

† Not put at the meeting, owing to the absence of the questioner, but the question and answer to it will be found at page 3544 of these proceedings.

LOAN TO THE NAWAB BAHADUR OF DACCA.

525. ***Mr. K. C. Neogy :** (a) With reference to my question No. 182 in the Legislative Assembly on the 19th of February, 1921, and answer to clause (b) thereof, will Government be pleased to state how much of the loan to the Nawab Bahadur of Dacca is yet outstanding ?

(b) What are the circumstances in which the said loan was advanced, and on what terms ?

(c) What are the reasons for not transferring the said loan to the account of the Government of Bengal ?

(d) Have Government received any definite assurance as to the period of time during which the loan will be repaid ? At what rate approximately per year has the principal amount due been repaid so far ?

The Honourable Sir Basil Blackett : (a) Rs. 6,18,356 on 31st March, 1927.

(b) Government regret they are not prepared to furnish the information asked for.

(c) The loan was not transferred to the Government of Bengal as it was not considered part of the Provincial Loan Account.

(d) Government expect that the loan will be repaid in 1952, but they are unable, without making enquiries from the local authorities, to furnish information as to the repayment of principal.

Mr. K. C. Neogy : Were the circumstances referred to in (b) and (c) of a political nature ?

The Honourable Sir Basil Blackett : Government regret that they are not prepared to furnish the information asked for.

Mr. A. Rangaswami Iyengar : May we know why Government are not prepared to furnish the information ?

The Honourable Sir Basil Blackett : I cannot add anything to my statement.

Mr. K. C. Neogy : What rate of interest does this loan carry ?

The Honourable Sir Basil Blackett : I am afraid I do not know ; I shall enquire.

Mr. A. Rangaswami Iyengar : May I ask whether loans to notabilities under clause (4) of the Provincial Loans Fund are part of the Provincial Loans Fund Scheme ?

The Honourable Sir Basil Blackett : I have explained that it is not on provincial loan account.

Mr. A. Rangaswami Iyengar : May I know why, Sir ?

The Honourable Sir Basil Blackett : Sir, I am afraid I cannot add anything to the statement that Government regret that they are not prepared to furnish any more information.

Mr. K. Ahmed : In view of the fact that at my instance a Resolution was passed in this Assembly in the year 1924, in the month of January, I believe, that when a question is asked in this Assembly it is for the Member on behalf of Government to answer and not to refer it to a Local Government, as has been stated by the Honourable the

Finance Member, do Government propose to answer the question in full to the satisfaction of the Members of this House ?

The Honourable Sir Basil Blackett : I did not refer to any Local Government, but I gave a clear answer to the question— it may not have been a satisfactory answer to the Honourable Member. I suggest to him that if he expects us to answer all his supplementary questions, Mr. Joshi and Mr. Chaman Lal would be objecting to my being overworked for 24 hours a day.

Mr. K. C. Neogy : Is it a fact that the rate of interest at which the loan was advanced is much lower than the rate at which Government have been borrowing at the present moment ?

The Honourable Sir Basil Blackett : I have already stated that I do not know ; I will enquire.

Mr. B. Das : Is it not a fact that this loan was given to the Nawab of Dacca for his help to Government during the Partition movement in 1904-06 ?

The Honourable Sir Basil Blackett : I am entirely unable to answer this question. In any case, even if I were in a position to answer it, I regret to say I could not.

Mr. B. Das : Is it a fact that the Nawab of Dacca is only a zamindar and that there is no political question arising out of this loan ?

The Honourable Sir Basil Blackett : I am afraid I must ask for notice of further questions that may be put. I have exhausted all my ingenuity in answering these supplementary questions.

Mr. K. C. Neogy : Will Government inquire and find out from the Local Government as to when this loan is expected to be repaid ?

The Honourable Sir Basil Blackett : I have already given that information.

Mr. D. V. Belvi : Sir, may I ask question No. 523 standing in my name ?

Mr. President : I am afraid the Honourable Member is too late. He must take his opportunity last.

INQUIRY INTO THE ADMINISTRATION OF THE IMPERIAL LIBRARY, CALCUTTA.

526. ***Mr. K. C. Neogy :** (a) Is it a fact that a departmental inquiry was recently made into the administration of the Imperial Library and connected questions ?

(b) If so, will Government be pleased to state the scope of the said inquiry and its results ?

Mr. G. S. Bajpai : (a) Yes.

(b) The enquiry was made with reference to the present condition and future of the Library. The report of the committee of enquiry is under the consideration of the Government of India.

Mr. B. Das : Will Government be pleased to consult this House before they take any steps for the transfer of the control of the Imperial Library to any Local Government as a result of the recommendations that may be made by the Committee ?

Mr. G. S. Bajpai : I can only undertake to consider the suggestion, Sir.

REVISION OF THE PAY OF POSTMEN, OVERSEERS, BRANCH POSTMASTERS, ETC.

527. ***Mr. M. R. Jayakar** : Will Government be pleased to state when they expect to be able to issue orders regarding the revision of the pay of postmen, overseers, branch postmasters, etc., at certain first class areas in India, provision for which was sanctioned during the last Session of the Legislative Assembly ?

The Honourable Sir Bhupendra Nath Mitra : The orders were issued on the 27th July 1927.

GRADING OF CERTAIN SORTING POSTMEN AT POONA HEAD OFFICE AS SORTING CLERKS.

528. ***Mr. M. R. Jayakar** : Are Government aware that, for the last five years, sorting postmen at Poona Head Office have been doing sorting work for the Railway Mail Service of the same nature as the clerks in the Railway Mail Service, and that, notwithstanding the same, they are still receiving the emoluments of sorting postmen only and not of sorting clerks ? If so, do Government propose to grade them now as sorting clerks and give them the pay of the clerks in the grade ?

The Honourable Sir Bhupendra Nath Mitra : Government are informed that the sorting postmen of the Poona Head Post Office do only such sorting work in connection with the delivery or despatch of postal articles as forms part of their ordinary duties prescribed by departmental rules. The question of bringing them on to the clerical cadre does not, therefore, arise.

GRIEVANCES OF BRANCH POSTMASTERS.

529. ***Mr. M. R. Jayakar** : Are Government aware that branch postmasters are often kept acting either as clerks or sub-postmasters for a number of years and are then reverted to their substantive appointments as branch postmasters on the ground that they have not passed the prescribed test examination ? Are Government prepared to consider the desirability of doing away with such test examinations in cases where branch postmasters have acted as clerks or sub-postmasters for a number of years ?

Mr. H. A. Sams : Government are not aware of the fact stated by the Honourable Member, but information on the point has been called for.

DISCONTINUANCE OF THE PRACTICE OF MAKING READERS IN THE POST OFFICES IN BOMBAY CITY SIGN AS ESCORTS TO POSTMEN.

530. ***Mr. M. R. Jayakar** : In view of the Government's reply to question No. 490 put on 18th February 1927 during the last Session of the Assembly that "the practice of making Readers in the Post Offices in Bombay City, sign as escorts to postmen when actually they are not allowed to escort, is being discontinued", will Government be pleased to state if they have since issued any orders in that respect ? If not, when will Government issue the necessary orders ?

Mr. H. A. Sams : Orders were issued on the 5th March last discontinuing the practice.

INADEQUACY OF THE STAFF OF SORTERS AND CLERKS ATTACHED TO THE BOMBAY RECORD OFFICE OF THE RAILWAY MAIL SERVICE.

531. *Mr. M. R. Jayakar : Will Government be pleased to state :

- (a) by what number the total staff of sorters and clerks (including leave reserve) attached to the Bombay Record Office of the Railway Mail Service, " B " Division, was kept below strength month by month from June 1926 to June 1927, and
- (b) the amount of payment for double duty made month by month during the same period ?

Mr. H. A. Sams :

(a) June 1926	..	..	..	3
July and August 1926	..	..	..	nil.
September 1926	..	..	..	2
October, November, December 1926	..	..	..	1 each month.
January and February 1927	..	..	..	2 each month.
March 1927	..	..	..	3
April and May 1927	..	..	..	4 each month.
June 1927	..	..	..	3

					Rs.
(b) June 1926	..	..	..	..	103
July 1926	..	..	..	..	9
August 1926	..	..	..	..	7
September 1926	..	..	..	..	62
October 1926	..	..	..	..	22
November 1926	..	..	..	..	99
December 1926	..	..	..	..	53
January 1927	..	..	..	..	13
February 1927	..	..	..	..	33
March 1927	..	..	..	..	4
April 1927	..	..	..	..	59
May 1927	..	..	..	..	231
June 1927	..	..	..	..	76

CASUAL LEAVE OF SORTERS OF THE RAILWAY MAIL SERVICE.

532. *Mr. M. R. Jayakar : (a) Are the Railway Mail Service sorters entitled to have the concession of casual leave up to the maximum period of 20 days in the course of an official year without having to make any payments for the same ?

(b) What was the average number of days of casual leave enjoyed per sorter attached to the Bombay Record Office during the year 1926-27 ?

(c) What was the total amount paid by these sorters for casual leave during the year 1926-27?

(d) Were any orders issued to the Divisional Superintendent asking that savings should be effected by keeping the Record Office staff below strength?

(e) What was the saving effected by Government by so keeping the said establishment below strength?

Mr. H. A. Sams : The information has been called for and will be furnished to the Honourable Member in due course.

REFUSAL TO GRANT CASUAL LEAVE TO A DELEGATE FROM THE BOMBAY RECORD OFFICE TO ATTEND MEETINGS OF THE ALL-INDIA POST AND R. M. S. CONFERENCE.

533. *Mr. M. B. Jayakar : (a) Is it a fact that on three successive occasions a delegate from the Bombay Record Office to the sessions of the All-India Post Office and R. M. S. Conference was compelled to take privilege leave in order to be able to attend the Conference, because the Department refused to grant him casual leave without payment of double duty?

(b) Is it a fact that this case was brought to the notice of the Director General in 1925? If so, what action did he take in the matter?

The Honourable Sir Bhupendra Nath Mitra : The information has been called for and will be furnished to the Honourable Member in due course.

+534*—539*.

NUMBER OF SOVEREIGNS RESERVED BY THE CONTROLLER OF CURRENCY SINCE THE DEMONETISATION OF THE SOVEREIGNS IN MARCH LAST.

540. *Mr. N. C. Kelkar : Will Government state the number of sovereigns that were paid back to the Controller of Currency direct or through Government Treasuries in exchange for gold bullion therein or its equivalent since sovereigns were demonetised in March last?

The Honourable Sir Basil Blackett : 65 sovereigns were received at their bullion equivalent up to the 31st July 1927.

INFORMATION RELATING TO THE IMPERIAL BANK OF INDIA.

541. *Mr. N. C. Kelkar : Will Government lay on the table a statement showing for the last three years 1924, 1925, 1926 :

- (1) the rate of dividend declared or paid to the shareholders of the Imperial Bank,
 - (2) the total amount of Government balances used by the Imperial Bank each year free of interest,
 - (3) the average rate of interest at which loans were given or advances made to its customers by the Bank
- (a) against Government paper or other securities,

* Not put at the meeting, owing to the absence of the questioner, but the questions and answers to them will be found at pages 3545-47 of these proceedings.

- (b) on personal security,
- (c) against deposit of gold, etc.,
- (d) against commercial goods pledged or pawned with the Bank ?

The Honourable Sir Basil Blackett : (1) 16 per cent. per annum.

(2) Government balances are deposited with the Imperial Bank of India free of interest. The amount of these balances on the last day of every month for the three years will be found in paragraph 18 (page 13) of the Report of the Controller of the Currency for 1926-27. It is impossible to say what proportion of these were used by the Bank as they are not held separately from other deposits. Paragraph 24 of the Report, however, shows the amount of the cash balances of the Bank during the same period.

(3) Paragraph 26 of the above Report gives the bank rate during the year, that is to say, the rate at which the Imperial Bank of India will ordinarily advance money against Government securities and the *hundi* rate, or the rate at which it will discount or rediscount first class three months' bills. The rates for previous years are also given in previous Reports. Other rates fluctuate according to the character of the borrower and the nature of the credit.

METHOD OF WRITING DOWN OF THE STORES BALANCES OF RAILWAYS.

542. ***Mr. N. C. Kelkar :** (a) Referring to the value of stores balances mentioned on page 20 of the Railway Administration Report for 1925-26. will Government be pleased to say whether the value of stores is written down according to the market, or at book value ?

(b) Is the reduction noticeable altogether on account of actual quantities held in stock having gone down, or merely a matter of value or both ?

Mr. A. A. L. Parsons : (a) Market price.

(b) To both causes, but chiefly to a reduction in the actual stocks held.

RECRUITMENT OF INDIANS FOR THE OFFICE OF CONTROLLERS OF STORES OF THE VARIOUS STATE RAILWAYS.

543. ***Mr. N. C. Kelkar :** (a) Will Government be pleased to state the qualifications and the nature and amount of service of each of the present holders of the office of Controller of Stores of the various State Railway lines ?

(b) How many Indians occupy this position ?

(c) What efforts have been made to recruit Indians for this purpose ?

(d) When can Indians be expected to fill these places as things are at present ?

Mr. A. A. L. Parsons : (a) Controllers of Stores are selected from officers already in State Railway service and with experience either in the Stores or other Departments of the Railways. The nature and amount of service of the present holders of these appointments is given in the

(c) The attention of the Honourable Member is invited to the Railway Department's Resolution No. 2058-E., dated 15th July, 1926, published in the Gazette of India, dated the 17th July, 1926.

NUMBER OF NEW RECRUITS IN THE LOCO ENGINEERING SERVICES ON STATE RAILWAYS.

548. *Mr. N. C. Kelkar : (a) Will Government be pleased to state the total number of new recruits in the Loco. Engineering Services on State Railways during the year 1926-27 ?

(b) How many of these are Indians ?

(c) What is the percentage recommended by the Lee Commission and was this percentage adhered to ? If not, why not ?

Mr. A. A. L. Parsons : (a) Two.

(b) One. Six Indian apprentices were also engaged.

(c) I must draw the attention of the Honourable Member to the exact terms of the Lee Commission's recommendation. It ran as follows :

" We are strongly of opinion that the extension of the existing facilities should be pressed forward as expeditiously as possible in order that recruitment in India may be advanced as soon as practicable up to 75 per cent. of the total number of vacancies in the railway departments as a whole, the remaining 25 per cent. being recruited in England."

This recommendation is being carried out.

EXPENDITURE BY THE GREAT INDIAN PENINSULA RAILWAY ON ADVERTISEMENTS IN GREAT BRITAIN.

549. *Mr. N. C. Kelkar : (a) Will Government be pleased to state what sum has been spent by the Great Indian Peninsula Railway on advertisements in the United Kingdom since January last ?

(b) Will Government ask the Agent for an explanation as to why advertisements should be given in the United Kingdom on such scale ?

(c) What are the advantages which Government expect from such advertisements by a particular railway ?

Mr. A. A. L. Parsons : (a) I have made enquiries and will let the Honourable Member know.

(b) and (c). The Great Indian Peninsula Railway is the first Indian Railway to establish a Publicity Department with the object of increasing railway travelling generally and in order to attract tourist traffic which is not only profitable to railways but a potential source of income to the people of India ; it did not confine its advertising efforts to India but extended them to the United Kingdom, America and Canada. The benefit from their efforts was not, of course, confined to the Great Indian Peninsula Railway but was shared by other railways over which the tourists travel ; and early this year the Railway Board established a General Publicity Department for all State Railways with headquarters at Bombay, the Great Indian Peninsula Railway's Publicity Department being absorbed in it. I should like to add that the activities of this Department are not restricted to the attraction of tourists but extend to the encouragement of railway travelling generally.

EXPENDITURE ON THE PURCHASE OF UNDERFRAMES FOR STATE RAILWAYS.

550. *Mr. N. C. Kelkar : (a) What is the amount spent by State Railways on underframes during each of the years from 1921 to 1926-27 ?

(b) Do Government propose to manufacture underframes at the Peninsular Locomotive Company's works at Tatanagar ?

(c) Has any representation been received on the subject from the Engineering Association ?

(d) Do Government expect to manufacture underframes in their own shops cheaper than they can buy them ?

The Honourable Sir George Rainy : (a) I have not got the exact figures, but the approximate amounts spent by State-managed Railways on broad gauge coaching underframes are :

1921-22	..	..	13½ lakhs.
1922-23	..	..	20½ lakhs.
1923-24	..	..	19½ lakhs.
1924-25	..	..	8½ lakhs.
1925-26	..	..	36 lakhs.
1926-27	..	..	45 lakhs.

(b) Yes.

(c) A representation has been received from the Indian Engineering Association which raises the question of the use to which the Peninsular Locomotive works will be put.

(d) Yes.

STEEL WORK FOR THE ELECTRIFICATION OF THE BOMBAY, BARODA AND CENTRAL INDIA RAILWAY AND THE GREAT INDIAN PENINSULA RAILWAY.

551. *Mr. N. C. Kelkar : (a) Is it true that steel work for the electrification of the Bombay, Baroda and Central India Railway and the Great Indian Peninsula Railway has been imported and bears a duty of only 2½ per cent. ?

(b) Why was not local enterprise for the erection of the steel work requisitioned ?

(c) Was the duty on fabricated steel 25 per cent. and did it subsequently become 17 per cent. ? Is it a fact that imported articles are allowed under the head of electrical goods to come in at 2½ per cent. ?

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

(b) Local labour has been used entirely for the erection of the steel work. As no firms in India have had experience in this work and the erection had to be carried out over lines on which trains were running, it was considered desirable to place the order with a firm having experience of similar work in other countries.

(c) Yes.

REPORT REGARDING THE WORKING OF THE CONVENTION FOR THE SEPARATION OF RAILWAY FROM GENERAL FINANCES.

552. ***Mr. N. C. Kelkar** : (a) Will Government be pleased to state whether they promised an enquiry into the working of the convention of the separation of railway from general finances in September 1924 ?

(b) What steps do Government propose to take during the Session to institute this enquiry ?

(c) Are Government aware that they have not yet carried out their promises in the matter of the appointment of an Indian to the Railway Board and in the matter of purchases of stores in India by rupee tender,—promises which were made at the time when the Assembly consented to this convention ?

Mr. A. A. L. Parsons : (a) No. The agreement was that the arrangements for separation should be provisionally tried for at least three years.

(b) The position of Government was explained by Sir Charles Innes in his speech on the 22nd of February last. What he said was this :

" If there is any general desire in the House that the whole question should be brought under review again the House may take it from me that the Government will not stand in its way. I myself would prefer to wait for some time longer. For one thing I think we have got to give time to this great experiment to work itself out. In the second place, Sir Arthur Dickson's report may have a considerable bearing on this question, and for that reason I should prefer myself to wait for some time longer before re-examining the whole subject. But as I have said, if the House is anxious to have the whole matter brought under review I myself will certainly see that the Railway Board does begin a preliminary re-examination of the subject."

(c) No promises made by Government at the time the Assembly consented to the separation convention have not been carried out. The position of Government with regard to the matters mentioned by the Honourable Member was made perfectly clear by Sir Charles Innes at the time.

Sir Purshotamdas Thakurdas : Will the Honourable Member let us know when Sir Arthur Dickinson's report will be available to this House ?

Mr. A. A. L. Parsons : I hope it will come by this mail—I have not yet received the mail. I am expecting it by any mail now.

Sir Purshotamdas Thakurdas : When it does reach the Government of India, will it be made available to the Members of this House ?

Mr. A. A. L. Parsons : I cannot give an unqualified promise, but I do not see any reason why it should not be made available. I think I have already promised to give it to the members of the Standing Finance Committee for Railways immediately it is received.

Sir Purshotamdas Thakurdas : Will it be made available to the House ?

Mr. A. A. L. Parsons : I have no reason to believe that it will not be possible to make it available to the House. But I cannot give an unqualified promise before I have seen it myself.

Mr. B. Das : With reference to the answer to part (c), will the Government be pleased to let the House know why they have not come to any decision about the purchase of stores in India by rupee tenders ?

The Honourable Sir Bhupendra Nath Mitra : Sir, I will have to give a complete reply on the subject with reference to a question which will come before the House later on. But I may tell my Honourable friend over there that as I explained, I think in March last, a decision has been arrived at by Government on the subject. We are now trying to work out detailed rules to give effect to that decision. That is naturally taking a certain amount of time, because several Departments of Government are involved. But we are hoping to complete the framing of these rules in the near future.

Mr. B. Das : Did it not take over four years for Government to come to a decision on the question of rupee tenders ?

The Honourable Sir Bhupendra Nath Mitra : That may have been on the general question.

ISSUE OF FREE PASSES ON THE VARIOUS STATE RAILWAYS.

553. *Mr. N. C. Kelkar : (a) Will Government be pleased to state how many free passes have been issued on the various State Railways (first, second and third class) ?

(b) To what class of men are these passes issued and for what period of time and what are the privileges attached to them ?

(c) How many persons, not in the service of Railways, are enjoying these passes and what is the consideration for the passes ?

(d) What is the total money value of these passes ?

Mr. A. A. L. Parsons : The information asked for in the question is not available and to compile it in the form the question is put would involve so much labour that Government do not propose to obtain it.

WITHDRAWAL OF THE NOTIFICATION DECLARING THE CHOTA NAGPUR DIVISION AND OTHER AREAS IN BIHAR AND ORISSA AS BACKWARD TRACTS.

554. *Mr. Ram Narayan Singh : (a) Will the Government be pleased to state whether they have taken any steps with regard to the Resolution passed by the Indian Legislative Assembly on Thursday, the 10th February 1927, about the withdrawal of the Notification declaring the Chota Nagpur Division and other areas in the Province of Bihar and Orissa as backward tracts and, if so, what ?

(b) Is it a fact that the Government have asked the Bihar Government to submit a report and their opinion about this matter and if so, when and with what result ?

(c) Have the Government got any means to test the accuracy of the reports of the Provincial Government and if so, what ? If not, why not ?

(d) Will the Government be pleased to state whether they are prepared to accept and give effect to the resolution ?

The Honourable Mr. J. Orerar : (a) Government have not taken any action except that which was indicated in the answer given to question No. 885 on the 12th March 1927.

(b) No such report has been called for.

(c) Does not arise.

(d) Government do not propose to take any further steps in the matter.

Mr. Gaya Prasad Singh : May I know, Sir, if Government have merely forwarded the Resolution with the debates to the Secretary of State or have also added their own recommendations to it ?

The Honourable Mr. J. Orerar : I must have notice of that question.

Mr. Ram Narayan Singh : May I take it, Sir, that the Government do not care for the Resolution passed by the Legislative Assembly ?

The Honourable Mr. J. Orerar : Will the Honourable Member kindly repeat his question ?

Mr. Ram Narayan Singh : May I take it, Sir, that the Government do not care for the Resolution passed by this Assembly ?

Mr. President : Will the Honourable Member proceed to the next question ?

Mr. Ram Narayan Singh : My supplementary question has not been answered.

Mr. President : The Honourable Member himself knows what effect Government give to the Resolutions passed by this Assembly from time to time. Will the Honourable Member proceed to the next question ?

STOPPAGE OF THE BOMBAY MAIL AT KODARMA.

555. ***Mr. Ram Narayan Singh :** (a) Are the Government aware that the Kodarma station on the Grand Chord line is the centre of the mica industry in the province of Bihar and Orissa ?

(b) Is it a fact that the Bombay Mail does not stop at Kodarma these days ? If so, why ? Are the Government aware of the loss suffered by the mica merchants there from this change ?

(c) Is it a fact that the Mail stops at Gajhandi only the next station after Kodarma ? If so, will the Government state in detail the reason for the mail stopping at Gajhandi ?

(d) Are the Government aware that the people engaged in the mica industry have made a great grievance of it ? Are the Government prepared to consider this grievance of the people there ?

(e) Will the Government be pleased to give the figures of the first class passengers booked from each and every station on the Grand Chord line, when the Mail used to stop at Kodarma also ?

(f) Is there any objection to arranging that the Bombay Mail may stop at Kodarma instead of at Gajhandi ? If so what is the objection ?

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

(b) The time table shows that the Bombay Mails do not stop at Kodarma. Regarding the remainder of this question Government have no information.

(c) The time table shows that the Mail does not stop at Gajhandi.

(d) to (f). It is quite impossible for Government to undertake the arrangement of time tables. A copy of the question and this reply will be forwarded to the Agent of the Railway.

†556*.

RAILWAY EMBANKMENTS AND FLOODS IN GUJARAT AND ORISSA.

557. *Mr. B. Das : Will Government be pleased to state to what extent the havoc of floods are enhanced by railway embankments in the Districts of Gujarat (Bombay) and Cuttack in Orissa ?

Mr. A. A. L. Parsons : Government have received no report that the havoc caused by the recent floods in either of the districts mentioned has been enhanced by railway embankments.

Sir Purshotamdas Thakurdas : Are Government aware that in the Broach district in the most affected taluka, it is generally believed that the havoc is partly due to the reason stated in the question ?

Mr. A. A. L. Parsons : I have not received any report to that effect so far.

Sir Purshotamdas Thakurdas : Will the Government please call for a report from the Bombay, Baroda and Central India Railway about their Broach Jambusar line ?

Mr. A. A. L. Parsons : We shall in any case get a report in regard to the breaches of the railway there, and I presume we shall obtain information on the point mentioned by the Honourable Member.

Sir Purshotamdas Thakurdas : Will that report be made available to the House ?

Mr. A. A. L. Parsons : I cannot say until I have seen it.

PROVISION OF THE RAILWAY EMBANKMENTS IN THE CUTTACK DISTRICT WITH PROPER BRIDGES, CULVERTS AND SLUICES.

558. *Mr. B. Das : (a) Is it not a fact that in the Cuttack District the flood water has been on a very high level on the west side of the railway lines of the Bengal Nagpur Railway and that on the east side at low level ?

(b) Is it not a fact that the flood water cannot be drained off for want of sufficient waterways provided in that Railway ?

(c) Are Government aware that villages and agricultural lands have been submerged in those flood affected areas because the railway embankments have not been provided with proper bridges, culverts and sluices ?

Mr. A. A. L. Parsons : From reports so far received it appears that the railway line has been breached over a distance of about 11 miles mostly north of the Baitarani River by the bursting of the Baitarani dam, the line being entirely submerged, the bank in most places completely washed away, one bridge of 5 spans of 40 ft. girders destroyed and other bridges

† Not put at the meeting, owing to the absence of the questioner, but the question and answer to it will be found at page 3547 of these proceedings.

damaged. My Honourable friend will realise that it is not practicable to provide waterways sufficient to pass the great volume of water discharged on the sudden bursting of a dam of the size—Baitarani dam is 20 miles long ; but in any case there is at present no evidence that the existence of a railway embankment in any way added to the area submerged.

STATISTICS RELATING TO THE LENGTH OF WATERWAYS PROVIDED ON EACH RAILWAY, ETC.

559. *Mr. B. Das : (a) Have Government any statistics as to the total length of waterways (bridges, culverts, sluices, etc.) provided in every Railway and will Government be pleased to lay a statement on the table shewing the length of waterway originally provided in each system of Railways and the percentage of increase to those waterways as a result of pressure of Provincial Governments and the Central Government during the last five years ?

(b) Is it not a fact that large alterations have been made in the waterways of the North-Western Railway, East Indian Railway and Eastern Bengal Railway during the last five years to allow flood water and rain water to drain away quickly ?

(c) Will Government be pleased to state if the Railway Board propose to revise the designs of their waterways to allow proper drainage of flood and rain waters ?

Mr. A. A. L. Parsons : (a) Government have no statistics showing the length of waterways provided on each railway, but the total length is probably about 300 miles. I am unable to accept the Honourable Member's suggestion that the provision of extra waterways, where they have been provided, during the last five years has been due to pressure by Provincial and Central Governments and not to the efforts of Railway Administrations themselves ; or to give, without imposing on Railway Administrations an amount of investigation and compilation quite incommensurate with their value, the statistics for which he asks in the latter part of this question. The position is that in localities where the original bridging has been found insufficient extra waterways have been provided but the total length of these extra waterways is no doubt a very small percentage of the total waterways originally provided on the 40,000 of miles of railways in India.

(b) Not so far as I am aware, but I am making inquiries and will let the Honourable Member know the result.

(c) It is not so much a question of revising the design of bridges, culverts and sluices, as of seeing that sufficient passage is allowed for the drainage of flood and rain water. The measures which the Railway Board and Railway Administrations take to secure this were fully described by Sir Clement Hindley in his speech in this House on the 24th September 1924.

Mr. K. Ahmed : In view of the fact that the Honourable Member and his predecessor—I think it was Sir Clement Hindley—in 1924 promised that sufficient passages would be provided in the constructions of the future railway lines, do Government propose now to make inquiries and in future take proper steps, so that sufficient water passages may be provided in the construction of new lines ?

Mr. A. A. L. Parsons : I am very uncertain whether I have correctly caught the gist of my Honourable friend's question, but we do take steps whenever a new line is being constructed, in consultation with local authorities, to provide if possible for sufficient waterways to carry off all flood water.

Mr. K. Ahmed : Is the Honourable Member aware that from the report of the local authority on the Eastern Bengal Railway, Mr. Ganga Ram—the Engineer's report, I believe—in 1924 it was answered in the same terms, that in future constructions of railways sufficient waterways would be provided ? The construction of the North Bengal Railway will be taken up within a short period, because we have passed the amount of expenditure for new constructions in the last Session. Do Government propose to allow sufficient passage for water to pass through, so that the homesteads and huts of the poor people in the villages may not be submerged by floods again ?

Mr. A. A. L. Parsons : On this occasion, Sir, I am perfectly certain that I have not caught even the gist of my Honourable friend's question.

INQUIRY BY THE ROYAL AGRICULTURAL COMMISSION INTO THE CAUSES OF FLOODS AND DISTRESS CAUSED THEREBY.

560. *Mr. B. Das : (a) Will Government be pleased to state if the Royal Commission on Agriculture will inquire or are inquiring into the causes of floods and distress caused thereby to the agriculturist class as a whole ?

(b) Has any estimate been made of the money value of the loss suffered by agriculturists from floods all over India during the last five years ? If so, what is it ?

Mr. G. S. Bajpai : (a) It is for the Royal Commission to interpret their terms of reference. The question of the causes of floods and distress caused thereby has not been specifically referred to them.

(b) No.

Mr. B. Das : May I ask the Honourable Member if he does not think it the work of the Department of Agriculture to inquire into the economic losses to the agriculturist due to these floods ?

Mr. G. S. Bajpai : I would refer the Honourable Member to the division of subjects between the Central Government and the Local Government. He will find from it that this work is primarily the concern of the Local Government and not of the Government of India.

Mr. B. Das : Will the Honourable Member invite the attention of the Provincial Governments to this and ask them to inquire into the economic losses of the agriculturist, in view of the fact that they are not taking any interest in the matter of ascertaining economic losses to the masses ?

MEMORIAL RELATING TO THE CONSTRUCTION OF SANCTIONED AND NEW LINES IN THE KARNATAK.

523. *Mr. D. V. Belvi : Will Government be pleased to state if :

(a) a memorial signed by about 5,000 residents of the Karnatak has been received by the Railway Board requesting the Government to expedite the construction of the sanctioned lines and

to commence new lines in the various Districts of the Karnatak ;

- (b) any steps have been taken by Government to expedite the construction of the six lines as mentioned in the memorial ;
- (c) any action has been taken by Government to survey the two proposed new lines, *viz.*, (1) Hubli-Karwar-Mangalore line, (2) Mysore-Mercarra-Mangalore line, as asked by the memorialists ;
- (d) it is a fact that the Bagalkot-Ilkal Branch of the proposed Nippani-Hungund line is abandoned ;
- (e) any of the proposed six lines will be commenced before the end of this year ;
- (f) the Gadag-Wadi-Raichur line has still a chance of being constructed ?

Mr. A. A. L. Parsons : (a) Government have received a memorial asking for the early construction of six lines, investigations into which have, in the past, been made, but none of which have been sanctioned for construction. The memorialists also asked that two new lines, not yet examined, should be constructed.

(b) Two out of the three lines lying in British territory are now re-investigated. The other three lines pass through Indian States.

(c) A survey is being undertaken for a line from Mangalore to Malapi. The examination of a further extension of this line northwards will depend to some extent upon the results of this survey. The second line passes through an Indian State.

(d) No. The project is being re-investigated by the Madras and Southern Mahratta Railway Administration.

(e) It is not likely that the results of the surveys will be received in time to allow of construction being commenced before the end of this year.

(f) Government have no information on the subject. The line passes through an Indian State.

LEE COMMISSION'S PROPOSALS IN REGARD TO THE INDIAN MEDICAL SERVICE.

Mr. G. M. Young : I am grateful to you, Sir, for this opportunity to correct a statement which I made on Thursday last in reply to one of many supplementary questions to question No. 369 about the Lee Commission's proposals in regard to the Indian Medical Service. I said that no more Indian officers are now recruited to the Indian Medical Service on a temporary basis. It is true that the number of temporary officers is not being enlarged ; but is, on the contrary, being reduced in proportion as officers are appointed to permanent commissions in the service. Normally, therefore, no more officers would be appointed to temporary commissions. But I find that instructions were issued last year by Army Headquarters to local military authorities to terminate in future the contracts of temporary officers when they have served for nine years. That means that other temporary officers have to be recruited in their places, though the total number of temporary officers remains affected. I was not aware of these instructions when I spoke. They were issued last year

when I was serving in another Department. I gather that there is some feeling about them in certain quarters of this House and elsewhere. That being so, I propose to re-examine the question ; though of course I can give no undertaking that the instructions will be either reversed or modified.

QUESTIONS NOT PUT AT THE MEETING, OWING TO THE ABSENCE OF THE QUESTIONER, WITH ANSWERS TO THE SAME.

NUMBER OF INDIAN OFFICERS IN THE TRAFFIC AND LOCOMOTIVE SERVICE OF THE EAST INDIAN RAILWAY DRAWING MORE THAN RS. 500 PER MENSEM.

474. *Khan Bahadur Sarfaraz Hussain Khan : Will the Government be pleased to state :

(a) the total number of officers in the Traffic and Locomotive service of the East Indian Railway drawing more than Rs. 500 per mensem ?

(b) the number of Indians out of the total number ?

Mr. A. A. L. Parsons : (a) and (b). The information is available to the Honourable Member in the Classified List of State Railway Establishment a copy of which will be found in the library.

THE ROYAL AIR FORCE IN INDIA.

475. *Khan Bahadur Sarfaraz Hussain Khan : (a) What is the total strength of the Royal Air Force in India ?

(b) Is it a fact that the cost of the Royal Air Force in India amounts to over a crore and three quarters a year and is met out of the revenues of India ?

(c) Is it a fact that the Royal Air Force is a unit of the Imperial Forces and not part of the Indian Army ?

(d) If the answers to (b) and (c) are in the affirmative, do Government propose to move the authorities concerned in the interest of India to make the Royal Air Force in India a part of the Indian Army or to have the cost of the Force met from the British Exchequer ?

Mr. G. M. Young : (a) The sanctioned establishment of the Royal Air Force in India is 227 officers, 1,777 British other ranks and 202 personnel of the Indian Technical Section.

(b) and (c). I would refer the Honourable Member to the answer I gave on February 26th last to Sir Hari Singh Gour's question No. 614.

(d) No, Sir.

USE OF STATIONERY FOR MEMBERS OF THE LEGISLATIVE ASSEMBLY.

476. *Khan Bahadur Sarfaraz Hussain Khan : Will Government please state whether the stationery supplied in the writing room for the use of the Members of the Assembly is meant exclusively for writing matters connected with the Assembly business, or also for writing private letters ?

Mr. W. T. M. Wright : The stationery supplied in the writing room may be used for any correspondence which Members may desire to conduct while on the Assembly premises.

INCREASE IN THE MAXIMUM RATE OF THE INDIAN INCOME-TAX.

501. *Khan Bahadur Sarfaraz Hussain Khan : Will Government be pleased to state the reasons why the maximum rate of Indian income-tax increased steadily from 12 pies in the rupee to 18 pies in the rupee, while the British income-tax rates for the same period decreased from 6 shillings in the £ to 4 shillings in the £ (As shown in the statement laid on the table in reply to starred question No. 616 on the 26th February 1927) ?

The Honourable Sir Basil Blackett : If the Honourable Member will make his comparison between pre-war conditions and the present time, he will find that the main difference between the position in India and the position in Great Britain in this matter is that the British tax was raised more early and more steeply than the Indian ; and that the subsequent reduction in the British tax still leaves the net increase in Great Britain much the same as the increase in India, while the actual rate in Great Britain is of course very much higher.

ANNUAL INCREMENT OF SECOND DIVISION CLERKS OF THE GOVERNMENT OF INDIA SECRETARIAT.

502. *Khan Bahadur Sarfaraz Hussain Khan : 1. (a) With reference to Government reply " A further representation has been received and is under consideration " to starred question No. 619 (7), (8), and (10) on 26th February 1927, regarding the annual increments of men in the second division of the Government of India Secretariat, will Government please state if they have come to any decision ?

(b) If so, will they please communicate the result to the House ?

2. Will Government please lay on the table a complete list of the establishment for the second division of the Government of India Secretariat ?

The Honourable Mr. J. Orerar : (a) Yes.

(b) The prayer was rejected.

2. I would refer the Honourable Member to the reply given on the 8th March 1924 to his question No. 603.

DEPARTMENTAL STANDING COMMITTEES.

503. *Khan Bahadur Sarfaraz Hussain Khan : (a) Has the information asked for in starred question No. 743, on 7th March 1927, re Departmental Standing Committees been collected ?

(b) If so, will Government please lay a copy of the information so collected, on the table for the information of the House ?

The Honourable Mr. J. Orerar : (a) and (b). The information regarding departmental Standing Committees asked for by Mr. Aney has been supplied to him. It is being furnished to the Honourable Member also.

GRIEVANCES OF LUGGAGE PORTERS AT HOWRAH.

510. *Khan Bahadur Sarfaraz Hussain Khan : (a) Referring to Government reply " Government are awaiting the Agent's report in the matter " to starred question No. 661 (c) and (d) on the 1st March, 1927,

re Grievances of luggage porters at Howrah, will Government please state if they have received the report ?

(b) If so, will they please communicate the result to the House ?

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

(b) All *begari* has been stopped.

The license fee paid by the porters has been reduced to Rs. 5 per month.

The rate of 2 annas per load at Howrah has been reduced to 1½ annas.

ABOLITION OF THE *Begari* OR FREE LABOUR SYSTEM ON THE EAST INDIAN RAILWAY.

511. **Khan Bahadur Sarfaraz Hussain Khan :** (a) Was the *Begari* system or free labour system sanctioned by the Agent, East Indian Railway in April, 1921 or at any other time ?

(b) If so, is the system still in force ?

(c) Is it a fact that the Agent has of late issued instructions that the *Begari* system be abolished ?

(d) If so, will Government please state if the system has now been absolutely abolished ?

***Mr. A. A. L. Parsons :** (a) The Honourable Member is referred to items (a) and (b) of the reply given to question No. 663 asked by Mr. N. M. Joshi in this Assembly on the 1st March, 1927.

(b) No.

(c) and (d). Yes.

CONTRACTS FOR REGIMENTAL INSTITUTES.

517. ***Mr. T. A. K. Shervani :** (a) Is there any provision in the rules for the management and control of Regimental Institutes that only contractors on the approved list of the Army Headquarters should be given the contract ?

(b) If so, is it a fact that this provision was made solely to guard against the deterioration of the canteen service by the admission of un-experienced hands ?

(c) Are Government aware that this practice is now being departed from and that contracts in the Northern and Western Commands are being allotted indiscriminately ?

(d) If so, what steps, if any, have the Government taken to stop this practice in the interests of the troops ?

(e) Are Government prepared to rule that great care should be exercised in the selection of contractors and that in the interests of troops the Government should restrict the number of contracts to be given to a particular person, so as to be compatible with efficiency and to have the benefit of personal supervision ?

Mr. G. M. Young : (a) Yes.

(b) The object of the provision is to prevent contracts being given to persons who are not approved.

(c) The answer is in the negative. Contracts are allotted with discrimination, and the name of each contractor is submitted to Army Headquarters for approval.

(d) Does not arise.

(e) Great care is taken in the selection of contractors, with a view to efficiency and the need for adequate personal supervision.

STAMPING OUT OF SLAVERY IN SOME OF THE OUTLYING TERRITORIES SITUATED CLOSE TO THE BURMESE FRONTIERS.

524. *Khan Bahadur Sarfaraz Hussain Khan : 1. Will Government please give some detailed information of the measures taken by Government to stamp out slavery in some of the outlying territories situated close to the Burmese Frontiers (*vide* the address of His Excellency the Viceroy to the Members of the Assembly on the 24th January 1927) ?

2. Will Government please state if slavery still exists in any of the backward or hilly places in India ?

Sir Denys Bray : Full and accurate accounts of the two anti-slavery expeditions despatched last cold season into the outlying parts of Northern Burma have appeared in the Press and it is hardly possible to add to them within the scope of an answer. One expedition entered the Hukawng Valley and Naga Hills and emancipated the few slaves which the expedition of the previous year had been unable to reach. The other traversed the barely explored area known as the Triangle and emancipated 4,000 slaves. These operations were carried out with much skill under arduous conditions but unhappily not without loss of life, Captain West, Lance Naik Agam Singh and Zawng Ze, peon, having been killed in an ambush.

2. Yes, in certain unadministered and in some cases still unexplored areas in Burma and Assam.

RE-APPOINTMENT OF MESSRS. MATHEWS AND MCGUIRE, INSOLVENTS, BY THE EASTERN BENGAL RAILWAY.

534. *Khan Bahadur Sarfaraz Hussain Khan : (a) Referring to Government reply "Government have no information, but are making inquiries", to unstarred question No. 122, *re* re-appointment of Messrs. Mathews and McGuire, insolvents, by the Eastern Bengal Railway, will Government please state if the enquiries have been completed ?

(b) If so, will they please communicate the result of the inquiries to the House ?

Mr. A. A. L. Parsons : A copy of the letter in which Mr. Amar Nath Dutt was supplied with the information asked for in his unstarred question No. 122 on 1st March 1927 is laid on the table.

COPY OF A LETTER FROM THE SECRETARY TO THE RAILWAY BOARD, TO MR. AMAR NATH DUTT, M.L.A., No. 486, DATED THE 25TH MARCH 1927.

With reference to the question No. 122 asked by you in the Legislative Assembly on the 1st March 1927, I am directed to state that Government have made enquiries and the following information is furnished :

(a) The reply is in the affirmative.

- (b) Mr. Mathews was adjudicated insolvent on 17th July 1925 and was allowed to resign his post. On an application submitted by Mr. Mathews to the Calcutta High Court the adjudication order was annulled on 2nd February 1926, *vide* High Court Notification in the Gazette of India, Part II, dated 27th March 1926, page 418. Mr. Mathews therefore on re-employment was no longer insolvent.
- (c) The matter of insolvency and habitual indebtedness is dealt with in paragraph 16 of the Government Servants' Conduct Rules.
- (d) Mr. McGuire was not removed from service solely on the ground of indebtedness. Other factors were, continued unsatisfactory working, overstaying leave without permission and insubordination on several occasions.

DECISION OF THE PRIVY COUNCIL IN THE CASE OF GANESH LAL *vs.* KHETRA MOHAN MAHAPATRA.

535. *Khan Bahadur Sarfaraz Hussain Khan : (a) With regard to the decision of the Privy Council in the case of Ganesh Lal v. Khetra Mohan Mahapatra, will Government please state if they have come to any decision as to the desirability of their taking action in the matter [*vide* Government reply to the starred question No. 682 (c) on the 1st March 1927] ?

(b) If so, will they please communicate their decision to the House ?

The Honourable Mr. J. Orerar : Government have decided to take no action until they see how the Courts in India view the judgment of the Privy Council.

NUMBER OF INDIANS EMPLOYED AS WIRELESS OPERATORS.

536. * Khan Bahadur Sarfaraz Hussain Khan : Will the Government please state :

- (a) Why out of the total number of 26 men recruited to work as wireless operators only one is an Indian ?
- (b) The names of the 26 men recruited, their qualifications and their pay ?
- (c) How many of the 26 men were ex-service men and how many departmental ?

Mr. H. A. Sams : (a) Presumably the Honourable Member refers to the selection of 24 not 26 telegraphists from the Traffic Branch of the Department, made at the end of June last, for training in Wheatstone wireless working. 24 telegraphists were selected, of whom 13 are Indians.

(b) A statement giving the particulars required will be handed to the Honourable Member.

(c) No ex-service men were selected ; all the men were departmental telegraphists.

ALLEGED ASSAULT ON AND DISMISSAL OF SUKH LAL, AN EMPLOYEE OF THE BENGAL NAGPUR RAILWAY WORKSHOP AT KHARAGPUR.

537. *Khan Bahadur Sarfaraz Hussain Khan : (a) Has the report asked for from the Agent regarding the alleged assault on and dismissal of Sukh Lal, an employee of Bengal Nagpur Railway Workshop at Kharagpur, been received (*vide* Government reply to starred question No. 753 on 7th March 1927) ?

(b) If so, will Government please lay a copy of the report on the table ?

Mr. A. A. L. Parsons : A copy of the letter in which the Agent's report was communicated to Rai Bahadur Tarit Bhusan Roy with reference to his starred question No. 753 on 7th March, 1927, is laid on the table.

COPY OF A LETTER FROM THE SECRETARY, RAILWAY BOARD, TO RAI BAHADUR TARIT BHUSAN ROY, M.L.A., No. 4646-E., DATED THE 29TH APRIL 1927.

With reference to the reply given to your question No. 753, dated the 7th March, 1927, in the Legislative Assembly, I am directed to state that the following report has been received from the Agent, Bengal-Nagpur Railway :

“ An employee named Sukhlal was asleep under a wagon during working hours. It is not a fact that he had an attack of sun-stroke, nor was he pulled out by his hair.

It is correct that he was subsequently dismissed for unsatisfactory working, fault having been found with him on several previous occasions.”

RULES FOR THE GRANT OF PASSPORTS TO PERSONS ENTERING INDIA FROM NEPAL, BHUTAN, ETC.

538. *Khan Bahadur Sarfaraz Hussain Khan : (a) Are there no rules relating to passports for persons entering India by land except through the Chaman, Khyber, and Nushki routes, as indicated by Government in their reply to unstarred question No. 177 on 7th March 1927 ?

(b) If so, do Government propose to make rules relating to passports for persons entering India from Nepal, Bhutan, and other main north-eastern routes ?

Sir Denys Bray : The answer to both parts of the question is in the negative.

NUMBER OF POLITICAL DETENUS SUFFERING FROM TUBERCULOSIS.

539. *Khan Bahadur Sarfaraz Hussain Khan : Will Government please state :

(a) How many out of the total number of political detenues are suffering from tuberculosis ?

(b) If it is a fact that tuberculosis patients are kept in the same ward ?

- (c) If tuberculosis patients are given especial facilities regarding their diet and freedom of action in choosing physicians of their own liking for their treatment ?

The Honourable Mr. J. Crerar : No detenus in jails are known to be suffering from tuberculosis. One has been placed under observation, but tuberculosis has not been diagnosed. Two detenus who are not confined in jails are suspected of suffering from tuberculosis. They are in a position to arrange their own diet and choose their own doctors.

STARTING SALARIES OF GRADUATES AND MATRICULATES IN THE CLERICAL ESTABLISHMENT OF THE NORTH WESTERN RAILWAY.

556. ***Mr. Harchandrai Vishindas :** (a) Will Government be pleased to state what are the starting salaries of graduates and matriculates in the clerical establishment of the North Western Railway Department ?

(b) Do Government observe any distinction between the salaries of graduates and other employees in the clerical establishment on the North Western Railway ?

(c) If not, why not ?

(d) Do Government hold any competitive examination for every vacancy to be filled ?

(e) If not, do the Government intend to do so in future ?

Mr. A. A. L. Parsons : Government have no information.

The method of recruitment and appointment of clerks are left entirely in the hands of the Agent.

UNSTARRED QUESTIONS AND ANSWERS.

CONSUMPTION OF COAL ON THE MAJOR INDIAN RAILWAYS.

53. **Mr. K. O. Neogy :** Will Government be pleased to state what is the aggregate tonnage of coal consumed during the last two years by the major Indian railways for the purposes indicated below, the figures for each railway being shown separately :

- (a) running of mail and fast expresses,
- (b) running of passenger trains,
- (c) running of goods trains,
- (d) shunting ?

Mr. A. A. L. Parsons : I have sent a statement to the Honourable Member giving such information as is available.

COALS SUITABLE FOR THE REQUIREMENTS OF THE MAJOR INDIAN RAILWAYS.

54. **Mr. K. O. Neogy :** Will Government be pleased to lay on the table a statement showing the coals, described with reference to the collieries in which they are mined, which met the requirements of each of

the major Indian railways under each of the following heads, during the last two years :

- (a) running of mail and fast expresses,
- (b) running of ordinary passenger trains,
- (c) running of goods trains, and
- (d) shunting ?

Mr. A. A. L. Parsons : I regret that it is not possible to supply the information for which the Honourable Member asks as, in the first place, no record is maintained by railways of the particular services on which coal from each colliery is used and, even if this information was available, it would not be possible to say if it met the requirements of the railway.

USE OF COAL RAISED IN COLLIERIES OWNED BY STATE RAILWAYS ON THE COMPANY-MANAGED RAILWAYS.

55. Mr. K. O. Neogy : (a) Is it a fact that the coal raised in the colliery of one State Railway is used for others ? If so, will Government furnish particulars of all such recent instances in point ? Will Government be pleased to state how the quota of each railway is determined when a colliery is jointly owned by two or three railway owners ?

(b) Is it a fact that the coal raised in collieries owned by State Railways is used on the Company-managed Railways ? If so, will Government furnish particulars of such instances in point occurring within the last two years ? On what basis is the price for such coal charged ?

Mr. A. A. L. Parsons : (a) Coal raised in the colliery of one State Railway is, when necessary, allotted to other railways. The following allotments have been made for the year 1927-28 :—

- 1,20,000 tons from the East Indian Railway Giridih Colliery to the North-Western Railway.
- 1,20,000 tons from the East Indian Railway Giridih Colliery to the Great Indian Peninsula Railway.
- 12,000 tons from the East Indian Railway Giridih Colliery to the Eastern Bengal Railway.
- 1,72,000 tons from the Great Indian Peninsula Railway Kargali Colliery to the East Indian Railway.
- 1,53,800 tons from the Great Indian Peninsula Railway Kargali Colliery to the Eastern Bengal Railway.

The division of the colliery output of jointly owned collieries is fixed by agreement when the collieries are acquired.

(b) I can trace no recent instances of this having been done.

CONSTRUCTION BY THE BOMBAY, BARODA AND CENTRAL INDIA RAILWAY OF SPECIAL ENGINES TO SUIT THE CONSUMPTION OF SECOND CLASS COAL.

56. Mr. K. O. Neogy : Is it a fact that the Bombay, Baroda and Central India Railway constructed some special engines three or four years back to suit the consumption of second class coal thereon ? If

so, will Government be pleased to state wherein exactly lies the speciality of such locomotives ?

Mr. A. A. L. Parsons : The Bombay, Baroda and Central India Railway as an experiment obtained delivery of two passenger and two goods locomotives in 1924 which were larger than their previous standard types. These locomotives are provided with larger fire grates than has been usual on Indian locomotives and can therefore burn some second class coals with less loss of efficiency or economy than certain other types of locomotives.

CAPITAL OUTLAY MADE BY THE PROPOSED RAILWAY COLLIERY IN TALCHUR FIELD AND IN RELIGARI-DARI.

57. Mr. K. C. Neogy : Will Government be pleased to say what is the amount of capital outlay so far made by the proposed railway colliery in Talchur field and in Religari-dari ?

Mr. A. A. L. Parsons : The information asked for is being obtained from the Railway Administrations concerned and will be furnished to the Honourable Member when received.

PRICE PER TON OF COAL PURCHASED FOR THE RAILWAYS FOR EACH YEAR FROM 1906-07 TO 1926-27.

58. Mr. K. C. Neogy : Will the Government be pleased to state what average price per ton was paid for coal purchased for the Railways, the figure being worked out for each year from 1906-07 to 1926-27 ?

Mr. A. A. L. Parsons : I am afraid I am unable to give the Honourable Member the information in the exact form in which he has asked for it since it has not been collected in that form in our statistics. But he will find full details of the average cost per ton of both foreign coal and Indian coal consumed from 1906-07 to 1925-26 in the Administration Reports of Railways. The average pit's-mouth rate for coal purchased by State-managed Railways in 1926-27 was Rs. 5-2-0 per ton.

EXEMPTION FROM ASSESSMENT TO INCOME-TAX OR SUPER-TAX OF THE PROFITS OF TRADING SET APART FOR CHARITABLE OR RELIGIOUS PURPOSES.

59. Seth Jamnadas : (a) Is it a fact that profits of trading set apart for charitable or religious purposes are, under the existing practice, not exempt from assessment to income-tax or super-tax ?

(b) If so, are Government aware of the discontent prevailing among the mercantile and other classes who, pursuant to custom prevalent in the country from time immemorial, invariably set apart for charitable or religious purposes part of the profits of trading and apply them for purposes charitable or religious in the localities concerned ?

(c) Are Government prepared to consider the question of exempting such income from liability to income-tax or super-tax ?

The Honourable Sir Basil Blackett : (a) To some extent the answer to this question would apparently depend on the circumstances.

(b) and (c). The matter is at present before a High Court—or likely to come before a High Court. The Government will consider the question when that Court has decided it.

INSTRUCTIONS TO AN INCOME-TAX OFFICER TO COLLECT A CERTAIN AMOUNT OF INCOME-TAX FROM HIS CIRCLE.

60. **Seth Jamnadas :** (a) Will Government be pleased to state whether an Income-tax Officer is departmentally instructed to collect a certain amount of income-tax from his circle ?

(b) If so, are Government prepared to stop this practice ?

The Honourable Sir Basil Blackett : The Government can hardly believe that any officer would issue such orders which would obviously be most improper and entirely illegal. I should be obliged if the Honourable Member would give me a concrete instance if he knows of any.

REMISSION OF THE INCOME-TAX ON " NAZARANA " REALISED BY LANDLORDS FROM THEIR TENANTS.

61. **Seth Jamnadas :** (a) Are Government aware that the Income-tax Officers in some places have assessed tax on " Nazarana " realised by landlords from tenants for transfers of holdings or other licences ?

(b) If this is a fact, have Government considered the question of remitting the amount of tax so realised on the ground that this is an income derived from agriculture ?

The Honourable Sir Basil Blackett : (a) and (b). It has been held by the Calcutta High Court that " Nazarana " is agricultural income and is therefore not liable to income-tax. The Government have no reason to suppose that Income-tax Officers or Assistant Commissioners have overlooked the ruling, but the Central Board of Revenue will make enquiries.

EXEMPTION FROM INCOME-TAX OF INCOME REALISED FROM THE SALE OF LAC.

62. **Seth Jamnadas :** (a) Will Government be pleased to enquire and state whether at some places the Income-tax Officers have taxed the income from the sale of lac which lac growers themselves propagated and prepared for the market ?

(b) If so, are Government prepared to take steps to save such income from taxation on the ground that it is included in agricultural income ?

The Honourable Sir Basil Blackett : (a) and (b). Whether income from the sale of lac is income from agriculture or not would depend on the facts of each case. If the Honourable Member or any one in whom he is interested is dissatisfied with the principles at present applied I would suggest that the facts should be stated to the Central Board of Revenue.

AMOUNT OF COURT-FEES LEVIED IN THE CASE OF INCOME-TAX APPEALS.

63. **Seth Jamnadas :** (a) Are Government aware that some appellants in income-tax appeals affix insufficient court-fees for want of proper information on the subject causing some delay in the disposal of their appeals ?

(b) Are Government prepared to make necessary corrections in the forms of appeals prescribed under Rules 21 and 22 of the Notification of the Board of Inland Revenue No. 3-I.T., dated Delhi, 1st April 1922 (*vide*

Income-tax Manual) stating the amount of court-fees that is to be affixed on such appeals ?

The Honourable Sir Basil Blackett : (a) The answer is in the negative.

(b) Court-fees are regulated by the Court-fees Acts as amended from time to time by the Provincial Legislative Councils, and the statutory forms of appeals prescribed under Rules 21 and 22 of the Indian Income-tax Rules cannot therefore be amended in the manner suggested by the Honourable Member.

REFUND OF COURT-FEES WHERE APPEALS ARE ALLOWED BY THE ASSISTANT COMMISSIONER OF INCOME-TAX.

64. Seth Jamnadas : (a) Is it a fact that the Assistant Commissioner of Income-tax at times allows appeals and remits the entire assessment made by an Income-tax Officer ? In such cases are the court-fees also refunded ?

(b) If not, are Government prepared to consider the advisability of making rules for the refund of court-fees in such cases ?

The Honourable Sir Basil Blackett : The answer to the first part of (a) is in the affirmative and to the second part in the negative. The answer to (b) is in the negative.

INCOME-TAX APPEALS.

65. Seth Jamnadas : (a) Are Government aware that some appellants in income-tax appeals fail to attach notices of demand prescribed under section 2 of the Income-tax Act, 1922, or copies of orders of assessment of Income-tax Officers enumerated in sections 30 and 32 of the Income-tax Act with their appeals for want of proper information ?

(b) Has this led to some delay in the disposal of appeals in such cases ?

(c) Are Government prepared to make necessary corrections in the Income-tax forms referred to in (a) requiring the appellants concerned to attach the same to avoid delay ?

The Honourable Sir Basil Blackett : (a) The Government have no information.

(b) and (c). The forms of appeal prescribed by the rules already state clearly that the demand notice or a copy of the Income-tax Officer's order is attached where it is necessary that such notice or copy should accompany the appeal. Where this is not provided for in the form the appellant is under no obligation to attach the notice or copy, as the case may be, and it is not clear how his failure to attach it in such circumstances could lead to delay.

ACCOUNTS OF INCOME-TAX ASSESSEES.

66. Seth Jamnadas : (a) Is it a fact that some of the assesseees of Income-tax are not fully conversant as to the sort of accounts needed by the Department ?

(b) Is it also a fact that in some cases innocent assesseees have to suffer merely on account of the absence of proper knowledge of the keeping of accounts needed by the Department ?

(c) Is it a fact that in most cases the Income-tax Officer has to reject the accounts as unclosed and assess on the percentage basis on the ground that the accounts are not properly kept ?

(d) Are Government aware that there is an amount of discontent on this account amongst the income-tax assesseees ?

(e) Are Government prepared to publish in the vernacular of the provinces small pamphlets on the subject and make them available at a nominal price with a view to educate assesseees in this connection ?

The Honourable Sir Basil Blackett : (a) and (b). The Department does not require accounts maintained on any particular system. Accounts maintained according to any regular system indigenous or western are accepted, and also any accounts from which the profits can as a matter of fact be ascertained. The Government are not aware that Income-tax Officers generally follow any other principle.

(c) This is certainly happens in a considerable, but decreasing proportion of cases.

(d) This is probable, but appears to be to some extent unavoidable.

(e) The Central Board of Revenue will consider the suggestion.

GRANT OF RELIEF TO THE FAMILY OF THE LATE MR. MADAN GOPAL, A POSTAL EMPLOYEE IN THE CENTRAL PROVINCES.

67. Seth Jamnadas : (a) Will Government be pleased to enquire and state whether Mr. Madan Gopal was a Head clerk in the office of Superintendent of Post Offices, Nerbudda Division, Central Provinces ?

(b) Was he transferred to Chanda (Central Provinces) in February last ?

(c) Did he apply for his transfer to a Hindi-speaking district as he could not understand the language of the place ?

(d) If so, with what result ?

(e) Was he on tour in the Sironcha Circle in May 1927 ?

(f) Was he suddenly called from Sironcha to relieve the Postmaster of Chanda (Central Provinces) ?

(g) Did he proceed to Chanda in the heat of the summer and fall ill ?

(h) Did he expire in that illness ?

(i) Is it a fact that his services in the Department were always reported as satisfactory ?

(j) Is it a fact that he has left behind him a number of widows in the family practically without any means of maintenance ?

(k) Has his widow applied for some sort of gratuity ?

(l) Do Government intend to grant some aid to the bereaved family ?

Mr. H. A. Sams : (a), (b) and (c). Yes.

(d) His request was noted by the Postmaster General.

(e) No.

(f) While at Mul in the Chanda District, he was ordered by telegraph on the 14th May 1927, to relieve the Postmaster, Chanda, who required leave urgently.

(g) He proceeded to Chanda on the 15th May 1927, and reported sick on the 18th May 1927.

(h) The medical certificate submitted by him showed that he was suffering from measles. He died on the 27th May 1927. The actual cause of death has not yet been reported to his Divisional Superintendent or the Postmaster General.

(i) Yes.

(j) He has left a widow and four minor children dependent on her. She is reported to be in straitened circumstances.

(k) Yes.

(l) The question has already been taken up by the Postmaster General.

RECOMMENDATIONS OF THE JOINT PARLIAMENTARY COMMITTEE REGARDING THE REVISION OF LAND REVENUE ASSESSMENT IN THE VARIOUS PROVINCES.

68. **Seth Jamnadas** : With reference to the recommendations of the Joint Parliamentary Committee appointed in connection with the Government of India Bill, 1919, stating that the process of revising the land revenue assessment in the various provinces should be brought under closer regulation by Statute as soon as possible, will Government be pleased to state whether any general or special instructions have been issued by them to the Provincial Governments to give effect to those recommendations and if so, will Government be pleased to lay on the table a copy of the instruction or instructions so issued ?

Mr. A. E. Dalal : The recommendations of the Joint Parliamentary Committee were referred to Local Governments in March 1920, and their attention was drawn to the need for early action on the lines indicated therein. The Government of India have recently again impressed upon Local Governments the importance of introducing legislation at an early date. They regret their inability to lay a copy of the correspondence on the table.

RECONSTRUCTION OF THE BRIDGE ON THE GREAT INDIAN PENINSULA RAILWAY IN THE DISTRICT OF JUBBULPORE, ETC.

69. **Seth Jamnadas** : (a) With reference to my starred question No. 448, dated 15th February 1927, will Government be pleased to state whether the reconstruction of the bridge on the Great Indian Peninsula Railway in the district of Jubbulpore (Central Provinces) has been completed or not ?

(b) If not, will Government be pleased to state the reasons as to why the same was not completed before the commencement of the rainy season as originally proposed ?

(c) Is it a fact that in this connection the Deputy Commissioner, Narsinghpur, and the Central Provinces Government have received representations from the public to the effect that the new bridge on the Great Indian Peninsula Railway should be made a combined rail and road bridge ?

(d) Will Government be pleased to state whether the question of providing a road bridge over the river has been taken up with the Local Government and, if so, with what result ?

(e) Will Government be pleased to state the result of the investigation regarding the providing of a roadway for wheeled traffic in connection with the bridge on the Bengal Nagpur Railway under construction in the Jubbulpore district (Central Provinces) ?

(f) Do Government intend to take steps to construct the new bridge on the Bengal Nagpur Railway as a combined rail and road bridge ?

Mr. A. A. L. Parsons : (a) The answer is in the negative.

(b) It was not found possible to complete the work before the river rose.

(c) Government have no information.

(d) No, in view of the fact that the piers and abutments of the washed away bridge were found to be unfit for repair and use for a road bridge.

(e) and (f). The girders which are being replaced on the bridge after repairs cannot be altered so as to take also a roadway nor are the piers long enough to carry an extra roadway span alongside the railway spans.

REDUCTION IN THE RAILWAY RATES ON COAL DESPATCHED FROM THE CENTRAL PROVINCES COALFIELDS.

70. Mr. K. C. Neogy : Will Government be pleased to state if in recent years reductions were effected in freight on coal despatched from the Central Provinces coalfields ? If so, will Government state when were the reductions effected and the extent of the reduction granted from time to time ?

Mr. A. A. L. Parsons : Reductions in railway rates on coal despatched from the Central Provinces coalfields have been as follows :—

With effect from 1st September 1923 an average reduction of approximately 13.5 per cent.

With effect from 1st April 1926 approximately 10 per cent.

SHIFTING OF GOALUNDO GHÂT IN THE DISTRICT OF FARIDPUR IN BENGAL.

71. Rai Bahadur Tarit Bhusan Roy : Will Government be pleased to state :

(a) How often the Goalundo Ghât in the District of Faridpur in Bengal has been shifted since the year 1921 to 1927 ?

(b) What has been the total expense incidental to such shifting of the Goalundo Ghât ?

(c) Whether the entire expense has been borne by the Eastern Bengal Railway ?

(d) Have the I. G. N. and Railway Company, Limited, and the R. S. N. Company, Limited, contributed to such expense ; if so, in what proportion ?

(e) Is it not a fact that the Joint River Steam Services carry the Dacca and Chittagong Mails from Goalundo ?

Mr. A. A. L. Parsons : The information is being collected and will be furnished to the Honourable Member when ready.

RESTORATION OF GOOD FEELINGS BETWEEN THE SIKHS AND MUHAMMADANS IN THE NORTH-WEST FRONTIER PROVINCE.

72. Rai Bahadur Tarit Bhusan Roy : (a) Will Government be pleased to state whether it is a fact that a large number of Hindu and Sikh families comprising about 300 persons have vacated Landi Kotal (Lawerghi) and arrived at Peshawar safely by train on 2nd August, 1927 ?

(b) Is it a fact that the political authority had detained 50 escorts for their safe conduct to Peshawar as there was every danger of these persons being looted and plundered on the way from Khyber and Landi Kotal ?

(c) Is it a fact that the tribal authorities across the border in the Agency Area proposed the following terms to Hindus and Sikhs under which they could continue to reside there :

- (1) to wear red turbans.
- (2) to ride on horses without saddles.
- (3) to vacate the charpoy and sit down on the ground as a mark in respect for the Moslems whenever he should happen to come to a Hindu or a Sikh.
- (4) not to charge interest on loans ?

(d) What step if any do Government propose to take to restore good feeling between the Sikhs and Muhammadans ?

Sir Denys Bray : The Honourable Member is referred to the statement I made on the 18th instant, and to my answer to Pandit Thakur Das Bhargava's question No. 481.

UNCOMFORTABLE SECOND CLASS LOWER BERTHS IN THE EASTERN BENGAL RAILWAY.

73. Rai Bahadur Tarit Bhusan Roy : Will Government be pleased to state whether it is a fact that in the new second class compartments in the Eastern Bengal Railway the lower berths are narrower, and uncomfortable for sleeping purposes and if so what steps, if any, will be taken to remove this inconvenience ?

Mr. A. A. L. Parsons : No. The lower berths in the new second class compartments are of the same width as before, and Government have received no complaints that they are uncomfortable for sleeping purposes. If they were widened they would certainly be uncomfortable for seating, as the room between the seats would be very narrow.

REDUCTION OF THIRD CLASS FARES ON THE EASTERN BENGAL RAILWAY.

74. Rai Bahadur Tarit Bhusan Roy : Will Government be pleased to state whether the authorities of the Eastern Bengal Railway intend to reduce the fare of third class passengers who are generally very poor ?

Mr. A. A. L. Parsons : The Eastern Bengal Railway has only lately been able to pay its way again, and cannot at present afford a reduction of fares.

ELECTION TO THE PANEL FOR THE ADVISORY PUBLICITY COMMITTEE.

Mr. President : I have to inform the Assembly that the number of candidates nominated for election to the panel for the Advisory Publicity Committee is equal to the number required, and therefore I announce that the following Members are declared to be duly elected :

Raja Ghazanfar Ali Khan.

Mr. Abdul Latif Sahib Farookhi.

Sir Hari Singh Gour.

Maulvi Muhammad Yakub.

Mr. K. C. Roy.

Mr. Arthur Moore.

Mr. Anwar-ul-Azim.

Pandit Thakur Das Bhargava.

Mr. A. H. Ghuznavi.

Rai Sahib Harbilas Sarda.

Dr. A. Suhrawardy.

Mian Mohammad Shah Nawaz.

Mr. W. M. P. Ghulam Kadir Khan Dakhan.

Mr. Ismail Khan.

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

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

THE GOLD STANDARD AND RESERVE BANK OF INDIA BILL.

The Honourable Sir Basil Blackett (Finance Member) : Sir, a speech from me on the principles of the Bill is not needed to-day for the purposes of the motion which I am making. The principles of the measure have been before the country for more than a year, and I dealt at some length with the Bill when I moved for its circulation last January. What the House will want to-day, I think, will be some guidance as to the meaning of the modifications introduced into the Bill by the Joint Committee—at any rate of the more important ones.

In certain particular respects the Bill now before us has been profoundly modified from the Bill which was before the Assembly last March. Nevertheless, I think that perhaps the most remarkable feature of the Bill, as now before us and of the work of the Joint Committee, is the extent of the ground covered by the measure on which there is little or no disagreement. The somewhat unfortunate publicity given to the proceedings of the Joint Committee, which were supposed to be confidential, besides on occasions hampering our freedom in Committee and possibly making

agreement more difficult, has, I think, tended to leave on the general public the impression that the chief feature of our discussions in Committee were acute differences of opinion all along the line. This impression might at first sight seem to be confirmed by the large number of amendments put down in my name. But on examination the amendments in my name will be found to relate almost entirely to two main issues, and I think the strongest impression left on the minds of the Committee—certainly on my own—was the large extent of agreement obtained. As time went on and as we became more intimately acquainted with the Bill, more and more we realised that there was practical unanimity as to the desirability in principle of the establishment of a Reserve Bank in the general interests of India. We were agreed on the principle, and it was very remarkable that on nearly every point of detail, so far as the technical portions of the Bill are concerned, we managed so to adjust our views, some of which at first sight seemed to be diametrically opposed, as to produce a re-draft of the Bill in which, so far as the technical clauses were concerned, there was only one specific point on which the Government and the other side of the House have not been able more or less to accommodate themselves to each other's view point. That point is really almost more a political than a technical point—I refer to the introduction of the conception of a gold mohur into the Bill by the majority of the Committee. Even here, though our differences are vital, I should like to dwell rather on the extent to which we have approached towards agreement than on the differences. It has been frankly recognised by the majority of the Joint Committee—and I trust the House will have no difficulty in endorsing that conclusion—that however strong may be the desire in India for a gold currency, it is not practical politics to contemplate any immediate or very early steps being taken to put gold coins into effective circulation. The majority of the Committee, however, while recognising this fact, have decided to introduce into the Indian currency system the conception of a full value gold coin. In clause 18 they have made provision for notes to be expressed not only in rupees but also in mohurs. A hundred-rupee note, for example, is to be expressed as one hundred rupees or five mohurs. In clause 48 the Committee have provided that power be given to the Governor General to coin gold mohurs, though they have been careful to make it clear that this power is to be exercised at the absolute discretion of the Governor General in Council. In addition, in the same clause, the Committee have provided for restoring legal tender privileges to the sovereign, a provision which, in the view of the Government, is not only incompatible with the new gold bullion standard but is incidentally not in consonance with the proposal for a gold mohur.

Now, I had to make it plain to the Committee and I want to make it plain to the Assembly that the Government believe that it would be entirely impracticable for them to coin and issue gold mohurs for at any rate many years to come. The effective circulation of gold mohur or of a full value gold coin or of the gold sovereign is entirely incompatible with the gold bullion standard or any other standard which India is in a position at the present time to adopt. Any attempt at the present day or in the immediately foreseeable future to put gold mohurs into circulation would only lead to a further débâcle in our currency system. This being the case—and it is recognised to be the case by the majority—the Government feel that it would be premature and misleading and in other

[Sir Basil Blackett.]

respects objectionable, that the power to coin gold mohurs should be conferred upon Government at present, even though it is purely a discretionary power. It involves a premature decision as to any future gold coin for India if there is eventually to be one. It must, in the opinion of Government, tend to mislead the public if power is taken to coin a gold coin which the Government have clearly no intention of coining for the present. It is felt that the inclusion in an Act of the Indian Legislature of authority to coin a gold coin can only lead to attempts being made inside and outside the Legislature to put pressure on the Government to take a step which in their view they can only take with disastrous consequences to the currency system of India. Steps to put a gold coin into circulation could only be taken if and when the gold bullion standard is discarded in favour of a gold currency standard. The time for doing that is not yet come. Such a step ought to be taken only as the outcome of a definite and considered decision of the Government and the Legislature when, and if the time has come when, it is a matter of practical politics; and such a step will have to take the form of special legislation when the time is ripe. In these circumstances the Government hold strongly that the wise course is to follow the advice of the Currency Commission to exclude any references to gold coin from the Bill at present and to leave over to some future date, when the issue and circulation of gold coin has become a practical proposition, the question whether or not a gold coin in circulation should be legislated for in India. I have put down amendments on this point to omit all references to gold mohurs in the Bill, and will leave further argument upon it till we reach the clauses concerned.

It will be seen that in regard to the gold mohur the difference between the Government and the majority of the Joint Committee, though vital, is really in some respects a question of convenience and opportunity and expediency. It is agreed by the majority of the protagonists of the mohur that practical action to coin mohurs is not possible at the present time. So, even if a provision were to be included in the Bill, the practical position would not be greatly changed. No gold coin would be coined or put into circulation; but the position of the Government would be, to say the least of it, very unsatisfactory. Apart from the question of gold mohurs, there is hardly a single point in the technical portions of the Bill on which we in the Joint Committee have not succeeded in accommodating our view points very closely in an amicable manner. There has been give and take on both sides. I gladly recognise the extent to which concession has been made by some who held a strong view on certain points in order to reach agreement, and I hope that they too will recognise that I, on behalf of Government, have done my best to accommodate my view point where I did not regard matters as absolutely vital and accept a decision on a point which I should have preferred to deal with in a rather different way. This general desire for harmonious settlement on the points in dispute is, I say, a happy augury for the work which this Assembly is going to do in the next fortnight.

The other point remaining unsettled is not a technical point at all. It has no relation to the new currency standard and leaves unaffected the functions and methods of working of the Reserve Bank once it has

come into existence. It is a difference concerning the constitution of the Bank and the method of framing the Directorate. There is practical unanimity as to what the Reserve Bank is to do. The difference of opinion is in regard to the method of constituting the Directorate that is to do the work. The proposal of the Currency Commission accepted by the Government and incorporated in the Bill originally introduced in this House was that the capital of the Bank should be obtained by inviting subscriptions from private shareholders, and that apart from the non-voting Government official who is to be a member of the Board, the Board should consist of 14 Directors, of whom five, including the Governor and the Deputy Governor, will be nominated by Government, and the other nine elected by the shareholders. The Joint Committee decided at their first meeting that the whole of the capital of the Bank should be subscribed by the Government of India thus getting rid of the shareholders altogether, and having got rid of the shareholders, as there were no shareholders to elect the members of the Board, some other constituency or constituencies had to be framed. Eventually the majority have adopted the scheme which is now in the Bill. Under it, four members of the Board including the Governor and the Deputy Governor are to be nominated by the Government.

Mr. President : I do not wish to interrupt the Honourable Member in any way, but there is one difficulty which the Chair feels in connection with the speech he is making. I understand the motion he is making is that the Bill, as reported by the Joint Committee, be taken into consideration. He is perfectly in order in so far as he advances arguments in support of that motion. I am not sure—and I am glad the Honourable the Law Member is here to help us in the matter—how far the Honourable the Finance Member would be in order in advancing arguments against his own motion.

The Honourable Sir Basil Blackett : I see no reason why I should not do so when moving the motion that the Bill, as reported by the Joint Select Committee, be taken into consideration. I accept all that it has got to say on the technical clauses. I see no reason why we should not be wiser from the recommendations of the Joint Committee and amend the clauses raising the constitution of the Bank in a way which I have indicated.

Mr. President : The Honourable Member is perfectly right in saying that the House is entitled to go outside the recommendations of the Joint Committee and improve upon those recommendations, but whether the Honourable Member himself would be justified, after making the motion that the Bill, as reported by the Joint Committee, be taken into consideration, in advancing arguments against his own motion is not a question free from doubt. That is the difficulty which the Chair feels and on which the Honourable the Law Member will be good enough to enlighten us.

The Honourable Mr. S. B. Das (Law Member) : Sir, I regret that this matter should be put to me without previous notice, because I have not had time to consider it. But I should have thought that the motion

[Mr. B. Das.]

that the Bill, as reported by the Joint Committee, be taken into consideration is a formal motion on the part of Government who alone can make that motion having regard to the fact that the Bill is introduced by the Government Member. I should think, Sir, that there would be nothing objectionable in the Government moving amendments to the Bill and in suggesting for the consideration of the House the amendments that the Government propose to move. That is how it strikes me. The question has come to me rather as a surprise.

Mr. President : If the view advanced by the Honourable the Law Member is carried to its logical conclusion, the Honourable the Leader of the House can make a motion that the Bill, as reported by the Joint Committee, be taken into consideration and yet make a speech asking the House to oppose it and throw it out. That would be the logical result.

The Honourable Sir Basil Blackett : I submit, Sir, that there are many precedents for a thing like this in this House for speeches by Members of Government on bringing back a Bill from a Select Committee or a Joint Committee in which they have differed proposing to make amendments in the Bill. I submit, Sir, that I am not the mouth-piece of the Joint Committee, I was just one member of it—I was not even the Chairman—and that I am in order in speaking on this motion in the sense that, while I am in agreement with a large portion of the Joint Committee's Report, and am desirous that this House should take it into consideration, I hope when this House does take it into consideration, it will make certain amendments.

Mr. President : It is a very difficult question indeed. Personally I am not satisfied that the Honourable the Leader of the House is really in order in advancing arguments against his own motion. The more proper course would have been for any one member of the majority of the Committee to move a motion that the Bill as amended by the Joint Committee be taken into consideration, and then for the Honourable the Leader of the House to move his amendments against the recommendations of the Joint Committee. If this course is not permissible under the Standing Orders, the Leader of the House should have moved that the Bill, as reported, be recommitted to the Joint Committee or recirculated for opinion.

The Honourable Sir Basil Blackett : Sir, I will take advantage of your ruling, and I propose to continue. I would, however, with respect submit that the motion to take the Report of the Joint Committee into consideration is not a motion requesting the House to take into consideration and pass the Bill as reported. There are at any rate many precedents for the course which I am now adopting.

Mr. President : I would allow the Honourable the Leader of the House to proceed with his arguments without committing myself to any ruling. This should not form a precedent; the Chair allows this procedure, as a special case. It is really a question whether a member is in order in making a speech against his own motion.

The Honourable Sir Basil Blackett : I am not advancing any arguments against my own motion, Sir.

Mr. President : The Chair has its own view about the Honourable Member's speech.

Mr. K. O. Neogy (Dacca Division : Non-Muhammadan Rural) : Sir, may I draw your attention to Standing Order 44 which deals with the procedure after presentation of the Report of the Select Committee. Clause 1 says :

“ After the presentation of the final Report of a Select Committee on a Bill, the member in charge may move that the Bill as reported by the Select Committee be taken into consideration,”

and so on. Then clause (b) says that he may further move—

“ that the Bill as reported by the Select Committee be recommitted either—

(i) without limitation, or

(ii) with respect to particular clauses or amendments only, or

(iii) with instructions to the Select Committee to make some particular or additional provision in the Bill;

or (c) that the Bill as reported by the Select Committee be recirculated for the purpose of obtaining further opinion thereon.”

I think, Sir, on a reading of this Standing Order, it is not quite clear that the Member in charge who alone has the right to move that the Bill as reported by the Joint Committee be taken into consideration, necessarily commits himself to that particular Report.

The Honourable Sir Basil Blackett : Sir, I will now proceed with the motion that the Joint Committee's Report be taken into consideration. The Joint Committee by a majority recommended a Directorate on the following lines. 4 members of the Board to be nominated by the Government, including the Governor and the Deputy Governor ; 3 elected by the elected members of the Central Legislature, 3 elected by the elected Members of the Provincial Legislatures, two each elected by the Federation of the Indian Chamber of Commerce and the Associated Chambers of Commerce, and one by the Provincial Co-operative Banks. When the original decision was taken in the Joint Committee against the proposal to have a shareholders' bank, it seemed to me at first that the meaning of the vote was that the Board of the Bank should be under the control of the Government and of the Legislature. This is what I understood it meant by a State Bank, and it still seems to me to be the natural meaning of a State Bank. It is indeed difficult to see how the Board of a Bank, the whole of whose capital is subscribed by the Government, can be made entirely independent of it. It proved, however, that this was not the view of the majority. The Committee agreed that it was fundamental to the idea of a Reserve Bank that it should be completely independent of the Government and the Legislature, free to conduct the business of the Bank on lines of prudent finance and in accordance with the directions of the Statute under which it came into being, without being subject to any, direct or indirect political influence. The question of share capital in these circumstances became largely a question of convenience and expediency. Whether there is share capital or not, the Bank is not to

[Sir Basil Blackett.]

be a State Bank in the sense of being under the control of the State. It was, however, felt by the majority of the Committee that with shareholders the Directorate might possibly fall under the control of vested interests and I do not think I should be doing the majority an injustice if I say that what they particularly feared was that the Directorate might be non-Indian in outlook or might even have an anti-Indian bias. I do not, and did not, think that these fears were justified, but though the Government still felt and feel that the original plan for a shareholders' bank is the wisest, I endeavoured to co-operate with the Committee in framing a Bank without share capital that would surmount the many and various difficulties which such an attempt involved. I do not want at this stage to enter into the details of the various possible alternatives and the particular difficulties attaching to each of them. In the end we failed to come to any agreement. I do not think that we should be much blamed for this. The negative result of the discussion goes to show that the task of framing a suitable plan and securing a suitable Directorate that will work efficiently—and remember it will have enormously responsible functions—and will be completely independent of the State, is extraordinarily difficult unless you adopt the device of shareholders. It is a device well understood the world over that has been almost universally adopted in those countries who have set themselves the task of establishing an independent central bank and has proved its value by the test of experience. It has the merit of making the members of the Board responsible for money which they themselves have contributed out of their own pockets and responsible to shareholders to whom they are accountable for the money which they have contributed out of their pockets and not merely responsible to their own consciences. It has the further merit of providing a ready-made constituency for the selection of a representative Directorate. On the other hand, the scheme now framed in the Bill is in the view of the Government very far from securing full independence of the Bank. It intrudes other things, such as politics into the question of the selection of a business board in a way that in the view of the Government can only mean bad business and bad politics. It leaves the Board in the air, theoretically responsible to no one, and for that reason and for the reason that the State will find the whole capital, is likely in the end to become subservient to the Government and the Legislature; and incidentally it involves a serious departure from the straight constitutional path in proposing to use members of the Central and Provincial Legislatures for purposes entirely foreign to those for which they were elected. I am inclined to think that the proposers of the scheme are themselves not entirely satisfied with it and are conscious of its drawbacks, and it is mainly because of our difficulty in finding any really satisfactory solution that they fell back on this particular one. It may be asked, why then does the Government not continue to join them in finding a *via media*? Why does it go back to the shareholders' plan? My answer is two-fold. In the first place, as the House is aware, the Government have been continuing the search for an agreed solution that would eliminate shareholders provided that they could be sure that that solution would embrace a settlement of other disputed points, and, in particular, would lead to the framing of a Directorate suitable and representative but not in any way dependent for its electorate

upon the Legislatures, Central or Provincial. The second part of my answer is that the Government believe that the proposal they have now put before the House is really a *via media*. It is entirely different from the original plan contained in the original Bill, in almost every particular except in the particular of share capital. We have considered sympathetically the various objections put forward in the Joint Committee and in the Press. We had and have no desire to run any risk of the Directorate being such as to be potentially non-Indian in outlook or to fail to secure the full confidence of the Indian people. I do not think our original plan involved any such risk, but if it is thought to be open to such objections we are anxious—indeed determined—to do our best to amend it in such a way as to make assurance doubly sure. I think really all want the same thing. We want a Board of capable and businesslike men, of wise and mature outlook, fully conscious of their immense responsibilities, a Board with full and sympathetic understanding of Indian requirements and widely representative of India as a whole, a Board which will devote itself wholeheartedly and in singlemindedness to the business of making a success of the control of currency and credit in the interests of India, a Board which will be Indian in outlook and largely Indian in composition; how can such a Board be framed? The Government have taken note of the views expressed in the Joint Committee and they have deeply pondered over them. The plan framed by the Committee will not do. The Government are not prepared to accept it. In their opinion, it would be preferable to lose the Bill altogether rather than to accept that proposal as it stands. But the work of the Joint Committee will not be lost. The discussions in the Committee have been very fruitful in suggesting lines of thought and points of approach. The Committee were prevented by their original decision from going back on the question of having share capital. But since the Committee's work terminated, it has seemed to me it was just this difficulty which prevented the Committee from finding an agreed solution. In the absence of shareholders it is very difficult to frame a constituency wide enough to secure representation of the whole of India. We do not want them at all to represent narrow or sectional interests. The Board cannot be answerable to the Government, and in the absence of shareholders there is no one to jog the conscience of the Board when it becomes too easy going. Why not combine the original plan of share capital with all that is best in the various alternatives? This is what the Government have tried to do in the plan that is now put before the House. I am strongly tempted to think that, if on the Committee the majority had been willing or able to go back to the starting point, they would have come to an agreement on very much the sort of plan that the Government now put before the House. First of all, as to the Indian character of the Directorate. The Government are in full agreement with the majority that it is desirable that the Board should be predominantly Indian, while not excluding the opportunity for that co-operation of European business experience with Indians which I regard as essential to the rapid and favourable development of Indian business and in particular Indian banking. The Government proposals ensure this result. We have dropped the proposal that some preference in the allotment of the original shares should be given to the shareholders of the Imperial Bank. Instead we propose to reduce the nominal value of each share from Rs. 500 to Rs. 100, and to make provision that preference

[Sir Basil Blackett.]

in allotment shall be given to the shareholder domiciled or ordinarily resident in India. We further propose to fix the dividend at 6 per cent. cumulative instead of the original maximum of 8 per cent., a gilt-edged investment offering 6 per cent. and offered in shares of Rs. 100 each at par will be attractive to the small shareholder and within the reach of a very large number of small shareholders, and we shall thus ensure that the shares of the Bank will be widely distributed and predominantly in Indian hands. The strict limitation of the voting power of large shareholders will prevent the Bank from falling into the hands of the capitalist. In the matter of the constitution of the Directorate we have also taken most of the ideas that were put forward in the Joint Committee and incorporated these in the Government's new proposal. We propose that instead of 9 shareholder Directors being nominated by the Government for the first Board, 5 only should be nominated and 2 should be allotted to the Federation of the Indian Chambers and to the Associated Chambers, thereby meeting one of the objections which were raised that the Government would be entirely responsible for the first Board. We propose that there should be 3 Directors nominated by the Government as before in order that the Government may be free to secure adequate representation for any of the communities or localities or interests that might otherwise have been under-represented or not represented. This is the solution that the Government have put on the paper for the consideration of the Assembly. I very much hope that the House will accept this new plan in the spirit in which we put it forward, not as a mere compromise framed with a view to conciliate as many as possible of the opposite view points, but as a new plan containing all that was best in the alternatives hitherto considered and overcoming most of their difficulties. By doing so we shall be following up the good work of the Joint Committee by arriving at an agreement on this one big outstanding point. Government are very anxious that we should, if possible, pass this Bill through this House not by a narrow majority in a heated atmosphere, but with a considerable amount of good-will all round. In the interests of the future of the Bank and of the work that it will be able to do for India, it is most desirable that it should not come into being in an atmosphere of violent conflict. It is for this reason that the Government, even at the eleventh hour, have been making a further attempt to see whether some plan other than the one which I have now indicated can be framed which while it will not, I am afraid, possess all the virtues of the shareholder plan, will be acceptable to a larger body of opinion than possibly might otherwise be the case. We are very anxious that there should be a settlement on reasonable and amicable grounds that will not lead to this Bill being discussed continually in an atmosphere of conflict. The Government believe that the shareholders plan is far more satisfactory than any which has yet been before them and they have other reasons for preferring it, namely, that the plan is one which would be understood in the rest of the world, and the rest of the world will feel that in dealing with the Reserve Bank of India, it is dealing with something which it can understand and whose constitution it can appreciate.

Before sitting down I wish to sum up the general situation as I see it. We are dealing with a Bill which I have ventured to describe as one of the greatest measures of financial liberalism ever brought forward

by the Government of India. The subject-matter of the Bill is technical, but even those who are not currency experts can appreciate the broad features of the measure. It transfers the control over Indian currency and monetary policy from governmental to non-governmental hands, from the Government of India and the Secretary of State to a non-official Indian business institution, entirely independent of the State, Indian domiciled and Indian in character, which will work in India, for India, along Indian lines, and it creates a Bank which will unify the control of currency and credit in India and provide the framework for the growth of a great co-ordinated banking system in India, an entire revolution in the financial machinery of India. We are fortunate in that the labours of the Royal Commission and of the Joint Committee have produced for our benefit a measure in which almost all the main technical points have been settled in a spirit of amity and compromise, it being recognised on all hands that the Bill must not be lost for want of a spirit of agreement on any points which are not vital. I hope the Assembly will agree to accept the settlement on all the technical points without making much modification. This leaves us only two points outstanding with which I have been dealing to-day, the question of the gold mohur and the question of the constitution of the Bank, the Directorate. On the first point I ask the Assembly to recognise that the difference of opinion is one which can best be settled by postponing. No immediate practical change is secured by including the gold mohur in the Bill. Whether the mohur appears in the Bill or not, any early coining and issue of gold coins is impracticable. Nothing will in fact be lost by leaving it out of the Bill. The time to come to a decision on it will surely be when it has ceased to be a hypothetical, almost mystical, problem and has become a practical problem for immediate action. On the second point I hope the House will beware of being misled by labels. We are, I understand, divided into State bankers and shareholders bankers. I submit that we should be careful of our definitions. I have often heard the Bank of England described as a State Bank. It is a State Bank in the sense that it does Government business and controls currency. But it has shareholders and is entirely independent of the Government. If by a State Bank, however, is meant a bank which is under the control of the Government and answerable to the Government, then it is agreed among us all that we do not want a State Bank. The difference between a State Bank and a Shareholders' Bank is an unreal one. Whether there are shareholders or not this bank is not to be a State Bank. It will not be directly or indirectly responsible to the State. It is common ground between us that it must be independent of the State. It is also common ground between us that it must be Indian in character and Indian in outlook. What then is the meaning of this acute controversy? If the difference of opinion is on the question whether the Legislatures are to elect members of the Board, then I agree that the difference is real and irreconcilable. But I do not believe that this is the real issue, and if it is, I am convinced that business opinion in India generally does not support the view that the Legislature should have anything to do with electing members to the Board of the Bank. In my view, the sole question really at issue is how best to secure both now and for the future a suitable Board for the Bank. The question of shareholders or no shareholders is mainly a question of means to an end. The

[Sir Basil Blackett.]

view of the Government is that the device of shareholders is the one best calculated to secure the best and most representative Board. They have modified their original plan in order to meet the criticisms levelled against them, and they now set before the Assembly a *via media* which they think ought to result in meeting all the essential data of the opposition. The detailed discussion on these questions must be left till we come to the clauses of the Bill. If we must differ on these questions, we must, and we must recognise that our differences are likely to lead to the loss of the Bill altogether. I believe it to be a measure of very great value to India and for that reason and because of the keen interest that I have taken in the framing of the measure over many years it would be a great disappointment to me personally if the Bill were to fail to reach the Statute-book. I have given of my best and it is natural that I should feel some pleasurable anticipation of seeing the reward of all the skilled labour that I and others have put into this work of art in its completion. I have a feeling of pride in the model which has been created. But I would a thousand times rather retain that model in all its pristine beauty and retain unsullied the vision, though unfulfilled, of the edifice to be built after that model than agree to take part in the erection of a monstrosity, a bastard and reformed caricature of the model in which I took delight. After all the model will remain unsullied for me though the vision might recede into the far distant future, and the responsibility for the failure to realise that vision in concrete form will rest with the Assembly. The Government have gone to the limit of concession. If they are not met in a corresponding spirit the responsibility for doing a great disservice to India will fairly and squarely fall on the shoulders of the opposition and the world which, as I said, is taking a considerable interest in what is going on in this matter in India will come to the conclusion, perhaps not unjustly, that not only is the proposal to hand over the control of Indian currency and finance into the hands of an Indian institution premature and hazardous, as many critics are saying, but also that the people of India do not want it. But surely this will be a wrong conclusion. We are unanimous in desiring a Reserve Bank. Are we going to throw away our opportunity, perhaps for decades, for want of agreement as to details. Let us be quite sure before we make up our minds that the quarrel is really about vital matters. While we are still at the stage of the general consideration of the Committee's Report, let us make up our minds that for the sake of any points that are not absolutely vital we are not going to leave our currency system in an unsettled state, we are not going to risk losing for India all the expert labour, all the hard work of the Currency Commission and the Joint Committee and all the days and months and years of toil that have been put into framing this measure, but that we are going to do all that in us lies to secure that, when we have finished, we shall have put safely on the Statute-book a Bill which will be a landmark not only in the financial but also in the political and constitutional history of the Indian Empire. Sir, I move.

*Pandit Madan Mohan Malaviya (Allahabad and Jhansi Divisions : Non-Muhammadan Rural) : I rise to support the

3 P.M.

Report of the Select Committee before this House.

It is an unfortunate circumstance that this task should fall upon me, but

* Speech not corrected by the Honourable Member.

in the circumstances of the case it is inevitable. It was thought that when the Government got the Assembly and the Council of State to appoint a Joint Committee of the two Houses consisting of 30 members, the decisions arrived at by that Committee would be acceptable to the Government. We have found to our regret that that is not so. Matters which were decided after long and anxious consideration by the Joint Committee and by a substantial majority of votes have been cast aside by the Government so far as they are concerned, and we have heard from the Honourable the Finance Member that the Government are not prepared to accept the recommendations of the majority of the Committee. This, Sir, is unfortunate. But, however, we are face to face now with the situation. The Honourable the Finance Member agreed to the appointment of this Joint Committee. He agreed that the matter should be investigated by the members of the Committee. We discussed it and arrived at conclusions. If the Government were determined and had decided in the light of the wisdom of the Honourable the Finance Member and those who advised him that a share capital bank was the only bank to which they would agree, I submit it was not fair to the Members of the Council of State and of this Assembly to ask them to spend their time on the Joint Committee. The Government should have told us when the Bill was introduced in this House, as the Honourable the Finance Member has now told us, that they were adamant on the question of a share capital bank. They did not do so. We arrived at a conclusion after discussing the matter and I submit the Government were bound in honour and in fairness to accept the decision of the majority of the Joint Committee and not to question it. The Honourable the Finance Member has told the House his reasons for preferring a share capital bank. His main reason, as he has told us, is that this is a big scheme which he has put forward. An era of the systematic financial administration of the country is going to be ushered in and therefore the Government are anxious that the Directorate of the Bank should be a satisfactory one, and he cannot find any Directorate more satisfactory than a Directorate appointed by shareholders. It is only because he wants the shareholders to give us a good Directorate, as he considers it, that he sticks to the idea of a share capital bank. Now, Sir, I submit that there we do not agree with the Honourable the Finance Member. There are numerous joint stock companies and concerns, and I think there are at this moment in this Assembly many distinguished members of banking corporations and companies who can testify that, unless some shareholder begins to be mischievous or holds strongly to some idea, the average shareholder cares but little who the persons elected to the Directorate are or how the administration is carried on so long as he gets his dividends fairly regularly. And I submit, Sir, that that is not a sufficient justification for asking us to accept the proposal of a share capital bank instead of a State bank. The question of a State bank is not a recent creation. For a long time past the Government have had this question before them off and on. When the Chamberlain Committee reported in 1913 they advocated the consideration of the question of a State bank. In a minute appended to the scheme which Mr. Keynes prepared he spoke throughout of a State bank. And this Commission, with whose report we are concerned now, also considered the question of a State bank. There were two matters present before the members of the Committee. One was that there was already in existence a share capital bank in the shape of the Imperial Bank of India which was supported largely by Government balances, and there was a strong

[Pandit Madan Mohan Malaviya.]

body of opinion that this Imperial Bank of India should be enlarged and expanded into the State bank. It was urged that the Government of India had helped the Imperial Bank of India with enormous balances and had enabled them to declare very handsome dividends for as long a time as possible, and it was said that the Imperial Bank of India, having been greatly brought under the operation of the Imperial Bank of India Act, 1920, and the Government having a control over it through the nomination of the Governors by the Governor General in Council, the next step was to expand the Imperial Bank of India into a State bank; that the shareholders might be bought out, and there might be one State bank that would receive the support of the Government. Our Honourable friend, Sir Purshotamdas Thakurdas, whose labours on the Royal Commission we have more than once gratefully acknowledged, said at page 119 of his minute :

"The main question to be determined in regard to the authority to which shall be entrusted the working of the Indian currency system is whether, as recommended by my colleagues, the new Bank should be started to exercise the functions of a central bank or whether the Imperial Bank of India, which now performs some of the functions of a central bank, should be developed into the Central Bank of India.

The first scheme would involve the existence of two banks working side by side, each supported, wholly or in part, by the user of the Government balances. Whilst fully appreciating the reasons which have induced my colleagues to propose the creation of a new central bank, and recognizing that this is perhaps the ideal system in the special conditions of India, I am of opinion that the ends in view, for as far ahead as we can see, will be better served by developing the Imperial Bank of India into a full-fledged central bank."

Now, Sir, this was from Sir Purshotamdas Thakurdas. Other critics of this proposal have strongly supported the same idea that the Imperial Bank should be developed into the State bank. Among the many who have written on the subject I would refer to only one, Mr. B. F. Madon, who too has rendered very great services to the motherland in the discussions on the 1s. 4d. or 1s. 6d. ratio and on this question of the Reserve Bank. He too urged the same.

Now, Sir, when the Commission decided that the bank should be a new bank and when the Joint Committee met in Bombay to consider whether we should support the idea of a new bank being created, or whether we should support the idea of the Imperial Bank being enlarged, many of us felt that we should minimise the points of difference between the Government and ourselves, and for that reason we agreed to drop the idea of discussing the question of the Imperial Bank of India being expanded into the Reserve Bank and agreed to accept the proposal of the Commission that a new bank should be created to be called the Reserve Bank. I submit, Sir, that that was a concession to the opinion of the Government and the Commission on that point, in the desire that the points of difference between them and us should be minimised. We regret, however, that the attitude that we took up has not been appreciated. The question now is, what is the better course for the Assembly to recommend and adopt? The Honourable the Finance Member says, "a share capital bank is better." I submit, Sir, it is not. Will the Honourable the Finance Member or anyone speaking on his side tell me if there is any other country in the world where the Government of the country supports two banks by its loans and by its cash resources and by giving them all the advantages in the

manner in which the Imperial Bank of India and now the Reserve Bank are to receive support now ? I submit, Sir, that there should be so much anxiety shown to have a share capital bank shows that the Government have not realised the position of those who have supported the idea of a State bank. Why do you want the share capital ? The Honourable the Finance Member says, "Not for the money, but because the shareholders will bring pressure to bear upon the Director whom they will elect to act correctly according to his conscience and not sacrifice his interest." Now, Sir, there will be, according to the proposal of the Finance Member, shares of Rs. 100 each for a capital of Rs. 5 crores. That means 5 lakhs of shares. Are these shares going to be held by individuals ? Is there to be a limitation that none should hold more than one share, as my Honourable friend Mr. Joshi suggested ? Is it going to be laid down that any banker might purchase shares of Rs. 1 crore—a lakh of shares ? I heard this morning that there is one gentleman in Simla to-day who offers to purchase shares worth a crore of rupees, that is a lakh of shares, if the share capital bank comes into existence. Are these people going to be allowed, a few of them, to purchase shares and to boss over the bank ? Or is there to be a limitation of one share each or of 10 shares each ? I take it that the Government will not easily agree to one banker purchasing shares to the extent of a lakh of shares. But I wish to know, Sir, even if the shares are limited to one share each, does anybody seriously think that these shareholders, scattered over all parts of the country, not having anything to bring them together and to educate them on these questions, not having the guarantee that as individuals they will have the outlook that is needed in the management of the concern of a State bank, that these men will be able to work together and put on the directorate of the bank men in whom this Assembly can confide ? I submit not. Experience has shown that the shareholders do not take very much interest in the election of the Directors. On the other hand, what is the loss that the country has suffered by the share capital bank ? If a share capital bank comes into existence, one gentleman, as I have said, to-day wants to purchase shares to the extent of a crore of rupees, one-fifth of the total shares. I am certain that he is only one of the many who wish to do so. There are others who would be willing to subscribe a crore each for the capital of this bank. What of those who have not got the money to purchase shares ? In any event, only a handful of persons can purchase shares. There are many who have no money to acquire shares. There are others who have objections of a more serious character to becoming shareholders in a bank and earning interests. Therefore the interest which these shareholders will earn will be earned by only a handful of men. On the other hand, if it is a State bank, the capital of which will be subscribed by the Government, every pie of the interest earned by the bank—and it will be an enormous amount—every pie of the advantage earned by the bank will be the property of the people of India as a whole, including all classes, all sections, from the humblest to the highest. Is there any reason why this interest, the profits which are earned by the people as a whole should be sacrificed and handed over to companies ? We have had long and painful experiences of company management. The railway companies are the first we have to remember. India lost between 800 to a 1,000 crores of rupees by the management of railway companies (*An Honourable Member* : "Mismanagement")—mismanagement if you please. You will remember, Sir, that when it was proposed that on the expiration of the term of the agreement between the East Indian Railway Company and the Government the management of the company should

[Pandit Madan Mohan Malaviya.]

be taken over by the State, Honourable Members of the Government, including my Honourable friend the Finance Member, so far as I remember, expressed their opposition to the idea. Sir Charles Innes spoke straight and strong against the idea. And in the last Session of the Assembly when the matter had become a *fait accompli* and the advantages of the State management of the Railways had been seen, Sir Charles Innes acknowledged on the floor of this House that the State management had proved very successful.

Now, Sir, we do not wish to go back to earn further experience at the further sacrifice of the people's interests. What interests have we here as the representatives of the public in bringing another company into existence from which a few persons will earn interest and dividends. What gain will that be to the general tax-payer? I submit none. It is said that it is much better that the shareholders should exercise a control over the Directorate. I submit it is a miraculous ideal. I submit, therefore, that the Government should definitely and decorously adopt the Report of the Joint Committee on this question of the State bank. The State bank, Sir, will be the property of the entire people of India; its capital will be owned by the entire people of India. The profits which it will earn will be divided among the entire people of India through the Government. Secondly, Sir, there is another very important reason. Hitherto, the Secretary of State and the Government of India under the existing constitution exercise control and carry out the financial policy of the Government of this country. We have two authorities. The Government of India may be overruled by the Secretary of State, but the Government of India have a right and the duty of making representations to the Secretary of State on all questions which arise. And we remember with satisfaction that the Government of India have several times fought against the proposals of the Secretary of State in the interests of the tax-payer of India. Now, Sir, what is proposed is that the Secretary of State should be divested of the power which he exercises over the control of currency in this country and that that power should be vested in the Reserve Bank to a large extent. I submit the Secretary of State and the Government of India together constitute two bodies which discuss and settle questions of finance with regard to India. You are eliminating the Secretary of State and you are leaving the Government of India alone to deal with the situation on the spot, and our friend the Honourable the Finance Member has told us in what subtle way the Government of India will exercise that influence. He told us that in Bombay. I do not want the Government of India to exercise any control over the Reserve Bank and I want the Bank to be utterly responsible to the Legislature. In every scheme that has been proposed we have agreed with the Government that the Governor General in Council should have the power to nominate the Governor and the Deputy Governor. We have also agreed that he should have the power to nominate two other persons in order to provide representation for any interests that may not have come in in other ways. In every scheme that we have discussed so far we have agreed that the Governor General should have the power of nominating 4 persons out of the 15 on this Board. Will that not be exercising influence on the Directorate? Certainly it will be.

The Honourable Sir Basil Blackett : Certainly not.

Pandit Madan Mohan Malaviya : Then, Sir, I say, most certainly, most emphatically. Will the Honourable the Finance Member tell me whether he is seriously asking the Assembly to believe that he is proposing to this Assembly that the Government of India should not exercise a direct control over the management of the Bank, that they will not appoint the Governor and that in choosing the Governor whom they have the power to appoint and whom they have the power to dismiss at any moment they will not take care that they put in a man in whom they have the utmost confidence ?

The Honourable Sir Basil Blackett : It would be absolutely contrary to my whole notion of the Bank that the Government should exercise any control whatsoever over the Bank. That is the fundamental principle on which the proposal is based.

Pandit Madan Mohan Malaviya : That principle is entirely opposed to the existing facts in relation to State banks, as I shall presently show and I hope that the Government of this country will never be so unfortunate as to accept the view which the Honourable the Finance Member has just now expounded. Now, Sir, this Bank is to have control of credit in this country. It will be able in one moment to make the money dear throughout the land. It will be able to make money easy throughout the land when it so chooses. It will adopt all the steps that have been enumerated in the Bill which are all of the most serious character. It will have power to adopt all these steps. It will do all the business for the Government which are enumerated in the Bill. The Honourable the Finance Member might repeat what he has just now said a hundred times, but he will not be able to persuade me that he means seriously that the Government of India should not exercise any control over the management of such a Bank. If the Government were not to do so, it will fail to do its duty by this country. Here let me tell the House something about banks in other countries and what the Governments are doing for them. But before I come to it, I wish to point out that the position of the Bank of England and the position of the State Bank in India are quite different, in that the Bank of England is an old institution. It has been built up, like all other English institutions have been built up, by a number of accidents, as one of the English historians has put it, and the Bank of England stands to-day where it does. Let us see what other countries have done. In modern times, there is no country which has worked out its financial problems of administration on a more scientific basis than Germany. In the Bank of Germany, there is a statutory board of five curators, the Premier and one man appointed by the Government and three by the Legislature. The Board of eight managers are all appointed for life by Government on the nomination of the Legislature. Its resolutions are subject to the restriction and direction of the Premier and a committee of 15 to be elected by the shareholders in a general meeting. The functions of the committee are purely advisory. The power of control rests with the Premier and the persons appointed by the Legislature. This Act, I am told, was in force till it was modified in 1924. But even so, Sir, we have got this model which lasted in Germany for such a long period and it is also followed in other countries. Then, Sir, coming to Norway, in the Bank of Norway there are three supervisors elected by the Legislatures and there are five managers, two of whom, the Governor and the Deputy Governor, are named by the King after hearing the supervisors

[Pandit Madan Mohan Malaviya.]

who are elected by the Legislature and the remaining three are to be appointed by the Legislature. The control rests in the supervisors who are all elected by the Legislature and the details of the management rest with the five managers who have powers nearly similar to the five managers in the Bank of Denmark. In that Bank, one director is appointed by the Government, the President and six directors are appointed by the Legislature and what is more, they are to be responsible to the Legislature. We are not asking that the directors of this bank should be responsible to this Assembly. Then in France the Governor and the two Deputy Governors, both are appointed by the Minister of Finance and are subject to dismissal by him. Then, Sir, in other places you have the Bank of Belgium where the Governor is appointed and is removable by the Government. Six directors are appointed by the shareholders. Then you have the Bank of Denmark. A Royal Commissioner is appointed to supervise and he takes the Chair at all meetings, but he does not vote. The President is appointed by the King. I submit, Sir, in all these cases the Governments of the countries in question have taken care to see that the Government authority should exercise control over the appointments of the directorate of the Bank in order that it should be satisfied that the Bank is properly managed. Therefore I submit that the proposal so far as the Government is concerned is the right one. I am supporting the proposal that the Governor General in Council should have the power to appoint the Governor, and the Deputy Governor, and of nominating two other directors; and I submit, Sir, it is perfectly right. I hope this Assembly will never become a party to any Directorate of such a Bank being constituted over which the Governor General in Council will not exercise influence to that extent.

Now, Sir, what is the next provision? What about the Legislature? You are eliminating the Secretary of State, who, taking all the disadvantages into account, was another authority with which problems of Indian finance were discussed, and he had experts to advise him. If you are eliminating the Secretary of State, what is the guarantee you give to this House that the Directorate shall be a satisfactory one? You say shareholders. Shareholders will not go down the throats of the Members of this House. Is a shareholder, who has managed to purchase a share, or ten or a hundred shares, to be trusted to exercise his duties better than the elected Members of this Assembly and of the Council of State? I submit not. Then it comes to this, that the Government, in spite of all that the Honourable the Finance Member has said, has kept its control over the management of this Bank through the appointment of the Governor and Deputy Governor and two nominations. The Legislature represents the vast bulk of the people of India. It is not jealous that there should be certain persons appointed to represent commerce and industry. We also agreed, Sir, that two Directors should be elected by the Associated Chambers of Commerce. That was the Government proposal at one time. We agreed to it. We agreed also that two more Directors should be appointed by the Indian Federation of Chambers. That brought us to 8. We also agreed that there should be 1 Director appointed by provincial co-operative banks. That brought us to 9. Now in this arrangement the Government had 4 nominations, commerce and industry had 4 nominations, the provincial co-operative banks, which represent agricultural interests and to represent which interests we suggested the provincial co-operative banks as an electorate—they will have

one seat ; and then we suggested, these being representative of special interests and mostly capitalist interests—commerce and industry—that there should be some provision for the appointment of some Directors who could be expected to represent the general mass of the people of India, not merely the general tax-payer but the general mass of the people of India. The policy and the operations which this Bank will pursue and carry out will affect the humblest of the humble people of this Indian Empire ; and I ask this House whether it is unreasonable to ask that 3 out of the 15 Directors of the Board of this Bank should be elected by the elected Members of the Central Legislature, namely, of the Council of State and of this Assembly ? These elected Members have been elected on the electoral rolls kept by Government, they are elected under rules laid down by Government, they come from all parts of the country, and they are elected by a larger body of electors than will be found in any constituency that has been dreamed of so far in connection with this Bank. And it also happens that they are a small number, a hundred Members in the Assembly and 34 in the Council of State. They together constitute 134 electors. Every year it is their duty to meet here. They met this morning ; and it is perfectly easy for them to meet together to discuss the matter and to propose 3 men whom they consider to be most qualified, most competent to look after the interests of the public. No other electorate is more certain to meet or to have the majority of its members meeting together than this electorate. And whom do they represent ? These 134 members represent every conceivable interest in the land. They include Europeans, Mussalmans, Christians, Hindus, Jews, Parsis, Sikhs, and all. They will be 134 in number ; and there is very little likelihood that these 134 electors would select any one but him whom they consider to be competent and qualified to sit on the directorate of such a bank. Therefore, I submit that the reason urged for preferring a shareholders' bank, namely, the possibility of getting a more responsible directorate than is otherwise securable, will not hold water. We come back to this, that the shareholders' bank will entail a loss of interest upon the general public without securing to them any advantage ; and I submit, Sir, that the Honourable the Finance Member has not been able to give us any reason why we should take that course. What it comes to is this : whether the directorate suggested is a satisfactory one ; and I submit it is perfectly fair that we should argue that matter with all the courtesy and consideration due to every proposal emanating from this part of the House and judge it on the merits ; and after judging it on the merits, if we feel satisfied that the Honourable the Finance Member has suggested an electorate which creates greater confidence in our minds, I certainly would expect the Members on this side of the House to give it their best consideration and if they are satisfied to accept it. On the other hand, what I pray for and what I wish is that the Honourable the Finance Member will be equally prepared to weigh the arguments, to consider the matter and if he found that he could not suggest an electorate more likely to create confidence than the one that we have proposed, he should accept our proposals. But I am sorry to find that he has said that this is a difference which is irreconcilable. Irreconcilable ! Why should it be irreconcilable ? Is it a matter which is being pressed merely from the point of view of urging a proposal which has been taken up by one side or the other side ? It is not so. We have given the matter our most anxious thought. We have considered it from every possible point

[Pandit Madan Mohan Malaviya.]

of view. The Joint Committee carried the proposal in Calcutta by a majority ; and I submit the Government ought cheerfully to accept it. What will be the result if the Government did accept that proposal ? If the Government agree that three of these Directors should be elected by the Central Legislature, it will at once secure the confidence of the elected Members of both parts of the Legislature. Therefore, it will secure the confidence of the entire educated community throughout India ; and I submit it is a big proposition worth consideration even by the Government of India, that it should secure the confidence of the entire educated community of India and of the representatives on this side of the House. This bank is a new venture ; it is coming into existence as an experiment in India and it needs all the careful support that it can get and we are anxious to give it all that support, and I want that that support should be given on terms which will satisfy our consciences that we are discharging our duty to the people whom we have come here to represent. If we are satisfied on that point we are willing to accept any proposal which the Honourable the Finance Member may put forward which commends itself to this part of the House ; but, Sir, when we are told that the Legislature shall not be brought into this business merely because it is the Legislature, I wish to examine the point. The Government have proposed that a Member of the Legislature should not even be eligible as a director of the Bank. They started with that proposition when we met at Bombay. That proposition was overruled by a majority, but the Government are still considering or rather pressing that point against us. Now, I submit that the Legislature here stands on a different footing from the Legislatures in some other countries. Sir, this is a new experiment, and the Legislature has come into existence only recently. We have not many such institutions in this land as can be trusted to safeguard the financial interests of the country to the same extent as for instance the institutions in England can. The Central Legislature, the Assembly combined with the Council of State, I submit, Sir, is the custodian, the chosen and accredited custodian of the interests and the rights of the people of India at present. This being so, it has its duty to perform in seeing that any powers which are given to the proposed Bank shall be exercised under conditions which will satisfy it that the interests of the people will not be sacrificed. In a share capital bank the Governor and the Deputy Governor will to a large extent mould the proceedings and operations of the bank. There may be a few Directors who will always be siding with the Governor, while there may be a few who may not be siding with the Governor. I do not want that there should be opposition between them, but I want that matters of interest to the public should be examined fully and faithfully and conclusions arrived at in the light of those considerations. But, Sir, if the Legislature is not given the power to elect its own representatives, what is there left to us ? The Honourable the Finance Member has proposed various schemes. I wrote to him yesterday to ask for proposals by which he proposed to appoint the 9 Directors, and I take it that those proposals still hold good....

The Honourable Sir Basil Blackett : I would ask the Honourable Member that, if he is going into all the various proposals that have been made at various times, he should take them all, and not the particular one which I may have sent him at a certain stage for examination. My

scheme has always been a shareholders' bank. It was for the Honourable Member to find some scheme which would satisfy the Government and which would include shareholders. I have suggested many, but for none of them do I take any responsibility.

Pandit Madan Mohan Malaviya : I take it then, Sir, the position is that the Honourable the Finance Member does not want to submit to us any definite scheme at the present moment except one for a shareholders' bank. Is that so ?

The Honourable Sir Basil Blackett : Yes.

Pandit Madan Mohan Malaviya : Then, Sir, it will be a waste of time now to discuss the various proposals which the Honourable the Finance Member had put forward regarding the directorate, and we must postpone it to a later stage of the discussion.

I submit, Sir, that the only reason that the Honourable the Finance Member has given for having a shareholders' bank is that it will enable him to have a directorate elected by the shareholders. That, I submit, is very insufficient to satisfy us, and I doubt if these shareholders will be able to bring greater knowledge to bear upon the election of directors than the Members of the Central Legislature, and I do not know if it is right for the Honourable the Finance Member to ask the Legislature to constitute a bank to which it should not have the power of nominating Members of the Legislature. At present we can discuss the policies and the operations of the Government of India. We know what policy the Government of India have pursued sometimes in regard to the question of the ratio ; we know what operations they have performed even during the last 12 months. Now, Sir, all these questions we can discuss fully and freely on the floor of this House. But once the Reserve Bank is constituted, and particularly if it is a shareholders' bank, we shall be met with the answer, " Oh, this is a matter for the Bank ; why should the Government be brought into it ? The Legislature has co-operated with the Government in bringing the bank into existence and has entrusted it with the power of dealing with all these questions. It is therefore improper for the Government to interfere with its management by raising these questions here ". I say, Sir, that we shall be completely shut out. All the time the Honourable the Finance Member, whoever he may be at the time, will be certain that he will be able to exercise his influence over the management of the bank through the Governor whom the Governor General in Council will appoint and whom he has the power to dismiss. I submit, Sir, it will place the Assembly and the country in a very disadvantageous position. I submit it will mean that instead of a bank being run in the interests absolutely of the people of this country, the bank may be run and managed in such a manner as to disregard and sacrifice those interests without the Assembly having sufficient opportunity or the means of controlling or checking the operations of the bank. I do not think, Sir, it is fair to ask the Assembly to place itself in that position. We further proposed that there should be 2 seats for elected Members of the Provincial Legislative Councils. Our reason was this. The Honourable Member himself has admitted the difficulty of forming satisfactory electorates at this time to elect the directors of the Bank. We found the existing bodies

[Pandit Madan Mohan Malaviya.]

unsatisfactory. We therefore felt that the elected Members of the Legislative Councils are elected from a vast number of people; they represent the people of the districts and are in direct touch with them. We felt that if 3 directors are elected from these elected Members of the Provincial Legislative Councils they are likely to be men who will safeguard, protect and promote the interests of the people. We therefore urged that 3 should be elected by these Provincial Legislatures. Now, Sir, I have not yet heard of any scheme which will better ensure the protection and promotion of the interests of the people as a whole. But the Honourable the Finance Member is not convinced. He made a remarkable speech this afternoon, Sir. He told us, first, the reasons of his preference for this share capital bank. He told us of the labour which he had bestowed upon it. He told us that it was a great thing that was going to be established in India and that it would be a great boon to the people. I venture, Sir, respectfully to differ from him. I doubt very much, Sir, if the Reserve Bank of India brought into existence in the conditions under which it is being brought into existence, having the powers which it will have and managed in the manner in which the Government propose, I very much doubt, Sir, whether that will be an advantage to India. The Imperial Bank of India is one Government-fed bank. The Reserve Bank will be another Government-fed bank. Between these two banks, Sir, between the two stones of the *sill*, I fear, Sir, that indigenous banking will be crushed. I fear that its growth will be very seriously hampered. All the resources of Government should be made available to promote banking throughout the land, to spread a net-work of banking and give as many facilities to the people as will enable them to earn a living and not starve and die as millions are doing to-day; but, I submit that for this purpose it is undesirable that there should be two Government-fed banks, that the Government balance should go to help the Imperial Bank on one side and give it all the prestige of being a Government bank for certain purposes and give the Reserve Bank the prestige of being the Government bank besides being the bankers' bank also. Look at only one proposal. Every bank which is to be brought into the schedule of those which will be connected with this Bank has to deposit a reserve to the extent of 5 and 7½ per cent. It is 10 per cent. now. Now, Sir, this 10 per cent. of the working capital of every bank which is to be brought under the benign influence of the Reserve Bank will carry no interest from Government. It will be a mere deposit. Now, Sir, any bank will have to pay interest to its shareholders and depositors, but the Bank will get no interest on this amount which it will deposit as its reserve and this reserve, I am told, Sir, will come up to 6 or 8 crores of rupees. Just imagine 68 crores of rupees being drawn away from these banks which are to be left to earn greater interest in order that they should pay interest on this money which has been locked up idly in the Reserve Bank. I am not satisfied that this Bank is going to bring them any real gain. I am talking of the shareholders' bank. Even if it is a State Bank, Sir, I submit that this proposal that every bank should make its deposit to that extent is a disadvantage. We fought against it and we lost, and the question must come up again before the Assembly for consideration. But as the matter stands, I submit that the Bank will not be such a great gain as the Honourable the Finance Member would lead us to think it will be. And here I cannot

do better than support myself again by the authority of my esteemed friend, Mr. Madon, who, in a letter dated the 25th August, in which he has sent me a number of matters which have helped me in this discussion, says :

" I have sent you separately yesterday four sets of news cuttings from the *Chronicle* giving my eighth article on the Reserve Bank Bill. This one article should suffice to show any unbiassed Indian that the thing which was being palmed off on India as a great boon was really a fraud and contained features that have been rejected by English bankers and financiers in their own case."

This is the opinion of a gentleman whose opinion is entitled to respectful consideration.

Now, Sir, are Indians alone so very chary of believing that this Bank will be an advantage? No, Sir. The name of Sir John Bell is well known to Members of this House. He was a member of the Joint Committee. He is the President of the Bengal Chamber of Commerce. I invite the attention of this House to his minute of dissent.

Sir Purshotamdas Thakurdas : He was President last year.

The Honourable Sir Basil Blackett : Sir John Bell has been careful to point out that the Chamber of Commerce do not agree with him.

Pandit Madan Mohan Malaviya : If the Honourable the Finance Member had had a little patience, he would have heard me quote the whole of the remarks. I need hardly assure the Honourable the Finance Member that I shall not try to win on this question by any unfair or underhand means. This is what Sir John Bell says :

" I have signed the Report of the Joint Committee appointed to consider the Gold Standard and Reserve Bank of India Bill, 1927, subject to the following Minute :

While the establishment of a Reserve Bank in India may be regarded as an ideal to be achieved in the future, I am not convinced that the present is an appropriate time.

In the first place, the Government of India have just carried through an important change in the currency system of the country, by stabilising the rupee at 1s. 6d. sterling. I consider that, for some time to come, Government, and no other authority, should be responsible for maintaining the ratio which has been adopted."

I submit, Sir, that this is an opinion which is entitled to weight. The Government ought not to be in such a hurry to carry this Bank through. But the Honourable the Finance Member says, and rightly says, that he has a natural affection for this Bank, that it is his child, that he has created it as a beauty which he loves and adores. You know, Sir, when a parent becomes a fond parent and is lost in admiration of the beauty of his child, his judgment becomes less reliable. Some friends "warped". It becomes partial. I cannot imagine, Sir, any parent who had a monstrosity as his child who could not but feel tender affection for that monstrosity, and I fear that my esteemed friend, Sir Basil Blackett, with all his ability as Finance Member, has lost himself in affectionate admiration of his own child, which is really a monstrosity to be cast outside this Assembly and never allowed to enter Government records again.

Now, Sir, the Honourable Sir Basil Blackett made a remarkable speech. He put forward arguments, appeals, threats, demonstrations down to abuse. I am always ready to listen with respect to any member of Government. They appeal to Indians to consider this question with

[Pandit Madan Mohan Malaviya.]

a sense of solemnity. Most certainly. Then, Sir, comes the threat. If you don't do this, then, they say, the responsibility will be on this Assembly and you will be doing a disservice to this country. Is that argument, Sir? (*The Honourable Sir Basil Blackett* : "Hear, hear.") My Honourable friend says, "Hear, hear", but that does not advance the point, Sir. He says we will be doing a disservice to the country if we do not accept this Bill. I challenge the Honourable Member to take it argument by argument and consider it. Let us make the whole House our judge. Let us weigh every argument. If we are wrong, we shall bow to him and accept his view, but if, on the other hand, we convince every Member sitting in this House, who is free to exercise his judgment and to vote according to his judgment that we have got a good case, that our case is better than that of the Honourable the Finance Member, then the charge of doing a disservice will shift back from our shoulders heavily to the shoulders of Sir Basil Blackett. Then, he does not stop there. He says "You are on trial". He says that the whole world is looking at what we are doing and the whole world will judge whether we have got the capacity to understand what a Reserve Bank is and how it should be constituted and how it should be managed. I challenged my Honourable friend to let our debates and our notes go before an impartial tribunal consisting of one French, one German, one American and one Japanese. Let us put the matter before them. It will then be a fair fight. Then, Sir, he threatens us and abuses us. He has got a certain number of nominated Members who are sitting in this House at his command. That is not fair play. The interests of India are at stake. The interests of 300 millions whom this Bill will affect are at stake. This Bill will affect the commercial and the financial destinies of vast masses of the population. We are as anxious as he is that the Bank should be started on the best lines. It should have a most unexceptionable Directorate that will satisfy everybody that it will manage its work on the most honourable lines. Let us have a fair discussion on it. What is the use of telling us the whole world will judge us. Let the whole world judge us. I have given instances of State Banks which have come down from a long time. How many shareholders' banks are there in existence? That is the question which my friend should answer.

The Honourable Sir Basil Blackett : May I ask how many of the banks he has mentioned have not got shareholders?

Pandit Madan Mohan Malaviya : When did they have it? They have the shareholders' bank because England had the honour of starting its old institution, the Bank of England. Now, Sir, England has given many other institutions to the civilised world. Among them is the Parliament, the greatest institution, the institution of institutions. Other nations have copied the Parliaments they now have from England. England is entitled to all honour and credit for it. The Bank of England was in existence as a shareholders' bank, but when other countries came to create their State Banks, were they content to leave the management, as it was left in the case of the Bank of England, to the shareholders? They did not. That is the crux of it. That is the test of it. In every constitution they provided that the Government should exercise control over the management and should not let the affairs of the Bank be mismanaged. I ask the Honourable the Finance Member to quote the case of a single

country where the Government does not control or influence its State Bank in some form or other. I submit that if the world at large ever cares to read to our debates—I do not know why anybody should care to—but if they are persuaded to read our debates I am not afraid that their judgment will go entirely against us.

Then lastly, Sir, there was the threat that the Government would withdraw the Bill. Let them. If the Government withdraw the Bill, speaking for myself and speaking not in passion or heat but after most deliberate consideration, I say it will be a good thing for India if the Government do withdraw the Reserve Bank Bill. It is not in an atmosphere like that which my friend has described that a State Bank should be brought into existence. I agree with him there. But what is the atmosphere? He talks of there being a conflict of interests. But I am as anxious as he is for unity of purpose. We for our part are offering the hand of fellowship and co-operation. We say to the Government, "You appoint as many Directors as you wish, but let this Assembly appoint three out of the 15 Directors". We are told this cannot be, that it is an irreconcilable position. I submit, Sir, that that is not the way to treat this House courteously. That is not the way to secure harmony and co-operation from this House. If in this situation the sense of this House considers that the Government proposal should not be accepted and if the Government should withdraw the Bill, I submit that that will not be a matter for one tear or for one lament. But if this Bank is going to come into existence I am not less anxious than the Finance Member that it should come into existence not by the votes of a few on this side or the other, votes secured after the greatest canvassing and the exercise of influence and pressure, but by the unanimous vote of both sides of this House, with everybody feeling that it was a fair deal obtained by working together in harmonious co-operation to bring into existence a Bank which is going to control the destinies of 320 millions of people. And what is the attitude of the Finance Member? Will he tell me that he is working in that attitude of mind? Can we say that canvassing has not been carried on to an extent which is almost sickening? Can anybody say that? I do not object to canvassing. Everybody is entitled to educate those who come here to work. But in this case and other cases it has gone beyond that and, when it does, I submit that it is not a fair fight. I am not imputing anything wrong to any one. I am only submitting that as matters stand, a number of Members come here as nominated Members. Some of them, if not all, are under the impression that they are bound to support the Government in every way.

The Honourable Sir Basil Blackett : And what about your own party votes?

Pandit Madan Mohan Malaviya : Party votes stand on a much fairer and honest footing than the Government pressure upon these other men. I can say, Sir, that it was suggested that we might also retaliate and adopt some similar course as that adopted on the other side. I am happy and proud to say we declined to accede to such a proposal. I can say, speaking for the parties represented on this side of the House, that the members voted according to their judgment. They may have erred, but I am proud to say that they voted according to the light within them and as they understood the interests of the country. But I submit that this is not the way in which a bank like this should be brought into existence. Let all pressure be taken off and let the matter be judged on its merits. Do not

[Pandit Madan Mohan Malaviya.]

be in hurry to pass it this Session. I know the Finance Member's extension lasts only till April next, and I do not complain. I quite understand that as he believes that it will be a great service to India, I can quite understand his intense anxiety to see it brought into existence. I do not complain of it. But I wish to warn you, I wish you to note, that this is

4 P. M.

a matter in which the disappointment or the satisfaction of an individual counts like a straw in the weight of gold which in the shape of these transactions will pass through this Bank. I would like to give the utmost satisfaction to the Honourable the Finance Member, and though I am sorry we differed very strongly on many of the policies which he has pursued, it is not within our power; we shall be sacrificing our duty to our people if in our desire to give a temporary satisfaction to a friend who is going shortly to leave us, we should accept a measure in a hurry lest our esteemed friend should be disappointed. What does it matter to Sir Basil Blackett whether the Reserve Bank of India does or does not come into existence? It is written in the records of time that he laboured hard to produce this Reserve Bank and to bring it into existence. But, Sir, the satisfaction or dissatisfaction which we feel will be temporary, ephemeral, passing. On the other hand, if the Bank is placed on wrong foundations, if the Bank is constituted on a wrong basis, it will mean a loss and injury to 320 millions of people, and we do not know when we shall be able to remedy that. We have this heavy responsibility in front of us. The question of a little disappointment to an honoured and esteemed friend is of very little consequence, and I hope the Honourable the Finance Member will agree with me.

The Honourable Sir Basil Blackett : I said it would be a loss to India, not to me.

Pandit Madan Mohan Malaviya : That is true. But he spoke of his dissatisfaction; he made a personal appeal to us that it would be a great disappointment to him if he were to go away without seeing this Bank brought into existence. He says, he is only concerned with the loss to India and not with his own disappointment. I honour the Finance Member, I honour every Member of the House who thinks of the interests of this country; and, as the Honourable the Finance Member says, he thinks of the loss to India, and that that is his guiding consideration, and I honour him. But will he also have the charity, the fair-mindedness to allow that we too on this side have the interests of the country at heart? Will he too have the charity to allow that we too have considered this question, have studied it from every possible point of view? And if we insist so earnestly, so prayerfully, in order that we should get this little satisfaction of having three members nominated to this Bank in the manner suggested, will he also allow that we too have a conscience to satisfy, a duty to perform? That is the position. I submit the question stands on a very much higher footing than the dissatisfaction or disappointment of the Finance Member, and I hope every Member of the House who is free to vote according to his judgment will weigh the proposition very carefully before deciding which way to vote. There is in this matter no feeling on this side that this is a party question. I sacrifice all parties at the feet of the motherland. All parties are here to serve the motherland. Our one anxiety is to do that which is good for our people, and as we know that this Bank will be a tremendous power affecting the fortunes

of the people, we are most anxious that the Bank should be constituted in a manner which will secure that these interests shall be properly understood and safeguarded. I strongly support, Sir, the Report of the Joint Committee, and I hope that the House will lend it its full support and see a bank brought into existence on the lines advocated by the Joint Committee and not on any other lines.

Sir Victor Sassoon (Bombay Millowners Association : Indian Commerce) : Sir, we have before us the Report of a Joint Committee which contained a large number of dissenting minutes, and it has, Sir, been difficult for you to understand the position of the Honourable the Finance Member when he moved the consideration and at the same time criticized some of the clauses in the Report. You will, Sir, therefore sympathise with me in having listened to the very eloquent speech of the Honourable the Pandit, who rose to support the measure, who has not even signed a minute of dissent, and who, as I understood it, made a suggestion that the Reserve Bank should not come into existence. At any rate, he made, what appeared to me a number of very pertinent arguments against the proposal of a Reserve Bank ; and perhaps I may be forgiven if I find that I neither can agree with the Honourable the Finance Member's point of view or yet the point of view of the majority of the Joint Committee. To my mind, in deciding the form which this Reserve Bank is to take, there are two principles which should be unswervingly followed. In the first place, the Governor, the Deputy Governor and the Board must be under some real control ; and, in the second place, the Legislature should have no hand in the direct election of members of that Board. Let me examine how the proposals of the rival Reports of the Joint Committee conform with these principles which I have laid down. I shall first take the recommendation of the Honourable the Finance Member that this Reserve Bank should be a shareholders' bank. I confess, Sir, in spite of what my Honourable friend Pandit Malaviya said, to a partiality for commercial undertakings being left to private enterprise and I should therefore have liked to endorse the Government views in this respect. Unfortunately, however, this would break one of the canons I have laid down, as in effect under these proposals the Governor and the Board will be outside the pale of criticism and the control would be more imaginary than real. What is this commercial corporation as put forward by the Honourable the Finance Member going to be ? It will be a company with a capital consisting of 5 crores of 6 per cent. cumulative preference shares to be subscribed for by the general public and should the general public not take them up, the Government, taking the position of underwriters in the commercial world, will take up the balance ; and besides these 5 crores of preference shares there will be a fluctuating amount of ordinary capital supplied by the State in the form of deposits without interest, and the surplus profits, after the preference dividend has been paid, will go to the ordinary shareholders, that is, the State.

That is how I visualise the shareholders' bank as suggested by the Government. But when we come to the constitution of the Board, we find it differs very largely from that of an ordinary commercial concern, for when we put on one side the Directors nominated or elected by special interests, we find that the majority are to be elected not by the ordinary shareholders but by the preference shareholders ; and as it is rightly felt that it will be unwise to let any large interests control the election

[Sir Victor Sassoon.]

of the Board by buying up the shares, the regulation is made that the votes are to be strictly limited irrespective of the number of shares held. So that in practice it is extremely improbable that any move against the Board will succeed as long as the Board safeguards the interests of the preference shareholders, that is to say, maintains a 6 per cent. dividend. The shareholders of this concern will be materially drawn from the class of small investors desiring a safe investment, or, trustees or trust concerns, who as a general rule take very little interest and know very little about problems of currency, exchange or national finance. As long as their dividends are paid, they will give their proxies to the Board and are likely to treat with suspicion any move or attempt that may be made to get their proxies by outside financial interests who may be expected to understand these problems and therefore are in a position to criticise the actions of the Government and the Board. As the Government are disclaiming all right of control or criticism over the Board, the Board may be said to be responsible for the earning of 6 per cent. dividend to their shareholders and responsible for the management of currency to their own consciences. So, Sir, I am very reluctantly forced to abandon the idea of supporting the proposed shareholders' bank and am driven to agree to the institution of a State Bank. (Hear, hear.)

So far, I am at one with the signatories of the Report. But, when I come to the proposals of the formation of a Board of Directors, I find myself at variance with some of their recommendations and so I am between two stools. This Bank is a business institution and its Board must consist of the best business men that India can provide irrespective of caste, colour or creed and I cannot allow the contention that a political body like the Legislature should have any direct voice in the election of this Board of Directors. I would allow, and I would welcome, the right of criticism by the Legislature on the main lines of policy and action of the Bank, though not on details, but I cannot see what greater qualifications a political body has for electing a business man than a commercial electorate must have, and I do see very grave disadvantages in having any trace of political influence in the making of their choice. I am prepared to examine with the greatest sympathy any proposal that may be put forward by either side of the House as to the composition or the choice of the electorate who are to choose these Directors, but I regret that I shall not be able to support any proposal which gives the power to a political body, either directly or indirectly, of electing those who will be responsible for guiding the fortunes of what is essentially a purely business concern.

Pandit Madan Mohan Malaviya : Even if the Honourable Member is not able to suggest a better electorate.

Nawab Sir Sahibzada Abdul Qaiyum (North-West Frontier Province : Nominated Non-official) : Sir, I do not rise to make a speech on the subject which is quite unknown to me and of which I cannot claim to have much knowledge. But there are one or two points on which I should like to say a few words. In the first place, it is not often that ironical remarks are directed towards the nominated Members on this side of the House. This is not justifiable.

No doubt some sort of suspicion may be passing in the minds of the Members on the other side of the House that votes are not given by the

nominated Members according to their conscience or knowledge of the affairs, but I can assure them, Sir, if not on the part of all the nominated Members, at least on my own part and on the part of other non-official Members like my Honourable friend on my right, that we always try to understand things and to follow them. You may have noticed, Sir, that I am a regular and punctual attendant at the debates in this Assembly. (Applause.) I am always anxious to understand things, and if it generally happens that I do not go to the opposite lobby, it is simply because of my limited knowledge of technical subjects such as this and because I do not necessarily doubt the motive of Government measures. But, in order that I might give my vote in a more sure manner on this occasion, I should like to put a few simple questions, not very technical questions, to the Honourable Members on the opposite side and I hope they will kindly throw some light on those questions. The first question which I should like to ask is this. In ninety-nine cases out of hundred, the Government is unreasonably accused of inefficiency, untidiness, slackness, carelessness and so on in managing their affairs in the various departments by the Honourable Members on the opposite benches, but why is it that in this most vital matter of running the finances of the country should the Government be left to manage the financial affairs of the whole country? Why should an institution, where the precious money of the tax-payers is invested, be left in the hands of the Government, which according to their own verdict are not considered to be a very reliable machinery? (Laughter.) I have got a little experience of the trouble and care that Members of this House take in checking and examining the State accounts. I have been a Member of the Standing Finance Committee for some three or four years and I have noticed that many of our elected Members come to that meeting without having read even the memorandum of those proceedings. (Laughter.) This is my little experience of the working of these things. These Members are very careless about handling State money, while I am sure they are checking their hotel bills most carefully and most thoroughly. (Laughter.) I do not think that a shareholders' bank should be condemned simply because it is suggested by the officials. There may be a strategy in putting the measure in that way. Perhaps the Government suggests a shareholders' bank, because they want it just the other way. The Government perhaps knew that the opposite side will take the reverse view of what they suggest, and so may have thought of bringing them round to their idea of a State Bank in this way. (Laughter.) I remember a small note in a newspaper sometime ago in which somebody remarked as to how Pandit Motilal Nehru formed his opinion about political matters so easily and so fast. The Pandit was reported to have said "I have no difficulty in arriving at a conclusion because when I see a note in the *Pioneer* about anything, I just take the opposite view!" There is just the possibility that this Bill may have been brought in a similar way.

I think that a shareholders' bank with some limitation or condition for fixing the shares, etc., and with the ordinary Government control over it which is suggested in this Bill, ought to suffice for our purpose. What I mean is this, Sir, that if a percentage of the shares were confined to Indian money and the limit of shares to be purchased by one person was

[Nawab Sir Sahibzada Abdul Qaiyum.]

fixed at a small number, that ought to meet the objection of my Honourable friend the Pandit Sahib to a certain extent. A wealthy man need not be allowed to buy a lakh of shares worth a crore of rupees, and if there is any suspicion of foreign capital being invested in the Bank to any great extent, let there be, say, 75 per cent. of the shares specially reserved for Indian money. That may meet the objection of my Honourable friend to some extent.

The other objection which he raised was that the Government would be depositing their surplus money with this Reserve Bank as they have been doing with the Imperial Bank, and that the profit on that surplus money would go to private shareholders. What I cannot follow is this, that if we have got a certain percentage of Indian money, why should we grudge them the profit if it ever goes to them, when the money is not required by Government? I think it already goes elsewhere. I have not studied the Bill and the speeches very thoroughly, but if the maximum of dividend is also fixed, then there is not much possibility of any huge sums going in that direction. Well, we should not at any rate grudge our countrymen that money.

Another remark which the Pandit Sahib made was that every penny of this income from this Reserve Fund ought to be the property of the tax-payer and must go to him. Well, I am not a great believer in the economy of public money by the Government of India. I do not believe that they will be as economic over expenditure as the shareholders will be. My Honourable friend referred to railway management and the buying up of private railway lines by the State. Well, that is a good illustration; but he may have noticed that even there the present arrangement has only allowed a certain percentage of profits going to the general revenue or Budget and the rest is spent in more constructions. Something similar might happen in the case of this Bank, when the shareholders get large profits of the business. I do not mean that they ought to hand over the profits to Government to be spent like the other revenues of Government, but that perhaps these profits will strengthen the financial position of India as a whole. If the control through the Directors, as is suggested by the Honourable the Finance Member, will bring in the Government of India's hand the control and supervision of the institution, I do not know if the shareholders' bank will not be more profitable. The question may arise whether there will be enough shareholders coming forward with so many conditions and checks laid on them, as they may not perhaps care to submit to the conditions laid down by the Bill or proposed by the Finance Member. In that case, of course, we shall have to go back to the State Bank. But if there are shareholders who will only care for safe dividends and at the same will be prepared to take a real interest in the matter, I think it will be a safer and a sounder policy to have a shareholders' bank.

As regards the election of a number of Directors from this House, there is one thing which makes me rather doubtful about the soundness of it. In the first place, the election of Honourable Members of this House is influenced by matters political in the country. And though we have been fortunate in having got good financiers and expert economists like Sir Purshotamdas Thakurdas and Sir Victor Sassoon in this House, at

present we cannot be sure that it will always be the case. The country is occasionally run by rash political ideas and we may possibly find one day a large following of Mr. Joshi's friends, and in that case the whole financial structure of the country may possibly be wrecked.

Mr. N. M. Joshi : May I ask of the Honourable Member whether this country does not consist of the people whom he calls my followers ?

Nawab Sir Sahibzada Abdul Qaiyum : I do not mean to criticise my friend's actions in any way ; but the possibility is there and perhaps we may get a labour majority here one day, who will not care much for the capitalists and their money. Moreover, somebody suggested to me outside the Chamber that, as Members of the Assembly, we can always discuss the bank's affairs in this House. I think, according to rules, we can discuss these affairs at least by a Resolution if not through the Board of Directors ; there is nothing to prevent this House from discussing the working of that institution. I do not know if I am quite correct on this point. I am open to correction and would like to be enlightened by my friends on the opposite side on the point. I do not like to say more on the subject ; all that I want to assure my friends opposite is that there is at least a little sense in us, that we do follow reasoning and that we do give our votes according to our conscience.

As regards myself, Sir, if the Honourable the Pandit Sahib had not denied us the right of election, possibly I might have had a chance of coming here as an elected Member more amenable to his advice and influence. I will say no more now, Sir.

The Assembly then adjourned till Eleven of the Clock on Tuesday, the 30th August, 1927.
