

11th February 1936

THE
LEGISLATIVE ASSEMBLY DEBATES

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Volume I, 1936

(3rd February to 14th February, 1936)

THIRD SESSION
OF THE
FIFTH LEGISLATIVE ASSEMBLY,
1936



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1936.

Legislative Assembly.

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Deputy President :

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DR. ZIAUDDIN AHMAD, C.I.E., M.L.A.

MR. M. S. ANFY, M.L.A.

CONTENTS.

VOLUME I.—3rd February to 14th February, 1936.

	PAGES.		PAGE.
MONDAY, 3RD FEBRUARY, 1936—		TUESDAY, 4TH FEBRUARY, 1936—contd	
Members Sworn	1—2	Resolution re State Control of the Bengal and North Western Railway and the Madras and Southern Mahratta Railway—Discussion—not concluded	147—52
Motion re Expression of regret on the death of His Late Majesty King George V, and Congratulations to His Majesty King Edward VIII upon His accession	2—8	WEDNESDAY, 5TH FEBRUARY, 1936—	
TUESDAY, 4TH FEBRUARY, 1936—		Questions and Answers	150—97
Member Sworn	9	Motions for Adjournment re—	
Questions and Answers	9—45	Condition of the Handloom Weavers of Salem in the Madras Presidency—Not moved	197,199
Short Notice Question and Answer	45—46	Interference by Local Governments with the Congress Golden Jubilee celebrations—Disallowed by the Governor General	197—98
Unstarred Questions and Answers	46—107	Hunger-strike by Jogeeb Chandra Chatterji, a Kakori conspiracy case prisoner—Disallowed by the Governor General	198
Statements laid on the Table	107—19	Compulsory observance of <i>hartal</i> in New Delhi on the 28th January, 1936—Disallowed by the President	198—99
Deaths of Mr. Deep Narayan Singh, Khan Bahadur Alimuzzaman Chaudhuri and Mr. Kamini Kumar Chanda	119—21	Government of India's views on the question of excluded and partially excluded areas to the Secretary of State—Disallowed by the President	199
Motions for Adjournment re—		Security demanded from <i>Abhyudaya</i> of Allahabad—Disallowed by the Governor General	199-200
Lack of discipline in the King's Regiment stationed at Jubbulpore—Disallowed by the Governor General	121—22	Message from H. E. the Governor General	200
Rioting of the soldiers of the King's Regiment stationed at Jubbulpore—Barred	122	The Parsi Marriage and Divorce Bill.—Report of the Joint Committee laid on the Table	200
Extermment orders on certain Indian shop-owners and tradesmen in Iraq—Withdrawn	122—24, 152—58		
Panel of Chairmen	124		
Committee on Petitions	124		
Election of a Member to the Select Committee on the Amendment of Standing Orders	124—25		
Governor General's assent to Bills	125		
Resolution re Appointment of a Joint Standing Army Committee—Adopted	125—47		

	PAGE.
WEDNESDAY, 5TH FEBRUARY, 1936—contd.	
Agreement between the Secretary of State for India in Council acting by and through the Governor of the Punjab in Council and the Reserve Bank of India	200—02
Election of a Member to the Standing Committee for Roads	202
Election of Members to the Standing Committee for the Department of Industries and Labour	202-03
Election of Members to the Standing Committee on Emigration	203
The Italian Loans and Credits Prohibition Bill—Introduced	203
The Payment of Wages Bill—Discussion on the consideration of clauses not concluded	204—47
THURSDAY, 6TH FEBRUARY, 1936—	
Questions and Answers	249—89
Short Notice Questions and Answers	289—93
Motions for Adjournment re—	
Contract for the Howrah Bridge—Ruled out of order	293—95
Demand for security from the <i>Abhyudaya</i> for publication in verbatim of a speech delivered in the Legislative Assembly—Ruled out of order	295—98
Control of the administrative chaos in the Punjab—Ruled out of orders.	299
Election of a Member to the Select Committee on the Amendment of Standing Orders	299
The Indian Criminal Law Amendment (Repeal) Bill—Discussion on the consideration of clauses not concluded	299—335
FRIDAY, 7TH FEBRUARY, 1936—	
Questions and Answers	337—79
Short Notice Question and Answer	379

	PAGE.
FRIDAY, 7TH FEBRUARY, 1936—contd.	
Discussion of the Report of the Public Accounts Committee	379
The Payment of Wages Bill—Discussion on the consideration of clauses not concluded	379—416
Statement of Business	416
MONDAY, 10TH FEBRUARY, 1936—	
Members Sworn	417
Questions and Answers	417—62
Short Notice Question and Answer	462—65
Motions for Adjournment re—	
Misuse and misapplication of Legislative Rules in disallowing the Adjournment Motion on the Renda incident—Ruled out of order	465—67
Direct sea mail service between Madras and Rangoon—Ruled out of order	467—70
Loss of Indian Life and property in Zanzibar—Disallowed by the President	470—71
Demand of security from the <i>Abhyudaya</i> of Allahabad—Ruling to be given afterwards	471—512
Election of Members to the Standing Committee on Roads, the Standing Committee for the Department of Industries and Labour and the Standing Committee on Emigration	512
Election of Members to the Standing Committee for the Department of Education, Health and Lands	512—12
The Cinematograph (Amendment) Bill—Appointment of Mr. S. K. Das Gupta to the Select Committee	512

	PAGE.		PAGE.
MONDAY, 10TH FEBRUARY, 1936—contd.		WEDNESDAY, 12TH FEBRUARY, 1936—contd.	
The Code of Civil Procedure (Amendment) Bill (Amendment of section 51)—Appointment of Khan Bahadur Shaikh Khurshaid Muhammad to the Select Committee	513—14	Statements laid on the Table	657—60
The Code of Civil Procedure (Amendment) Bill (Amendment of section 60)—Appointment of Khan Bahadur Shaikh Khurshaid Muhammad to the Select Committee	514	Motion for Adjournment <i>re</i> Contributions given to the Y. M. C. A. in India—Disallowed by the President	660—61
The Code of Civil Procedure (Amendment) Bill (Amendment of section 51)—Appointment of the Honourable Sir Frank Noyce to the Select-Committee	514	The Arbitration (Protocol and Convention) Bill—Introduced	661
The Code of Civil Procedure (Amendment) Bill (Amendment of section 60)—Appointment of the Honourable Sir Frank Noyce to the Select Committee	515	The Payment of Wages Bill—Discussion on the motion to pass, as amended, not concluded	661—705 705—06
The Payment of Wages Bill Discussion on the consideration of clauses not concluded	515—17		
Statement of Business	518	THURSDAY, 13TH FEBRUARY, 1936—	
TUESDAY, 11TH FEBRUARY, 1936—		Member Sworn	707
Questions and Answers	519—64	Questions and Answers	707—58
Short Notice Question and Answer	564—67	Short Notice Questions and Answers	759—63
Resolution <i>re</i> State control of the Bengal and North Western Railway and the Madras and Southern Mahratta Railway—Adopted	567—600	Motion for adjournment <i>re</i> Prohibition of the appointment of Indians in the Cypher Bureau of the Foreign and Political Department—Disallowed by the President	763—67
Resolution <i>re</i> Extension of the same level of administration to the people of the excluded and partially excluded areas—Discussion not concluded	600—14	Election of Members to the Standing Committee for the Department of Education, Health and Lands	767
WEDNESDAY, 12TH FEBRUARY, 1936—		The Indian Criminal Law Amendment (Repeal) Bill—Motion to consider clause 2 negatived.	768—87
Member Sworn	615	The Code of Criminal Procedure (Amendment) Bill (Amendment of section 406)—Passed	787—93
Questions and Answers	615—57	The Code of Criminal Procedure (Amendment) Bill (Amendment of sections 30, 34, 34A and 35)—Discussion on the motion to circulate not concluded	793—805
		FRIDAY, 14TH FEBRUARY, 1936—	
		Questions and Answers	907—60
		The Payment of Wages Bill—Passed as amended	860—71
		The Italian Loans and Credits Prohibition Bill—Discussion on the consideration of clauses not concluded	872—907
		Statement of Business	907

LEGISLATIVE ASSEMBLY.

Tuesday, 11th February, 1936.

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

QUESTIONS AND ANSWERS.

VIZAGAPATAM HARBOUR SCHEME.

237. *Seth Govind Das: Will Government be pleased to state:.

- (a) whether the Vizagapatam harbour is a successful scheme;
- (b) what the total outlay on the project has been;
- (c) what the estimated income of the harbour is;
- (d) whether the harbour has not as yet met with any commercial success since big steamers do not come into the harbour;
- (e) whether the harbour has been constructed mainly to transport Talcher Coal, the exploiters being mainly English concerns;
- (f) what Government have done to attract big business through the harbour; and
- (g) the annual expenditure towards the upkeep of the harbour?

The Honourable Sir Muhammad Zafrullah Khan: (a) It is too early to say at present whether the Harbour is a successful scheme.

(b) The total outlay upto the end of September, 1935, was Rs. 376.33 lakhs.

(c) The estimated income for the current year is Rs. 8,77,920.

(d) Ships up to a draft of 26 feet are admitted into the Harbour. It is proposed to increase the draft limit to 27 feet. The imports and exports through the port have risen from 59,561 tons in 1932-33 to 2,98,329 tons in 1934-35.

(e) No.

(f) All reasonable railway and shipping facilities have been provided at the port to meet traffic requirements. The Raipur-Parvatipur Railway, which is about 242 miles in length, has been constructed to open up a large tract of country and also to serve the manganese centres in the Central Provinces.

(g) The expenditure towards the upkeep of the Harbour during the year 1934-35 was Rs. 13,58,087.

Seth Govind Das: What are the chief commodities which are exported from this harbour?

The Honourable Sir Muhammad Zafrullah Khan: Manganese ore is the principal commodity. It was hoped that a good deal of groundnut traffic would also be acquired for this harbour, but it has not materialised to the extent that was anticipated.

Seth Govind Das: What happens to the groundnut traffic?

The Honourable Sir Muhammad Zafrullah Khan: There is some traffic, but it appears that a good deal of it is handled by country boats. It has not yet been diverted to the harbour to the extent that was expected.

Seth Govind Das: Is the groundnut from southern Central Provinces exported from that harbour?

The Honourable Sir Muhammad Zafrullah Khan: I could not answer that without notice.

Mr. T. S. Avinashilingam Chettiar: In how many years is the port expected to become self-supporting?

The Honourable Sir Muhammad Zafrullah Khan: It is possible that by 1938-39, it might become self-supporting.

Mr. T. S. Avinashilingam Chettiar: Are Government giving any subsidies to meet the deficit on account of this harbour?

The Honourable Sir Muhammad Zafrullah Khan: Government are bearing all the expenditure.

EXPULSION OF INDIANS FROM IRAQ.

238. ***Mr. Akhil Chandra Datta:** (a) Are Government aware that externment orders have been passed by the Government of Iraq upon some Indian merchants and traders doing business in Iraq?

(b) Have Government taken any action for their protection? If not, have Government considered the advisability of taking such action?

Sir Aubrey Metcalfe: (a) No Indians in Iraq are under final notice to leave Iraq, but the question of renewal of permits to stay arises from time to time under Article 10 of the Iraq Residence Law of 1923 to which all foreigners are equally subjected irrespective of nationality. A copy of Article 10 of the Iraq Residence Law of 1923 is placed on the table.

(b) Does not arise.

Article 10 of the Iraq Residence Law of 1923

10. Any person allowed to enter shall within fifteen days of his arrival register at the police headquarters of the district in which he resides, the particulars set out in the Schedule hereto. This provision shall not apply to persons certified by the Consular vise to be travellers or persons in transit to a other country whose stay will not exceed three months from the date of entry.

In case any person so certified overstays the period, he shall register his name immediately at the place in which he is resident and shall apply to the Chief Residence Officer for a permit to stay for a further period in Iraq.

Schedule of Particulars to be registered.

1. Surname or family name (in block letters).
2. Other names.
3. Date of birth.
4. Nationality.
5. Nationality of parents.
6. Languages which immigrant can (i) speak, (ii) read, (iii) write.
7. Place of birth.
8. Usual place of residence.
9. Occupation (a) past, (b) intended.
10. Particulars of dependents, if any, specifying name, age and place of birth.
11. Proposed duration of stay in Iraq.
12. Proposed place of residence.
13. Place of business.
14. Date of entry.
15. Authority for entry.
16. Whether previously resident in Iraq,
(a) Place of such residence; (b) Dates of such residence.
17. Whether owner of property in Iraq:
(a) Nature of title to such property; (b) Detailed description and situation of such property.
18. Two photographs of immigrant.

(This will not be required in the case of Moslem women or other women with similar religious or social prejudices).

EXPULSION OF INDIANS FROM IRAQ.

239. *Sardar Mangal Singh: (a) Has the attention of Government been drawn to the communication issued by Dr. Rabindra Nath Tagore relating to the expulsion of Indians from Iraq? What action have Government taken in this matter?

Sir Aubrey Metcalfe: Yes. The position is briefly as follows. No Indians are under final notice to leave Iraq under 'new law' but the question of renewal of permits to stay arises from time to time under Article 10 of the Iraq Residence Law of 1923 which applies to all foreigners in Iraq alike. The new legislation referred to has not been passed.

Mr. T. S. Avinashilingam Chettiar: What is the treatment of other nationals than Indians, who are under treaty rights with that country?

Sir Aubrey Metcalfe: There is no discrimination of any kind. All foreigners are treated alike.

Sardar Mangal Singh: What about the British?

Sir Aubrey Metcalfe: Exactly the same thing applies to the British as to any other foreigner in Iraq. I have explained this more than once already.

EXPULSION OF INDIANS FROM IRAQ.

240. *Seth Haji Abdoola Haroon: (a) Will Government be pleased to state whether they are aware that Iraq Government has served notices on certain Indian shop-owners and tradesmen in Basrah to quit the country within three months?

(b) If so, will Government be pleased to state whether other foreign subjects in Iraq have also been served with similar notices, or only British Indian subjects are treated like this?

(c) Are Government aware that majority of these British Indians went out to that country at the instance of British Government during the Great War for war purposes?

(d) Will Government be pleased to state the approximate number of Indians, who are settled in Iraq at present, if possible with their professions?

(e) Is it a fact that a new law known as "The Labour Protection Law" which is about to come into force, is going to be brought into force there shortly? If so, are Government aware that it is bound to affect adversely the position of Indians?

(f) Are Government aware that Iraqis in thousands are residing in India and many of them are holding high posts, and that no discrimination is made between these Iraqis and Indians, in matters of trade, civil rights and other privileges?

(g) Will Government be pleased to state the approximate number of Iraqis, residing at present in India, if possible along with their professions?

(h) Will Government be pleased to state whether any treaty is made between the British Government and the Authorities in Iraq, guaranteeing that either of the Governments will not adopt this kind of discriminative attitude at any time?

(i) Will Government be pleased to state what steps they have taken or propose to take against the above order of the Iraq Government?

(j) Do Government realise their responsibility to save the British Indian subjects in Iraq from this bad predicament?

Sir Aubrey Metcalfe: (a) No Indians at Basrah are now under final notice to leave Iraq, but question of renewal of permits to stay arises from time to time under Article 10 of the Iraq Residence Law of 1923.

(b) All foreigners in Iraq are equally subject to the Residence Law, and its provisions are enforced irrespective of nationality.

(c) It is believed that about 1/3rd of the British Indians in Iraq went to that country before the Great War, while 2/3rds became established during and after the War.

(d) Exact information is not available as many British Indians have neglected to register themselves with the Consular authorities. It is, however, estimated that the total number is about 4,500. Information as to the professions or trades which they follow is not available.

(e) A Bill of the nature suggested by the Honourable Member is before the Iraq Legislature at present. If passed without amendment in the form originally presented, it would affect the position of all foreigners, including Indians adversely.

(f) and (g). There are a certain number of Iraqis in India, but the Government of India have no exact information regarding their number. It is true that no discrimination is exercised against them.

(h) So far as Government are aware there is no such Treaty, but further enquiries are being made and the result will be communicated to the House in due course.

(i) The adverse effect on Indians which might result from the enactment of the new legislation in its original form has been made the matter of diplomatic representation to the Iraqi Government.

(j) Yes.

ASSESSMENT OF INCOME-TAX ON SUPPOSED INCOMES.

241. ***Bhai Parma Nand:** (a) Is it not a fact that in some cases the assessment for income-tax is made on a supposed income for which there is no basis?

(b) Is it not a fact that in some cases the Income-tax Officers have not cared to comply with the orders of the High Courts?

(c) Do Government propose to move the Income-tax Department to refund the tax paid under protest by the assessees, in such cases, in view of the finding of law courts in prosecutions launched by the Income-tax Department itself?

(d) Are Government aware of the fact that in defiance of the Law Courts the Income-tax Department continues to assess the assessees on their supposed incomes which are not proved to have accrued or been received?

(e) Is it not a fact that in one case the Department was charged with extortion and the assessee applied to the Government for sanction to prosecute the Income-tax Officers?

(f) Was the sanction for prosecution given? If not, why not?

(g) In such cases what remedy, civil or criminal, is open to the assessees to prove the charge brought forward by them, and to seek redress of their grievances?

(h) Are Government aware that in some cases when the notice is served upon the alleged assessees to send the return, the period of 30 days allowed under the Law is not kept in view and time is not allowed to them as required by law?

(i) Is it not a fact that even in cases involving difficult and intricate questions of law and facts, the Income-tax Commissioner does not always, in spite of the request of the assessee, exercise the discretion given to him under section 66 of the Indian Income-tax Act or refers matters *suo moto* to the High Court?

(j) What safeguards do Government provide against arbitrary rejection of such complaints?

(k) What check does the present Indian Income-tax Act provide on the powers to the Departments' Officers?

Mr. A. H. Lloyd: (a) Not so far as I am aware; but there is always, of course, room for difference of opinion as to what is a sufficient basis.

(b) Not so far as I am aware.

(c) and (d). I understand the Honourable Member's question to refer to cases where a prosecution by the Income-tax Department in the Criminal Courts has failed. The Government of India are not prepared to issue general instructions that the failure of a prosecution should be binding upon the Income-tax authorities as to the liability of the assessee to the tax on the amount of income which was held by the Department to have been concealed. I am aware that there are such cases in which no refund has been given.

(e) and (f). I am not aware of any such case.

(g) Does not seem to arise.

(h) I know of no such case.

(i) and (j). References on questions of fact cannot be made to the High Court. As regards questions of law, I believe that the Income-tax Commissioners exercise their discretion properly; but a reference to sub-section (?) of the section quoted will show that if there is a difference of opinion on this point the assessee can apply direct to the High Court.

(k) Checks provided by the Indian Income-tax Act consist of provisions relating to appeal, revision and reference to the High Court.

EMPLOYMENT OF TRAINED APPRENTICE MECHANICS OF THE EAST INDIAN RAILWAY WORKSHOPS AT JAMALPUR.

242. *Mr. Shri Krishna Sinha: Will Government be pleased to state:

- (a) the system of training apprentice mechanics in the East Indian Railway workshops at Jamalpur;
- (b) what has been the practice to employ them who are so trained;
- (c) the scales they were appointed on, before July 1931 and after;
- (d) the number of apprentices who were affected as a result of the revision of scales of pay introduced by the Railway Board on the 16th July, 1931;
- (e) how many apprentices were at that time on the waiting list and how many were kept on the waiting list subsequent to 16th July, 1931; and
- (f) whether the engagement of trained apprentices after July 1931, was set on a different footing from that of those who were trained in the years 1930 and 1931?

The Honourable Sir Muhammad Zafrullah Khan: (a) and (b). I would refer the Honourable Member to the 'Rules for the recruitment and training of apprentice mechanics and trade apprentices in Mechanical Workshops of State-managed Railways', a copy of which is in the Library of the House. It will be seen from the rules that apprentice mechanics are required to undergo an apprenticeship for five years, during which period they receive theoretical and practical training in the Jamalpur Technical School and in the workshops, respectively. No guarantee or promise of appointment on completion of apprenticeship is given or implied by the railway but on satisfactory completion of training apprentices are appointed as far as possible.

(c) Rs. 110/150—20—250 for those who were appointed up to and including the 15th July, 1931, and have continuous service and Rs. 100/120—10—180 for those who were appointed or re-appointed after the 15th July, 1931.

(d) 141.

(e) The number on the waiting list on the 16th July, 1931, was 39. It is now 13.

(f) Those apprentices, who were engaged after the 15th July, 1931, are entitled to the revised scales of pay if retained on completion of apprenticeship. Those who were engaged up to and including the 15th July, 1931, are entitled to the old scales of pay, if retained on completion of apprenticeship without a break in service. If, however, there be a break in service and they are re-engaged after the 15th July, 1931, they get the revised scales of pay.

Mr. Lalchand Navalrai: May I know from the Honourable Member how these apprentices are taken—by examination or by selection?

The Honourable Sir Muhammad Zafrullah Khan: I believe it is by selection, but I am not quite sure.

EMPLOYMENT OF TRAINED APPRENTICE MECHANICS OF THE EAST INDIAN RAILWAY WORKSHOPS AT JAMALPUR.

243. *Mr. Shri Krishna Sinha: Will Government be pleased to state:

- (a) whether there were vacancies, permanent or temporary, at and after the time of retrenchment in the East Indian Railway;
- (b) whether they count the training period of the East Indian Railway, mechanic apprentices as services rendered;
- (c) whether it was any fault of the apprentices for not getting any employment immediately after their training when there were vacancies existent;
- (d) whether the apprentices who were on the waiting list after their training are not regarded as retrenched hands, after the order of 16th July, 1931; and
- (e) whether those apprentices who were on the waiting list have forfeited their continuity of service and their training period of five years has not been reckoned?

The Honourable Sir Muhammad Zafrullah Khan: (a) Yes.

(b) I presume the Honourable Member is referring to the applicability of the old scales of pay. If so, those will apply to such apprentices who were recruited before the 15th July, 1931, and were appointed to service without a break on completion of their training.

(c) No guarantee or promise of employment is given or implied by the Railway. Such apprentices as cannot be offered employment are borne on a waiting list for two years with a view to employment when opportunities offer.

(d) No.

(e) Yes, if there has been a break in service.

EMPLOYMENT OF TRAINED APPRENTICE MECHANICS OF THE EAST INDIAN RAILWAY WORKSHOPS AT JAMALPUR.

244. *Mr. Shri Krishna Sinha: Will Government be pleased to state:

- (a) whether it is a fact that the East Indian Railway mechanic apprentices trained after the year 1931 got employments immediately after the course of training and are today in a

better position than those who have been trained in the years before and in 1931 owing to their being kept on the waiting list;

- (b) whether they are prepared to consider the advisability of condoning that break of service by taking such apprentices as retrenched hands;
- (c) whether by so condoning their break of service they will come to their due position which their juniors are enjoying now; and
- (d) whether they are prepared to consider the question of restoring to those apprentices, who were deprived of continuity of service and of their training period, their due position by taking into account the period of training as a part of their service; and if not, what are the reasons therefor?

The Honourable Sir Muhammad Zafrullah Khan: (a) There are some such cases.

(b) No.

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

PERSONS DETAINED AS STATE PRISONERS AFTER THEIR ACQUITTAL BY COURTS.

245. *Mr. Amarendra Nath Chattopadhyaya: Will Government be pleased to state how many persons who were hauled up before the Special Tribunals or the ordinary Criminal Courts or the High Court for trials in different provinces have been detained as State Prisoners immediately after either acquittal or discharge under the Criminal Law Amendment Acts or under the Ordinances or under the Regulation extending in different provinces?

The Honourable Sir Henry Craik: Of the State Prisoners now under detention action has been taken only against one person after his acquittal by the Court. Action has also been taken against one other person after the criminal case against him had been withdrawn.

Sardar Sant Singh: May I know the grounds which led the executive Government to withdraw the case against the gentleman?

The Honourable Sir Henry Craik: That was the Delhi Conspiracy Case. An announcement was made at the time. The Tribunal which was trying the case was dissolved on account of the tremendous delay which had occurred in handling the cases and action was taken against only some of the accused.

Sardar Sant Singh: May I know why, after the acquittal or discharge of the men, they were detained as State Prisoners?

The Honourable Sir Henry Craik: Because they were dangerous terrorists.

Seth Govind Das: How many non-Indians are kept here as State Prisoners?

The Honourable Sir Henry Craik: Yes, certainly there are some.

Seth Govind Das: Are they kept on account of the request of the different countries?

The Honourable Sir Henry Craik: That does not arise.

STATE PRISONERS DETAINED UNDER CERTAIN REGULATIONS.

246. *Mr. Amarendra Nath Chattopadhyaya: Will Government be pleased to state how many State Prisoners are there at present under Regulation III of 1818, or other Regulations of different provinces and how long they will be detained?

The Honourable Sir Henry Craik: There are 74 State Prisoners detained under Regulation III of 1818 and four under Madras Regulation II of 1819. There are none under Bombay Regulation XXV of 1827. These State Prisoners will be detained so long as their detention is necessary in the public interests.

Sardar Sant Singh: Has there been any increase or decrease in the number of prisoners that are detained under Regulation III of 1818?

The Honourable Sir Henry Craik: Since when?

Sardar Sant Singh: Since the question was last answered—probably last winter Session?

The Honourable Sir Henry Craik: There has been a decrease of two this year.

CHARGES AGAINST STATE PRISONERS OF BENGAL.

247. *Mr. Amarendra Nath Chattopadhyaya: (a) Will Government be pleased to state the charges against the present State Prisoners of Bengal who have been under detention since 1930 and the result of review of their cases which Government do every six months?

(b) Will Government be pleased to state if these State Prisoners have been found to have done any political crime during these years of their detention to deserve continuity of their detention under fresh charges?

(c) If the answer to part (b) be in the negative, will Government be pleased to state what fresh charges are brought and proved against them for which their detention is continued further?

The Honourable Sir Henry Craik: (a) to (c). There are at present 17 Bengal State Prisoners, 11 of whom were retained under the provisions of Regulation III of 1818 since the end of November, 1931, and the remainder since the beginning of January, 1932, on the ground of their terrorist activities. They are detained because Government are satisfied that their release would strengthen the terrorist movement. Their cases

are reviewed periodically, in accordance with the requirement of section 3 of the Regulation, but as the terrorist movement still continues it has not been found possible to make any relaxation or change in the form of restraint imposed on them.

Mr. Amarendra Nath Chattopadhyaya: Are they ever going to be tried before any Court?

(No answer.)

POLITICAL CRIMINALS KILLED IN FIRING WITH MILITARY FORCE.

248. ***Mr. Amarendra Nath Chattopadhyaya:** Will Government be pleased to state province by province the number of persons alleged to be political criminals killed in any fight between them and military force during the last 30 years and where and when?

The Honourable Sir Henry Craik: With your permission, Sir, I will answer questions Nos. 248 and 249 together. The information is not available and cannot be collected without undue labour and expense.

FIRING RESORTED TO IN RIOTS.

†249. ***Mr. Amarendra Nath Chattopadhyaya:** Will Government be pleased to state the number of riots province by province in which firing was resorted to by military during the last ten years and the number of persons killed?

PERSONS DETAINED UNDER THE PROVINCIAL REGULATIONS AS STATE PRISONERS.

250. ***Mr. Amarendra Nath Chattopadhyaya:** Will Government be pleased to state province by province the number of persons detained under the Provincial Regulations as State Prisoners since 1905 and the period of their detention?

The Honourable Sir Henry Craik: Such information as is available is being tabulated and a statement will be laid on the table in due course.

SUCCESSFUL MECHANICAL EX-APPRENTICES OF THE LILLOOAH WORKSHOPS.

251. ***Mr. Amarendra Nath Chattopadhyaya:** (a) Are Government aware that the information laid on the table on the 2nd September, 1935 in connection with starred question No. 1324 asked on the 2nd April, 1935, regarding the successful mechanical *ex*-apprentices of the Lillooah Workshops, East Indian Railway is not correct and that it is not a fact that all of them have been posted to semi-technical posts, but only one of them has been promoted as chargemen (in the grade of Rs. 350 maximum) in the Production Section? If so, are Government prepared to replace him at once by an *ex*-apprentice of Jamalpur Technical School, who is waiting for appointment? If not, why not?

(b) If the answer to part (a) be in the negative, will Government please state whether they are prepared to make an early enquiry into the matter and take necessary steps? If not, why not?

† For answer to this question, see answer to question No. 248.

(c) Will Government please lay on the table a statement showing the names of the three clerical staff referred to together with the following particulars:

- (i) General education (University Examination passed),
- (ii) Technical Education (Division passed),
- (iii) Service,
- (iv) Present pay and grade.
- (v) Designation,
- (vi) Date of promotion, and
- (vii) Workshop employed?

If not, why not?

(d) Will Government please state whether before promoting the clerical staff referred to, they made any endeavour to appoint any *ex*-apprentice-mechanics, who were available? If so, in what way? If not, why not?

The Honourable Sir Muhammad Zafrullah Khan: (a) and (b). Government are informed that the information laid on the table of the House in connection with starred question No. 1324 in respect of clerical staff appointed to the workshop supervising grade is correct and do not propose to replace any of the persons concerned by *ex*-apprentices of Jamalpur Technical School nor do they consider that any further enquiry is necessary.

(c) and (d). The names of the three men are:

- F. K. Carpenter,
- E. A. Stears, and
- P. K. Sengupta.

With regard to the remainder of the particulars asked for Government have no information and do not consider that the labour and expense involved in collecting it will be commensurate with the results likely to be obtained.

SUCCESSFUL MECHANICAL *EX*-APPRENTICES OF THE LILLOOAH WORKSHOPS.

252. ***Mr. Amarendra Nath Chattopadhyaya:** (a) Are Government aware that the information laid on the table in connection with starred question No. 1324 on 2nd September, 1935, is not correct and that it is not a fact that the practice of promoting daily paid staff, mistries, etc., who received no technical education at all, to the posts of Assistant Foremen, chargemen, mechanics and journeymen has been discontinued since the amalgamation and that the posts are not kept reserved for *ex*-apprentice mechanics? Are Government aware that Europeans and Anglo-Indians who received no technical education at all are still promoted to the grade of Assistant Foremen, chargemen, etc.? If so, why?

(b) If the answer to part (a) be in the negative, will Government please state whether they are prepared to make an early enquiry into the matter

and lay a statement on the table showing the names of all who were promoted to the grade of Assistant Foremen, chargemen, mechanics, etc., since 1930 together with the following particulars:

- (i) Date of appointment,
- (ii) Date of promotion,
- (iii) Starting salary,
- (iv) General education (University Examination passed),
- (v) Technical education (Division passed),
- (vi) Practical training,
- (vii) Workshop and section employed, and
- (viii) Present pay and grade?

If not, why not?

The Honourable Sir Muhammad Zafrullah Khan: (a) Government are informed that the information furnished in reply to question No. 1324 is correct. It is a fact that the practice of promoting *mistries*, etc., to the supervising grades has been discontinued. In exceptional cases temporary vacancies are filled from amongst staff who are definitely suitable for promotion and the appointment of trained apprentices from the waiting list would be an unjustifiable expense to the railway.

(b) Government do not consider any enquiry is necessary. The information required is not readily available and its collection will involve an amount of labour and expense not commensurate with the results likely to be obtained.

CONFIRMATION OF CERTAIN MECHANICAL EX-APPRENTICES UNDER THE CHIEF MECHANICAL ENGINEER, EAST INDIAN RAILWAY.

253. ***Mr. Amarendra Nath Chattopadhyaya:** (a) With reference to the information laid on the table on the 2nd September, 1935 in connection with starred question No. 1326 asked on the 2nd April, 1935 regarding the confirmation of certain mechanical *ex*-apprentices under the Chief Mechanical Engineer, East Indian Railway, are Government aware that the Railway Board in their letter No. 8548-E. of 10th December 1929 in reply to Mr. S. C. Mitra's starred question No. 291(c) of 10th September, 1929, assured that the qualified apprentices selected for appointments, shall be appointed immediately after completion of their training without having to serve a probationary period?

(b) Are Government aware that no undertakings were given to those *ex*-apprentice mechanics who were referred to in reply to starred question No. 1326 that they would be kept on probation till the completion of remodelling scheme?

(c) If the answers to parts (a) and (b) be in the affirmative, will Government please state whether:

- (i) they are prepared to take immediate steps against such action of the Railway Administration; and if so, in what way; and
- (ii) they are prepared to take necessary steps to confirm these *ex*-apprentice mechanics in their posts without further delay and issue necessary orders to this effect; and if not, why not?

(d) If the answer to part (b) be in the negative, will Government please state whether no undertakings were given to these *ex*-apprentice mechanics at the time of their appointments?

The Honourable Sir Muhammad Zafrullah Khan: The replies to the questions referred to by the Honourable Member were not intended to imply that apprentices should be engaged permanently if permanent vacancies did not exist. If the necessities of the service require an *ex*-apprentice to be retained in a temporary capacity only, such a course does not amount to the imposition of a probationary period.

EX-APPRENTICES OF THE JAMALPUR TECHNICAL SCHOOL, EAST INDIAN RAILWAY.

254. ***Mr. Amarendra Nath Chattopadhyaya:** (a) With reference to the information laid on the table on the 2nd September, 1935 in connection with starred question No. 1325 asked on the 2nd April, 1935 regarding the *ex*-apprentices of Jamalpur Technical School, East Indian Railway, are Government aware that most of the *ex*-apprentice mechanics had completed their training before 1932 and that they had good records throughout both in Technical School as well as in Workshop?

(b) Are Government aware that they were discharged due to no fault on their part but for the financial stringency of the Railway although vacancies were kept in abeyance?

(c) Are Government aware that these *ex*-apprentice mechanics were afterwards re-appointed for their good service records but on revised scale of pay of 1934?

(d) Are Government aware that their juniors who completed their training after them (3 to 4 years juniors to them) and have been provided with posts are governed by the old scale of pay?

(e) Are Government aware that those senior *ex*-apprentice mechanics have become junior in pay, service, etc., to their juniors referred to in part (d) above, although they were senior to them in training?

(f) Are Government aware that the railway servants who are regular members of the Provident Fund, are counted as permanent hands?

(g) Are Government aware that the clerical staff who were retrenched but now re-appointed are also governed by the old scale of pay?

(h) Are Government aware that those *ex*-apprentice mechanics, who are now re-appointed, were regular members of the Provident Fund?

(i) If the answers to parts (a) to (h) be in the affirmative, will Government please state whether they are prepared to consider the cases of the *ex*-apprentice mechanics who have been re-appointed and to classify them as retrenched hands and give them old scales of pay (as it has been done in cases of clerical staff) or put them in such a grade the pay of which is equivalent to old grades? If not, why not?

The Honourable Sir Muhammad Zafrullah Khan: (a) I am afraid the Honourable Member's question is not clear. It is a fact that *ex*-apprentice mechanics who completed their training before 1932 and were engaged or re-engaged had fairly good records both in the Technical School and in workshops.

(b) Government are informed that some of them were not employed as at the time of completion of their apprenticeship the work in hand did not justify an increase in the number of supervising staff in their trades. The Administration has the right to hold in abeyance vacancies if the work required to be done does not justify appointments to such vacancies.

(c) Yes, when the work justified their engagement.

(d) Yes, those apprentices who were appointed as such on or before the 15th July, 1931, and were later absorbed in the regular establishment as chargemen, etc., without a break are entitled to the old scales of pay.

(e) An *ex*-apprentice who is re-appointed after a break would naturally be junior to another of the same batch who is retained in service without a break.

(f) It is not the membership of the Provident Fund that determines the permanent status of an employee but the permanent status confers right to membership of the Provident Fund. There are certain exceptions one of which is that apprentices appointed prior to 1931 are permitted by the terms of their apprenticeship to join the Provident Fund although they were not permanent staff and permanent appointment is not guaranteed on completion of apprenticeship.

(g) Yes, if re-appointed before the 1st April, 1936.

(h) Yes.

(i) No. Government see no reason to liberalize the existing rules.

APPOINTMENT OF APPRENTICES ON THE EAST INDIAN RAILWAY.

255. *Mr. Amarendra Nath Chattopadhyaya: With reference to the reply to parts (a) to (d) of starred question No. 38 asked on the 3rd September, 1935, regarding the appointment of apprentices on the East Indian Railway, will Government please state:

- (a) the reasons for selecting those two *ex*-apprentices for the posts in preference to others;
- (b) how the selection for those posts was made; and
- (c) who made the selection and what were their qualifications; and if not, why not?

The Honourable Sir Muhammad Zafrullah Khan: (a) They were selected because they had stood first in the technical school examination in their respective batches.

(b) By a selection board.

(c) I would invite the Honourable Member's attention to my reply to part (b). Government are not aware who were the officers who constituted the selection board.

EX-APPRENTICE MECHANICS APPOINTED IN THE EAST INDIAN RAILWAY WORKSHOPS.¹

256. *Mr. Amarendra Nath Chattopadhyaya: (a) Will Government please state whether they have acted in accordance with the procedure cited in answer to starred questions Nos. 296 (b) and (c) and 471 (d) asked on the 10th September, 1929, and the 5th March, 1930, respectively

regarding the appointments of *ex*-apprentice mechanics in the chargeman T. T. grade? If so, will they please lay on the table a statement showing separately the names of *ex*-apprentice mechanics who have been appointed in different workshops, under the Chief Mechanical Engineer, East Indian Railway, since 1933, together with the following particulars:

- (i) name of the workshop employed;
- (ii) date of completion of apprenticeship, training;
- (iii) division passed in Technical School; and
- (iv) starting pay?

(b) Will Government please state separately the number of vacancies in the different grades of supervising staff occurred in different workshops under the Chief Mechanical Engineer, East Indian Railway, since 1932?

The Honourable Sir Muhammad Zafrullah Khan: (a) As regards the first part of the question, Government understand that the procedure referred to is being followed. As regards the latter part, the available information was laid on the table of the House on the 2nd September, 1935 in reply to question No. 1015.

(b) Government have no information and do not consider that the expense and labour involved in compiling the information will be commensurate with the results likely to be achieved.

QUALIFICATIONS OF CHARGEMEN, ASSISTANT FOREMEN AND FOREMEN EMPLOYED IN CHARBAGH AND ALAMBAGH RAILWAY WORKSHOPS.

257. ***Mr. Amarendra Nath Chattopadhyaya:** (a) Is it a fact that a majority of the chargemen, Assistant Foremen and Foremen employed in Charbagh and Alambagh Workshops under the Chief Mechanical Engineer, East Indian Railway, neither received any technical education nor practical training? If so, will Government please state the reasons therefor?

(b) If the answer to part (a) be in the negative, will Government please supply separately the names of all chargemen, Assistant Foremen, and Foremen (including those who are officiating) employed in those workshops together with the following particulars:

- (i) General education (University Examination passed);
- (ii) Technical education (Division passed);
- (iii) Practical training; and
- (iv) Service?

If not, why not?

The Honourable Sir Muhammad Zafrullah Khan: (a) The reply is in the negative.

(b) No. Government consider this unnecessary as it is unlikely to serve any useful purpose.

PROMOTION OF JOURNEYMEN TO HIGHER CHARGEMEN'S GRADE IN THE CHARBAGH AND ALAMBAGH RAILWAY WORKSHOPS.

258. ***Mr. Amarendra Nath Chattopadhyaya:** (a) Is it a fact that the journeymen are promoted in higher chargemen's grade superseding the claims of chargemen T. T. in Charbagh and Alambagh Workshops, under the Chief Mechanical Engineer, East Indian Railway?

(b) Are Government aware that in the information laid on the table on the 2nd September, 1935, in connection with starred question No. 1324 asked on the 2nd April, 1935, it has been stated that journeymen's grade is lower than that of the chergeman T. T. ?

(c) If the answers to parts (a) and (b) be in the affirmative, will Government please state the reasons for promoting journeymen to higher chergemen's grade in preference to chergemen T. T. ?

(d) Are Government prepared to take necessary steps to replace those journeymen who are still officiating in higher chergemen's grade by chergemen T. T. and to stop such practice without further delay and issue necessary orders to the Railway Administration to this effect? If not, why not?

(e) If the answer to latter portion of part (d) be in the affirmative, will Government please lay a copy of the order on the table? If not, why not?

(f) If the answer to part (a) be in the negative, will Government please state whether they are prepared to make an early enquiry into the matter and take necessary steps? If not, why not?

The Honourable Sir Muhammad Zafrullah Khan: (a) Yes, this has been done in certain individual cases considering the merit and length of service in each case.

(b) Yes.

(c), (d), (e) and (f). Government have delegated full powers to local Administrations in matters relating to the appointment and promotion of subordinate staff and are not prepared to interfere.

SUCCESSFUL MECHANICAL *EX*-APPRENTICES OF THE LILLOOAH WORKSHOPS.

259. ***Mr. Amarendra Nath Chattopadhyaya:** (a) With reference to the information laid on the table on the 2nd September, 1935, in connection with part (f) of starred question No. 1324 asked on the 2nd April, 1935, regarding the successful mechanical *ex*-apprentices of the Lillooah Workshops, East Indian Railway, will Government please state whether the Railway Administration have issued any orders to the Heads of the workshops such as Works Managers, to discontinue the practice of promoting mistries and others, who received no technical education at all, to the grade of journeyman, chergeman, etc., in preference to the *ex*-apprentice mechanics of Jamalpur Technical School?

(b) If the answer to part (a) be in the affirmative, will Government please lay a copy of the order on the table? If not, why not?

(c) If the answer to part (a) be in the negative, will Government please state whether:

(i) they are prepared to take necessary steps to issue such orders to Railway Administrations without further delay, and if not, why not; and

(ii) they are prepared to lay a copy of the same on the table, and if not, why not?

The Honourable Sir Muhammad Zafrullah Khan: Government are informed that no specific order has been issued but that all Deputy Chief Mechanical Engineers and Works Managers are aware of the policy that vacancies in the technically trained supervising grades should be filled by ex-apprentices on the waiting list as far as possible. The Agent, East Indian Railway, is, however, taking steps to bring it once again to the notice of all concerned.

DEMOLITION OF A HINDU TEMPLE IN THE RANGOON CANTONMENT.

260. *Dr. T. S. S. Rajan: (a) Are Government aware that a Hindu temple was demolished in Rangoon Cantonment by the Rangoon Development Trust? If so, will they be pleased to state the reasons that rendered such a step necessary?

(b) Are Government aware that the temple is a very old one, built by Hindu sepoys engaged in the Burmese Wars, for offering worship?

(c) Is it a fact that the residents in that locality, the descendants of the founders of the temple, have been offering worship in that temple?

(d) Will Government state under what provision of law the Development Trust acted in the matter in the manner in which they did?

(e) Were the worshippers intimated of the intention of the authorities to pull down the temple, and was their consent taken beforehand?

(f) Have Government received any representation from the worshippers and the Hindu public of Rangoon regarding the destruction of the temple?

(g) Are Government aware that the religious sentiments of the people have been outraged, and if so, how do they propose to make proper amends for it?

(h) Are Government prepared to compensate the aggrieved parties by rebuilding their temple at its original site and having it properly consecrated at their expense? If not, will they state the reasons for not doing so?

The Honourable Sir Henry Craik: (a) to (h). I would invite the Honourable Member's attention to the reply given by me on the 26th September, 1935, to Mr. Ananthasayanam Ayyangar's question No. 715. In addition to the information given in that reply, I am informed that the temple was a small hut built of temporary materials, and that it was in such a condition that its total value was estimated at Rs. 20 only. Its age and origin are uncertain, but there is reason to believe that it has not always stood on the site from which it was removed. The site was acquired by the Rangoon Development Trust under section 21 of the Lower Burma Town and Village Lands Act, 1998. Some representations and resolutions were received and they were forwarded to the Local Government for disposal.

Dr. T. S. S. Rajan: There is a principle involved in the operation of the Act here. This is a case of a religious place of worship. Could a religious place of worship, however small it may be, be demolished or taken possession of without the consent of the parties concerned?

The Honourable Sir Henry Craik: I have not myself referred to the Act; I cannot answer that without notice.

Mr. President (The Honourable Sir Abdur Rahim): It is a legal question.

Dr. T. S. S. Rajan: I suppose the Honourable Member is aware that it is a religious place of worship?

Mr. President (The Honourable Sir Abdur Rahim): That goes without saying if it is a temple.

Dr. T. S. S. Rajan: The sanctity of temples is violated by the operation of this Act?

Mr. President (The Honourable Sir Abdur Rahim): There is the Act; and the Honourable Member has said that he cannot answer off-hand.

INTRODUCTION OF THE DELHI TIME.

261. ***Dr. T. S. S. Rajan**: (a) Will Government please state if the "Delhi Time" which was introduced last year is still in force?

(b) Will Government please lay on the table the opinions of the various departments and interests that were consulted in the matter?

(c) Are Government aware that there is an impression that the "Delhi Time" has been introduced merely to give more time to officers for attending evening parties, tennis and the like and not in the interests of work or efficiency?

(d) Are Government aware that owing to the introduction of the "Delhi Time" last year the clerks and assistants living in the outlying areas of New Delhi, and especially in the new Minto Road quarters, had to take their morning meals much earlier than usual and were put to a great deal of inconveniences on this account, with resultant loss of efficiency and health?

The Honourable Sir Henry Craik: (a) No.

(b) Government do not consider any useful purpose would be served by placing on the table the opinions of the authorities consulted.

(c) No.

(d) I am not aware that anyone has suffered either in health or efficiency.

UNSAFE CONDITION OF INDIAN CLERKS' QUARTERS AT TIMARPUR, DELHI

262. ***Dr. T. S. S. Rajan**: (a) Will Government state if it is a fact that during the last summer some of the Indian clerks' quarters at Timarpur were inspected and some of the rooms were found unsafe and were ordered to be vacated?

(b) Is it not a fact that these quarters, as well as the old Imperial Secretariat Buildings were built to last only for five or ten years till such time as the permanent capital was built?

(c) Is it not a fact that most of the houses, as well as the office buildings referred to above, have become unfit and are in fact dangerous for human habitation?

(d) Do Government propose to take early steps to have a thorough survey made of these buildings and, if necessary, have them vacated and pulled down so that they may not constitute a danger to the people living in them?

The Honourable Sir Frank Noyce: (a) Yes.

(b) No.

(c) No. The quarters are admittedly in a bad condition and some of the outhouses were condemned as dangerous, but the quarters as a whole have not been condemned as dangerous and unfit for human habitation.

(d) A proposal to demolish the existing quarters and to build some new ones is under consideration. In the meantime such of the quarters as are occupied and are still required will be kept in a reasonable state of repair.

LEVY OF AN IMPORT DUTY ON RICE AND PADDY.

263. ***Dr. T. S. S. Rajan:** (a) Will Government be pleased to state the quantity and value of imported Siamese rice, broken rice and paddy, into India since the import duty of twelve annas was levied on imported broken rice in May last?

(b) Has the imposition of the duty in any way helped to raise the selling price of paddy in this country?

(c) Do Government still hold that there is no necessity for an import duty on foreign paddy and whole rice imported into India and, if so, will they be pleased to state their reasons?

(d) Are Government prepared to consider the desirability of levying an import duty both on whole rice and paddy?

The Honourable Sir Muhammad Zafrullah Khan: (a) I lay on the table a statement showing imports of rice, broken rice and paddy from Siam into India during April to December, 1935.

(b) Yes.

(c) and (d). The question of an import duty on rice is at present receiving the consideration of Government.

Statement showing imports of Rice, Broken Rice and Paddy from Siam into India during the months of April to December 1935.

Month.	Rice.		Broken rice.		Paddy.	
	Quantity.	Value.	Quantity.	Value.	Quantity.	Value.
	Tons.	Rs.	Tons.	Rs.	Tons.	Rs.
April	300	18,900	3,918	3,15,348	Nil	Nil
May	500	45,540	Negligible	41	Negligible	6
June	Negligible	6	Nil	Nil	Nil	Nil
July	500	45,842	Nil	Nil	5,073	3,18,611
August	750	77,000	9,035	5,87,417	550	33,836
September	453	41,489	11,930	7,90,139	5,358	3,04,076
October	401	37,367	5,792	3,69,594	3,247	1,56,775
November	1,673	1,63,511	9,602	6,45,941	3,535	2,25,711
December	2,988	3,08,982	7,696	5,15,447	637	49,592

Dr. T. S. S. Rajan: Are Government aware that so recently as two weeks ago, there has been an import of over 28,000 tons of rice in Bombay ports from Siam?

The Honourable Sir Muhammad Zafrullah Khan: Government have seen a report to that effect in the press, and they are taking steps to find out from the Port Officers concerned as to what the exact situation is.

Dr. T. S. S. Rajan: Have Government reviewed the price of rice in relation to the imports that are now on the increase?

The Honourable Sir Muhammad Zafrullah Khan: I have got figures with regard to the price of rice generally in the Madras Presidency as compared with September and November of last year. If that would interest the Honourable Member—it is a short statement—I can read it.

Dr. T. S. S. Rajan: Is the Honourable Member aware that besides the ports of Madras and Bombay, there are a number of other ports in South India along the coast where Siamese rice is being imported in large quantities?

The Honourable Sir Muhammad Zafrullah Khan: I am not aware.

Mr. T. S. Avinashilingam Chettiar: What is the answer to parts (c) and (d)?

The Honourable Sir Muhammad Zafrullah Khan: The question of an import duty on rice is at present receiving the consideration of Government.

Mr. S. Satyamurti: With reference to the answer to part (b)—I think the Honourable Member said, yes—what is the extent of rice in the selling price of paddy?

The Honourable Sir Muhammad Zafrullah Khan: I have got a statement of wholesale prices of paddy in the Madras Presidency with regard to September and November of 1934 and 1935. Perhaps that would help the Honourable Member. At Madura, in September 1934, the price was Rs. 2-11-0, and in September, 1935, Rs. 3. In November, 1934, Rs. 2-14-0, and in November, 1935, Rs. 3. In Nellore, the price was Rs. 2-13-0 and Rs. 3 in the two months of September and Rs. 2-11-0 and Rs. 2-14-0 in the two months of November. In Berhampore, it was Rs. 1-10-0 and Rs. 2-10-0 in September, 1934, and September, 1935, respectively, and Rs. 1-13-0 and Rs. 2-9-0 in November, 1934 and November, 1935, respectively. At Nandalore, the price was Rs. 2-11-0 and Rs. 2-13-0 in September, 1934, and September, 1935, respectively, and Rs. 2-13-0 and Rs. 2-10-0 in November, 1934, and November, 1935, respectively.

Mr. Sami Vencatachalam Chetty: Are Government aware that there has been a corresponding decrease of importation of Burma rice into the Continent of India as much as there was increase in the importation of Siamese rice?

The Honourable Sir Muhammad Zafrullah Khan: I am not aware.

Dr. T. S. S. Rajan: Are Government aware that a lot of rice has been mixed up with unbroken rice to escape duty, and the whole thing is being dumped into this country under that label?

The Honourable Sir Muhammad Zafrullah Khan: I am not aware.

Dr. T. S. S. Rajan: Have Government received any communication from the Government of Madras on this subject?

The Honourable Sir Muhammad Zafrullah Khan: Without looking into the matter, I cannot say from memory.

Dr. T. S. S. Rajan: Has there been any representation from the Association of Mirasdars of Tanjore?

The Honourable Sir Muhammad Zafrullah Khan: I would require notice of that.

Mr. S. Satyamurti: With reference to parts (c) and (d) of the question, may I know when Government expect to be in a position to come to any definite conclusion on the matter specifically raised in part (d) of the question?

The Honourable Sir Muhammad Zafrullah Khan: I do not think it will take very long.

MARKETING OF VARIOUS PRODUCTS OF AGRICULTURE.

264. ***Dr. T. S. S. Rajan:** (a) Will Government be pleased to state how far the Marketing Board, appointed by the Government of India, has helped the agriculturists in marketing their produce?

(b) Have they formulated any definite scheme for the marketing of various products of agriculture and if so, what are they?

(c) What representations have they made to the various Railway authorities for facilities for transport and reduction of freight rates of agricultural produce to marketing centres?

Sir Girja Shankar Bajpai: (a) and (b). A copy of the progress report of the marketing surveys up to the end of June, 1935, has been placed in the Library. The formulation of definite proposals about the marketing of various agricultural products will be undertaken after the surveys now in progress have been completed.

(c) The Honourable Member's attention is invited to the reply given by Mr. P. R. Rau on the 18th September, 1935, to Mr. Akhil Chandra Datta's question No. 455.

Dr. T. S. S. Rajan: Have Government any idea as to when they are likely to get these reports from the various provincial bodies?

Sir Girja Shankar Bajpai: The original idea was that the various reports should be in between December, 1935, and June, 1936. The Marketing Officer reports that he is endeavouring to keep to that programme.

PROPOSAL TO ABOLISH THE EXISTING FRANCHISE ENJOYED BY INDIANS IN FIJI.

265. *Dr. T. S. S. Rajan: (a) Is it or is it not a fact that there is a proposal to abolish the existing franchise enjoyed by Indians in Fiji?

(b) If the answer to part (a) be in the affirmative, what measures have the Government of India taken to protect the privileges which the Indians in Fiji have been enjoying till now?

Sir Girja Shankar Bajpai: (a) and (b). The attention of the Honourable Member is invited to the reply given by me on the 6th February, 1936, to Mr. Satyamurti's starred question No. 100.

TRAINING OF CLERKS, ASSISTANTS AND OFFICERS OF THE GOVERNMENT OF INDIA SECRETARIAT IN INDIA OFFICE.

266. *Dr. T. S. S. Rajan: (a) Will Government state the strength of the various branches of the India Office?

(b) Will Government state what proportion of the cost of the India Office is debited to Indian revenues?

(c) If any proportion is so debited, will Government state whether any, and if so, how many, Indians are employed in the various branches of this Office in any capacity?

(d) If no Indian has so far been employed in the India Office, are Government prepared to take early steps to send Indian clerks, assistants and officers by rotation from the Government of India Secretariat, for necessary training there?

The Honourable Sir Henry Craik: (a) Government have no information beyond what is contained in the India Office List, a copy of which is in the Library of the House.

(b) Approximately one half.

(c) Government have not the information.

(d) If the Honourable Member will refer to section 17 of the Government of India Act now in operation and section 280 of the Government of India Act, 1935, he will see that his suggestion is impracticable.

Mr. Lalchand Navalrai: In view of the fact that half the cost is being borne by the Indian exchequer, may I know whether Government would advise the India Office to engage Indians in their office?

The Honourable Sir Henry Craik: If the Honourable Member will refer to section 17 of the Government of India Act now in operation, he will see what the procedure is for making appointments in the India Office.

Mr. T. S. Avinashilingam Chettiar: What is the impracticability about it.

The Honourable Sir Henry Craik: The section lays down :

“(1) No addition may be made to the establishment of the Secretary of State in Council.....except by an Order of His Majesty in Council.

(2) The rules made by His Majesty for examinations, certificates, probation or other tests of fitness, in relation to appointments to junior situations in the civil service shall apply to such appointments on the said establishment”.

that is on the India Office.

TRAINING OF INDIANS IN MANUFACTURING FIRMS IN GREAT BRITAIN.

267. ***Dr. T. S. S. Rajan:** (a) Is it a part of the duties of the Trade Commissioner for India in London to arrange and negotiate with manufacturing firms in Great Britain for practical training to qualified Indians in those firms?

(b) If so, how many Indians are there now receiving such training?

(c) Is there any limit to the admission of Indians and if so, what are the terms under which such admission is made?

The Honourable Sir Muhammad Zafrullah Khan: The Honourable Member is referred to the reply given by me to Seth Govind Das' starred question No. 136 on the 7th February, 1936, and to the supplementary questions put on that date.

Prof. N. G. Ranga: What is the answer to part (b): How many Indians are there now receiving such training?

The Honourable Sir Muhammad Zafrullah Khan: Government have no information. It could not have been obtained within three days.

INDIAN TRADE COMMISSIONERS IN CERTAIN COUNTRIES AND TRADE AGREEMENTS WITH THOSE COUNTRIES.

***Dr. T. S. S. Rajan:** (a) Are there Indian Trade Commissioners in Germany, Italy, Paris, Czecho-Slovakia and Japan?

(b) Are there any trade agreements between these countries and the Government of India?

(c) Are Government prepared to consider the feasibility of entering into bilateral agreements with these countries wherein, besides other things, provision for training duly qualified Indians for practical instructions in industrial concerns may also find a place?

(d) If not, will they be pleased to state their reasons?

The Honourable Sir Muhammad Zafrullah Khan: (a) There is one Indian Trade Commissioner in Germany and another in Italy. Northern France and Czecho-Slovakia are included within the jurisdiction of the former and Southern France within that of the latter.

(b) India has trade agreements with Italy, France and Japan. There are no separate agreements with Germany and Czecho-Slovakia but by virtue of treaties between the United Kingdom and these countries, Indian goods are entitled in them to most-favoured-nation treatment on terms of reciprocity.

(c) and (d). Government do not consider that it would be practicable to include a provision of the kind suggested by the Honourable Member in a bilateral trade agreement.

Prof. N. G. Ranga: When do Government propose to send a Trade Commissioner to Japan?

The Honourable Sir Muhammad Zafrullah Khan: I cannot say. Government have not yet decided.

Prof. N. G. Ranga: Are they considering?

The Honourable Sir Muhammad Zafrullah Khan: Yes.

Mr. Husenbhai Abdullahhai Laljee: How long it would take?

The Honourable Sir Muhammad Zafrullah Khan: I cannot say now.

REPORT OF THE DRUGS INQUIRY COMMITTEE.

269. ***Dr. T. S. S. Rajan:** (a) When did the Drugs Inquiry Committee submit their report to Government?

(b) What were its chief recommendations?

(c) Have Government taken any action on that Report?

(d) If not, will Government be pleased to state their reasons?

(e) What action have Government taken with regard to the resolution passed by the Council of State in its last session at Simla regarding this subject?

(f) If they have not taken any action, will Government be pleased to state the reasons for not acting on the resolution recommended by the Council of State?

Sir Girja Shankar Bajpai: (a)—(f). I would refer the Honourable Member to the answer given by me to Seth Govind Das's question No. 135 on the 7th February, 1936.

PROVISION OF RAISED PLATFORMS ON STATIONS BETWEEN ERODE AND TRICHINOPOLY ON THE SOUTH INDIAN RAILWAY.

270. ***Dr. T. S. S. Rajan:** (a) Are Government aware that many stations in the broad gauge section of the South Indian Railway, between Erode and Trichinopoly, have very low platforms, which make it a perfect acrobatic feat to climb down from the train, particularly for elderly passengers especially women, and for children?

(b) Are Government aware that there are numerous small stations on this line where the trains do not halt for any length of time sufficient to enable the passengers to alight with safety?

(c) Is it not a part of the duty of the Railway authorities to provide this ordinary convenience in consideration of the fare they take from the passengers?

(d) Are not similar conditions prevailing at many stations on the Great Indian Peninsula Railway on the Grand Trunk Line from Wardha to Delhi?

(e) Are Government prepared to take necessary and early steps to improve the level of station platforms with due regard to public safety and convenience?

(f) Will Government state whether the Government Inspector of Railways brought this fact to their notice before the lines were declared open for traffic and if not, why did he not do so?

(g) Will Government state what action do they propose to take in this matter?

The Honourable Sir Muhammad Zafrullah Khan: (a) and (d). Government are aware that at a number of stations with small traffic, low level platforms have been provided.

(b) No.

(e), (f) and (g). Railways are replacing low level with high level platforms as traffic increases enough to justify this action and as funds can be allotted for the purpose.

(f) There was nothing contrary to sanctioned standards which required a report from the Government Inspector.

Dr. T. S. S. Rajan: Do Government at all realise the inconvenience caused to the passengers through getting up and down this platform together with the risk there is?

The Honourable Sir Muhammad Zafrullah Khan: There is always inconvenience in the case of low platforms.

Dr. T. S. S. Rajan: I am particularly referring to my question. Are Government aware that people cannot ascend to and descend from the trains within the time allowed for the trains to stop because of these low platforms?

The Honourable Sir Muhammad Zafrullah Khan: Government have no reason to suppose that stoppages are not enough to enable passengers to board the trains quite comfortably.

Dr. T. S. S. Rajan: If accidents happen in boarding trains, are they reported so that they might take further measures to raise the platform?

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

REFUSAL OF PERMISSION TO A MEMBER OF THE LEGISLATIVE ASSEMBLY TO STAY IN THE YOUNG MEN'S CHRISTIAN ASSOCIATION, SIMLA.

271. ***Dr. T. S. S. Rajan:** (a) Are Government aware that a Member of the Legislative Assembly was refused permission to stay and take up rooms which were booked by him in the Simla Y. M. C. A.?

(b) Are Government aware of, and if so, will they state the reasons for such a conduct by the organisation?

(c) Does the Y. M. C. A. receive any subvention or any other grants from the Government of India, directly or indirectly, such as building grants, education grant or rural development grants?

(d) In view of the event that is the subject matter of this interpellation, are Government prepared to stop all contributions to the Y. M. C. A. in this country in future?

The Honourable Sir Henry Craik: (a) Government have seen press comments on this matter, but have no other information.

(b) No.

(c) and (d). No subvention is made by the Government of India to the Y. M. C. A., but I believe there have been instances where a special grant has been made for a particular purpose. I am not prepared to give an undertaking that the Government will give the Y. M. C. A. no assistance in the future.

Seth Govind Das: Is it a fact that this gentleman was refused accommodation there, because he puts on Indian costume?

The Honourable Sir Henry Craik: I have said that I have no information on the subject except what has appeared in the press which is just as readily available to Honourable Members as it is to me.

Prof. N. G. Ranga: Will Government take it from me, as the gentleman involved in this incident, that it is a fact that the Y. M. C. A. authorities refused me admission on the alleged ground that I was wearing a *dhoti* and not European clothing?

The Honourable Sir Henry Craik: I am quite prepared to take it from the Honourable Member.

Dr. T. S. S. Rajan: Do Government propose to take any action against the Y. M. C. A.?

The Honourable Sir Henry Craik: Government can take no action. It is not a Government institution; they were not consulted and they have no information.

Mr. S. Satyamurti: Will Government take up this matter with the authorities of the Y. M. C. A., in order to find out the facts and make up their minds one way or the other, before they consider any kind of help to this Association?

The Honourable Sir Henry Craik: I see no reason at all to do so.

Mr. S. Satyamurti: Why not? Why should Government help an Association which discriminates against Indians in their own country?

The Honourable Sir Henry Craik: That question seems to me to contain an argument.

Mr. S. Satyamurti: After this statement by an Honourable Member on the floor of this House that he was denied access because he wore Indian costume, why do Government refuse to take up the matter with the Y. M. C. A., before they make up their minds to give or not to give any contribution to them?

The Honourable Sir Henry Craik: Because the institution has nothing whatever to do with Government.

Mr. S. Satyamurti: Why do Government refuse to commit themselves not to give any help of any kind to this institution out of the tax-payer's money, which refuses admission to Indians in their own country?

The Honourable Sir Henry Craik: Government assist many institutions of various kinds in various ways, but do not interfere with their internal arrangements or domestic rules.

Mr. S. Satyamurti: Is it the policy of Government to help an Association which discriminates against Indians on account of their own Indian dress?

The Honourable Sir Henry Craik: No, Sir.

Mr. S. Satyamurti: Then, why do Government not give an undertaking

Mr. President (The Honourable Sir Abdur Rahim): Order, order; next question.

QUININE HELD BY GOVERNMENT.

272. ***Dr. T. S. S. Rajan:** (a) Will Government be pleased to state the quantity of quinine held by them at the end of 1935?

(b) What is the present rate of sale of the Government stocks and that of the market?

(c) What is the actual cost of production of quinine for Government?

(d) What is the profit which Government make on every pound of quinine over and above the cost of production?

Sir Girja Shankar Bajpai: (a) At the end of 1935 the total quantity of quinine belonging to the Government of India amounted to 167,921 pounds. This includes the reserve of 150,000 pounds which is maintained to meet national emergencies.

(b) The sale price of Government quinine is Rs. 18 per pound. The current market price is about Rs. 23 per pound.

(c) The average cost of production of quinine, for the Government of India, excluding overhead charges for direction and rent, is estimated at about Rs. 15 per pound.

(d) Attention of the Honourable Member is invited to the reply given to parts (b) and (d) of Srijut N. C. Bardaloi's unstarred question No. 54 on the 9th September, 1935.

Dr. T. S. S. Rajan: I simply wanted to know whether there is any profit which Government make on the transaction.

Sir Girja Shankar Bajpai: My Honourable friend asked a supplementary question on that point the other day, and I told him that if the rent element and the overhead charges were included, the profit would be possibly a few annas a pound.

MARKET PRICE OF QUININE.

273. ***Dr. T. S. S. Rajan:** (a) Is the market price of quinine controlled by a combine, of which India is a member?

(b) Who are the other members of the combine?

(c) Is it not a fact that the combine regulates the prices of quinine, and that the present selling rate of Government quinine is due to the fact that Government are obliged to keep up a high selling rate on account of their membership in that combine?

Sir Girja Shankar Bajpai: (a) The market price of quinine probably depends upon those who control 90 per cent of the production of the drug. India is not a member of any combine.

(b) The Government of India have no information.

(c) As regards the first part I would refer the Honourable Member to the answer to part (a). The answer to the second part of the question is in the negative. Actually the Government price is considerably lower than the market price of trade quinine.

INDIA'S QUININE REQUIREMENTS.

274. ***Dr. T. S. S. Rajan:** (a) Is India self-contained in the matter of its quinine requirements?

(b) How much quinine does Burma Province produce?

(c) In the event of the separation of Burma from India, will not Government be deprived of a necessary product which is required for her people?

(d) Do Government propose to increase the area of cinchona cultivation in this country? If not, why not?

Sir Girja Shankar Bajpai: (a) No.

(b) It is not possible to give an exact figure as Java bark has so far been mixed with Burma bark in the production of the Government of India quinine, but it is calculated that if a year's output of Burma bark were converted into quinine sulphate by itself the yield would be 3,000 lbs. of quinine sulphate approximately.

(c) The Government of India will have no source of supply of raw material left but Bengal and, to a less extent, Madras, will.

(d) Under the new constitution the production, supply and distribution of quinine will rest entirely with Local Governments.

Prof. N. G. Ranga: What steps do the Government of India propose to take to see that India is self-sufficing in the matter of quinine supply after the separation of Burma from India?

Sir Girja Shankar Bajpai: I have answered that question on previous occasions. On the present I would refer the Honourable Member to what I said in reply to part (d), namely, that the responsibility for the production, supply and distribution of quinine from next year will in all probability rest with the Local Governments.

Prof. N. G. Ranga: Will Government consider the advisability of expecting its Public Health Department to enable each one of these Provincial Governments to equip themselves with the necessary quinine supply?

Sir Girja Shankar Bajpai: It is not possible even for the Public Health Department of the Government of India to do that, because, whether one can grow the cinchona tree or not depends upon climatic and a number of other conditions.

Prof. N. G. Ranga: Do the Government of India propose not to do anything at all in the matter of enabling these Provincial Governments to have their own supplies of quinine?

Sir Girja Shankar Bajpai: Not unless the Local Governments take any initiative in the matter.

GOVERNMENT OF INDIA SECRETARIAT PROCEDURE COMMITTEE.

275. ***Dr. T. S. S. Rajan:** (a) Is it a fact that Government have constituted a Committee to go into the question of selecting officers for the principal posts in and the procedure of the Government of India Secretariat?

(b) Will Government be pleased to state the reasons for this unusual procedure?

The Honourable Sir Henry Craik: (a) Yes.

(b) These were stated in a Resolution, dated the 3rd October, 1935, which was published in the *Gazette of India*, dated the 5th October, 1935.

Mr. S. Satyamurti: Has this Committee finished its labours?

The Honourable Sir Henry Craik: Not yet, Sir.

Mr. S. Satyamurti: When do Government expect its report?

The Honourable Sir Henry Craik: I hope in the next month or at the end of February.

Mr. S. Satyamurti: Will the report be placed before the House for discussion?

The Honourable Sir Henry Craik: I cannot give any undertaking about that.

Dr. T. S. S. Rajan: Do not Government consider the Public Service Commission a body suitable for this purpose instead of a special committee?

The Honourable Sir Henry Craik: No, Sir; it is not their business.

RECRUITMENT OF QUALIFIED SONS AND DEPENDANTS OF THE POSTAL EMPLOYEES IN THE BENGAL AND ASSAM POSTAL CIRCLE.

276. ***Mr. Lalchand Navalrai:** (a) With reference to my supplementary questions to starred question No. 384 asked on the 16th September, 1935 regarding the recruitment of the qualified sons and dependants of the postal employees in the Bengal and Assam Postal Circle, will Government be pleased to state how many relations and dependants of Government employees in the Posts and Telegraphs Department in Sind have been given preference in the matter of appointments on account of their relationship with postal employees during the last five years?

(b) How many of them were Hindus and how many Muhammadans and in what post were they placed?

The Honourable Sir Frank Noyce: (a) and (b). Government regret that they are unable to furnish the information as its collection would involve an undue expenditure of time and labour. As already stated in the reply to the supplementary questions referred to by the Honourable Member, other things being equal, preference is given to properly qualified sons and dependants of employees of the Department in the matter of recruitment, but such preference is always subject to the strict observance of Government's orders regarding the adjustment of communal inequalities.

Mr. Lalchand Navalrai: Is that rule being followed in Sind?

The Honourable Sir Frank Noyce: I hope so; I have no reason to believe the contrary.

Mr. Lalchand Navalrai: Has the Honourable Member satisfied himself on that point?

The Honourable Sir Frank Noyce: If my Honourable friend can bring to my notice any occasion in which it is not being followed, I shall be very glad to inquire into it.

IMPORT AND REVENUE DUTIES PAID BY EUROPEAN AND INDIAN OIL COMPANIES.

277. ***Mr. Lalchand Navalrai:** (a) Will Government be pleased to state how many European and Indian Oil Companies are there in India including Burma Oil Company?

(b) Do these Companies both European and Indian pay the same import duty? If not, what is the difference of duty paid by them respectively and what are the reasons for this difference?

(c) Do these Companies pay differential rate of revenue duty? If so, why should that difference prevail?

(d) What is the long history behind these differential rates of duty as stated by the Honourable the Finance Member in reply to a supplementary question to starred question No. 175 asked by Mr. C. N. Muthuranga Mudaliar on the 6th September, 1935?

(e) Do Government propose to remove this difference? If not, why not?

The Honourable Sir James Grigg: (a) There are sixty-six companies in India which deal in petrol, kerosene and allied mineral products. Of these forty-five are incorporated in India and twenty-one are incorporated in other countries.

(b) All companies pay the same rate of import duty.

(c) and (d). The Honourable Member is presumably referring to the difference between the import duty and the excise duty on kerosene. The rates at which these duties have been levied at various times were stated in my reply to question No. 1566 asked by Mr. Avinashilingam Chettiar on the 5th of April, 1935. The import duty existed before the excise duty, and since the excise duty was first imposed in 1922 it has always been somewhat lower than the corresponding import duty. The indigenous product in fact continued to enjoy an advantage of the same nature as that enjoyed by a large number of other commodities produced in India against imports from abroad on which a purely revenue duty is levied.

(e) No, because the maintenance of this difference is one of the terms of the Indo-Burma Trade Agreement.

Mr. Lalchand Navalrai: What I wanted to know was whether there is any discrimination between the different companies with regard to revenue duties.

The Honourable Sir James Grigg: All companies pay the same import duties.

Mr. Lalchand Navalrai: I refer to revenue duty mentioned in clause (c) of the question.

The Honourable Sir James Grigg: No, Sir.

AMENDMENT OF THE INDIAN COMPANIES ACT AND THE INSURANCE LAW.

278. ***Mr. Lalchand Navalrai:** (a) With reference to starred question No. 132 asked by Mr. S. Satyamurti on the 5th September, 1935 regarding the amendment of the Indian Companies Act, will Government be pleased to state whether Mr. Sen, the Special Officer in connection with the revision of the Indian Companies Act, has submitted his report?

(b) If the answer to part (a) be in affirmative, do Government propose to give an idea of its recommendations if they do not still consider it desirable to circulate it amongst the Members of the Legislative Assembly? If not, why not?

(c) When do Government propose to introduce a Bill amending the Indian Companies Act in pursuance of the report submitted by Mr. Sen?

(d) Was Mr. Sen asked to consider the amendment of the Insurance laws; if so, whether he considered the same and made any recommendations, and if so, what are those recommendations?

(e) Has Mr. Sen made any suggestions to amend the Provident Insurance Societies Act of 1912, with a view to check the unsatisfactory features attending the growth of Provident Fund Societies in Sind and India? If so, what are those suggestions?

(f) Do Government propose to give effect to the recommendations made and when do they propose to amend the Insurance law in India?

The Honourable Sir Nripendra Sircar: (a) Yes.

(b) No. The report is confidential.

(c) In the near future.

(d), (e) and (f). Mr. Sen has reported on the necessity for amending insurance law. His report, which is confidential, is receiving the consideration of Government. Their future course of action will be decided when that consideration is complete.

Mr. Lalchand Navalrai: Will it take long to bring about the amendment of the Insurance laws?

The Honourable Sir Nripendra Sircar: That will depend upon how long this House will take to pass the Company laws. I said in answer to a question by Mr. Satyamurti that we cannot consider the amendment of the Insurance laws until the Company laws have been finished, and we should not take long over it.

Mr. S. Satyamurti: What is the answer to part (c)?

The Honourable Sir Nripendra Sircar: I think I answered a supplementary question in which I said that the matter has been considered by Mr. Sen, and I think I also gave an undertaking that it would be considered by Government.

Mr. S. Satyamurti: I am asking about Provident Fund Societies particularly.

The Honourable Sir Nripendra Sircar: My answer covers them.

ALLEGED IMPERSONATION AND OTHER MALPRACTICES EMPLOYED IN ELECTIONS TO LEGISLATURES AND LOCAL BODIES.

279. ***Mr. Lalchand Navalrai:** (a) With reference to my starred question No. 236 asked on the 10th September, 1935, regarding the alleged impersonation and other malpractices employed in elections to Legislatures and Local Bodies, will Government please state whether they have received the opinions of Local Government with whom they were in consultation?

(b) If so, have Government come to any conclusion and adopted any measures to stop the evil of impersonation and other malpractices?

(c) Had Government any occasion to enquire into the method adopted by the Karachi Municipality for check-mating the impersonation? If not, do they propose to make an enquiry from the Karachi Municipality and recommend the adoption of that method in the elections to the Legislatures?

The Honourable Sir Henry Crank: (a) Yes.

(b) The matter is still under consideration and correspondence with the Local Governments.

(c) I told the Honourable Member on the 10th September, 1935, that if he would give me the facts about the action taken by the Karachi Municipality, I would look into it. This he has not done. But the Honourable Member is no doubt aware that the Bombay Legislature has recently passed an Act to deal more affectively with impersonation at elections.

Mr. S. Satyamurti: Have Government considered, or are they considering, the question of introducing secrecy in votes by illiterate persons, either by adopting the system which obtains, I believe, in Bihar, of naming candidates by flowers or animals or by giving colours to the ballot boxes and enable them to vote in secrecy?

The Honourable Sir Henry Craik: I believe this is being considered by the Delimitation Committee, but I am not certain. It is not my subject.

Mr. S. Satyamurti: Whose subject is it? I am asking with reference to the question regarding the alleged impersonation and other malpractices employed in elections to Legislatures and Local Bodies. I want to know whether Government have considered the very important question of ensuring secrecy in votes.

The Honourable Sir Henry Craik: I say that I believe that is being considered by the Delimitation Committee, but I am not certain.

Mr. S. Satyamurti: Can it be made certain?

The Honourable Sir Henry Craik: I shall find out.

AMENDMENT OF SECTION 61 OF THE INDIAN INCOME-TAX ACT.

280. ***Mr. Lalchand Navalrai:** (a) Will Government be pleased to state whether they have submitted the question of amending section 61 of the Indian Income-tax Act to the Expert Committee which is appointed to overhaul the said Act; and if not, when do they propose to refer the same to them?

(b) If the answer to part (a) be in the affirmative, will Government please state whether the Expert Committee have considered the question or have taken any evidence in connection therewith?

The Honourable Sir James Grigg: (a) Yes.

(b) The Expert Advisers to Government are now engaged on their enquiries.

SAFEGUARDING OF THE INTERESTS OF HINDUS OF SIND FOR EMPLOYMENT IN RAILWAY AND GOVERNMENT SERVICES.

281. ***Mr. Lalchand Navalrai:** (a) Are Government aware that the North Western State Railway Administration regard the Hindus of Sind is a majority community in the matter of recruitment and employment in the Railway services?

(b) Are Government aware that Hindus are in fact an important minority community in Sind and that in their provincial matters they are regarded as such by the Provincial Government?

(c) Are Government aware that in view of the separation of Sind Hindus will be given the privileges and concessions of minority community in Sind?

(d) Are Government aware that the Hindu Sindhis are greatly prejudiced on account of their being treated as a minority community in All-India services, and are Government prepared to adopt measures to remove their grievances and make some suitable arrangement to vouchsafe their interests as a minority community in all-India services including Railways?

The Honourable Sir Henry Craik: (a) and (b). In accordance with the Resolution of 4th July, 1934, 60 per cent. of vacancies on the North Western Railway have been reserved for Muslims, 5 per cent. for Anglo-Indians and 9 per cent. for the other minorities. The Hindus of any particular province are not recognised as a minority community for the purposes of this Resolution.

(c) The separation of Sind will make no difference to the system of reserving vacancies in the Services to which the Resolution of 4th July, 1934, applies.

(d) Government do not consider it necessary to reserve any vacancies for the Hindus of Sind, as it is open to them to obtain unreserved vacancies.

Mr. Lalchand Navalrai: May I know from the Honourable Member, when they are treated as a minority community in Sind, what crime they have committed for being treated as a majority community in India?

The Honourable Sir Henry Craik: I have said, Sir, that they are not treated as a minority community for the purposes of this Resolution.

Mr. Lalchand Navalrai: That is exactly what I am asking.

The Honourable Sir Henry Craik: The Resolution deals with all-India recruitment; it does not deal with provincial-recruitment.

Mr. Lalchand Navalrai: I am, therefore, asking why there should be a discrimination with regard to people in Sind, where they are considered to be minority community. Why should not the Resolution be amended?

The Honourable Sir Henry Craik: A minority in one particular province happens to be a majority in India as a whole. I am not responsible for it.

POWER OF PLACING ON LEAVE AN EMPLOYEE NOT SUFFICIENTLY CONVERSANT WITH RULES ON THE NORTH WESTERN RAILWAY.

282. ***Mr. Lalchand Navalrai:** (a) Will Government be pleased to state whether it is a fact that the Assistant Transportation Officers on the Karachi Division of the North Western Railway, exercise powers of declaring an employee as "*insufficiently conversant with railway rules*" and place him on leave with or without allowances till he passes such a test?

(b) If the reply to part (a) be in the affirmative, will Government be pleased to refer to part (d) of the answer laid on the table in reply to my starred question No. 630, asked on 15th August, 1934, and para. 3 of the Agent, North Western Railway, Lahore, letter No. 293-E./34, dated the

25th August, 1934, to the General Secretary, North Western Railway Union, wherein it has been definitely stated that only a Divisional Transportation Officer, if personally satisfied that a particular employee is *not sufficiently conversant with the rules*, can place him on leave with or without allowances? Why was this infringement of the rules made on the Karachi Division?

(c) Are Government aware that the Karachi Branch of North Western Railway Union did point out this infringement of orders in a representation to the Divisional Superintendent, North Western Railway, Karachi, in June last, and the Agent, North Western Railway, Lahore, but no action has so far been taken to see that the orders issued by the administration are carried out? If so, why?

(d) If Government are not aware of these representations, are they prepared to make enquiries in the matter for the information of this house?

The Honourable Sir Muhammad Zafrullah Khan: (a), (b), (c) and (d). I would refer the Honourable Member to the reply given to an identical question (No. 224) asked by him yesterday.

Mr. Lalchand Navalrai: It is not quite correct as the question referred to Assistant Transportation Officers exercising the power of placing an employee on leave with or without pay.

The Honourable Sir Muhammad Zafrullah Khan: The reply was that he tests the people, but those he discovers as deficient and wants to send on leave, whether with or without allowances, have to be put up before the Divisional Superintendent who comes to a final decision. That was my reply yesterday, and the same reply is given today.

Mr. Lalchand Navalrai: But is it not in contravention of the rule actually made, which does not allow even such interference with the Assistant Transportation Officer?

The Honourable Sir Muhammad Zafrullah Khan: No, it is not contrary to the rule, because the final decision, with regard to people who have to be sent on leave with or without allowances, is taken by the Divisional Officer.

DIVISIONAL MEDICAL OFFICER, NORTH WESTERN RAILWAY, KARACHI.

283. ***Mr. Lalchand Navalrai:** (a) Will Government state when was the post of a Divisional Medical Officer created on the Karachi Division of the North Western Railway?

(b) Will Government please state when the present incumbent of the post of the Divisional Medical Officer, North Western Railway, Karachi Cantonment, took over charge of his office?

(c) Is it a fact that the present Divisional Medical Officer, North Western Railway, Karachi, has been calling a number of patients from all over the Division to his headquarters at Karachi Cantonment Station? If so, what for?

(d) If the reply to part (c) be in the affirmative, will Government be pleased to say why the patients are not allowed to take treatment from the railway doctors in whose jurisdiction employees are headquartered?

(e) Will Government be pleased to state the number of patients, so called by the Divisional Medical Officer, North Western Railway, Karachi, from outstations?

(f) Will Government state whether this practice of calling patients is also observed in other Divisions of the North Western Railway, or is only confined to the Karachi Division? If the reply be in the negative, why the Divisional Medical Officer, North Western Railway, Karachi is doing so and is allowed to do so? If the reply be in the affirmative, will Government be pleased to lay on the table a statement for the last 12 months showing separately the number of patients called by each Divisional Medical Officer, North Western Railway?

(g) When a patient is so called by the Divisional Medical Officer, North Western Railway, Karachi, will Government state whether the concurrence of the patient in regard to his going to the Divisional Medical Officer is obtained? If not, why?

(h) Do Government hold the Railway Administration responsible in case of a mishap to a patient who, in spite of his unwillingness, is called for by the Divisional Medical Officer, North Western Railway, Karachi, to his headquarters?

(i) Is it a fact that even patients suffering from minor ailments or injuries are called by the Divisional Medical Officer at his headquarters? If so, why?

(j) Is it compulsory for an employee to proceed to the headquarters of the Divisional Medical Officer in response to a telegram from the latter to get himself treated? If so, under what rules and orders?

(k) How is the period spent in travelling to and from Karachi Railway Hospital treated? Whether on duty or leave? If leave, why so?

(l) What are the expenses incurred by the Administration by this act of the Divisional Medical Officer? Will Government lay on the table a statement showing details of the Railway expenses on this item, during the tenure of office of the present Divisional Medical Officer?

The Honourable Sir Muhammad Zafrullah Khan: (a) The post of District Medical Officer, Karachi, was created from the 30th March, 1935.

(b) The present incumbent of the post took over charge of his office about the end of August, 1935.

(c) to (l). Government have no information. These are matters of detailed administration for the Agent, North Western Railway, to decide, to whom a copy of this question has been sent for such action as he may consider necessary.

Mr. Lalchand Navalrai: May I know whether in view of the fact that the Medical Officer is putting his patients to trouble in asking them to go to his headquarters at Karachi, the Honourable Member would ask the Agent to at least let us know what he is doing in this matter?

The Honourable Sir Muhammad Zafrullah Khan: Government are perfectly satisfied that this particular District Medical Officer, in asking people to see him at his headquarters, when occasion arose, has done nothing at all which is objectionable.

Mr. Lalchand Navalrai: May I, therefore, know if other Medical Officers in other Divisions can also do the same?

The Honourable Sir Muhammad Zafrullah Khan: If the Honourable Member will put down a question, I will try to find out.

Mr. Lalchand Navalrai: Has the Honourable Member considered the inconvenience caused to the public by their having to go to the headquarters which they had not to do before?

The Honourable Sir Muhammad Zafrullah Khan: I have considered the question that has arisen, that is to say, I am assured that this particular District Medical Officer has done nothing which is objectionable.

Mr. Lalchand Navalrai: The Honourable Member may have a good opinion of the Medical Officer, but I am asking whether on general principles Medical Officers are allowed to ask their patients to go from one end of the Division to the other when they are sick?

The Honourable Sir Muhammad Zafrullah Khan: No general rule can be laid down. It depends on the kind of disorder or illness which the patient is suffering from and the convenience of the District Medical Officer.

FACILITIES FOR RAILWAY PATIENTS CALLED FOR TREATMENT BY THE DIVISIONAL MEDICAL OFFICER, KARACHI.

284. ***Mr. Lalchand Navalrai:** (a) Do the employees called by the Divisional Medical Officer, Karachi, for treatment, get any travelling or daily allowance for the period they are out of their headquarters? If not, why not?

(b) Will Government state whether any arrangements are made by the Railway Administration to ensure sufficient reserved accommodation in trains in third and intermediate class compartments for patients to travel, in response to the Divisional Medical Officer's call? If not, why not?

(c) What arrangements exist for the patients called by the Divisional Medical Officer to his headquarters, for taking rest at Karachi during the period of their stay, if not admitted to the hospital? If not, why not?

(d) What arrangements are made by the Railway Administration to ensure supply of suitable diet to the patients during the period of their journey to, and stay at, Karachi, if they are not admitted in the Hospital?

The Honourable Sir Muhammad Zafrullah Khan: With your permission, Sir, I propose to reply to questions Nos. 284 and 285 together. Government have no information. These are matters of detailed administration for the Agent, North Western Railway, to decide to whom a copy of the questions has been sent for information and such action as he may consider necessary.

Mr. Lalchand Navalrai: May I appeal to you, Sir? Every question is being replied to in such a manner that I must raise a point of order again.

Mr. President (The Honourable Sir Abdur Rahim): I have considered this. The questions relate to details of administration. I do find that many questions are asked of that nature, and I must remind the House that it is not the function of the House to survey the details of any administration. The House can only hold the Honourable Members, who represent certain departments, responsible for the administration generally, and they cannot control the details of the administration at question hour.

Mr. Lalchand Navalrai: May I know what would be the remedy then with regard to these questions?

Mr. President (The Honourable Sir Abdur Rahim): I should exclude as many questions as possible which deal with mere details of day to day administration. These are matters for departments to deal with. But sometimes certain questions do leak out which relate to such details, which ought not to be canvassed in this House.

OPERATIONS PERFORMED BY THE DIVISIONAL MEDICAL OFFICER, KARACHI.

†285. ***Mr. Lalchand Navalrai:** (a) How many major and minor operations have been performed by the present Divisional Medical Officer, North Western Railway at Karachi Cantonment Railway Hospital, during his tenure of office there?

(b) Does the Chief Medical Officer, North-Western Railway, take into consideration the performance of operations by a Medical Officer as a qualification for promotion, or stay at an important and popular Divisional headquarters as is the case in Civil Medical Department? If not, why?

(c) What were the circumstances under which the present Divisional Medical Officer was sent to Karachi?

TRANSFER OF EMPLOYEES OF THE NORTH WESTERN RAILWAY ON MEDICAL GROUNDS.

286. ***Mr. Lalchand Navalrai:** (a) Will Government be pleased to state what are the orders in force on the North Western Railway, in regard to transfer of an employee from one station to another on medical grounds either of the employee or his family members?

(b) Is it a fact that certain employees on the North Western Railway were asked by the Administration to produce certificates from the Railway Medical Officers recommending a transfer or stay at a station on medical grounds? If so, have these certificates been accepted? If not, why not?

(c) Will Government be pleased to state the number of employees on the North Western Railway who had been recommended a transfer from or stay at a station, on medical grounds during the last twelve months, and whether these transfers have been effected or not? If not, why not?

(d) What objections are there to the transfer or stay of employees to or at a station so as to give them healthy conditions for the performance of their duties?

(e) Do Government hold the Railway Administrations responsible for the consequences or deterioration of employees' health who are kept at a station in spite of a medical certificate to the contrary?

†For answer to this question, see answer to question No. 284

The Honourable Sir Muhammad Zafrullah Khan: (a) to (d). Government have no information. These are matters of detailed administration in which full powers have been delegated to the Agent, North Western Railway, to whom I have sent a copy of this question for information.

(e) This is a hypothetical question.

QUALIFICATIONS PRESCRIBED FOR APPOINTMENT AS CLERKS IN CERTAIN OFFICES ON THE NORTH WESTERN RAILWAY.

287. ***Mr. Lalchand Navalrai:** (a) Will Government be pleased to state whether it is a fact that the North Western Railway Recruitment Rules provide that persons whose educational qualifications are below the matriculation standard of a recognized University or the Junior Cambridge in the case of students of European Schools, are not eligible for appointment in the clerical posts of the Divisional Superintendent's office or offices of Extra District Officers?

(b) If the reply to part (a) be in the affirmative, will Government be pleased to give the date from which these orders were brought into force on the North Western Railway?

(c) Do these rules also apply to those non-matriculate members of the North Western Railway clerical staff, who were in the employment of the Administration before the promulgation of these rules, either temporarily or on probation? If so, why were these rules applied retrospectively?

(d) Have Government considered whether there can be any exception to these rules in regard to appointment of non-matriculantes in the clerical ranks on the North Western Railway? If so, which authority is competent to order such an exception?

(e) Will Government be pleased to lay on the table a statement showing full particulars of the persons who have been debarred from confirmation in clerical posts on the North Western Railway on the ground that they did not possess matriculation qualifications?

The Honourable Sir Muhammad Zafrullah Khan: (a) Yes.

(b) From 1924 the educational standard required from office clerks has been Matriculation, first or second division.

(c) and (e). So far as the Headquarters office of North Western Railway is aware, no non-matriculate member of the clerical staff who was on probation in a permanent vacancy at the time this standard was fixed suffered therefrom, but it is possible that non-matriculate members of the clerical staff, who were in temporary employment at the time, may have been debarred from subsequent permanent appointment but information is not readily available and Government regret their inability to undertake its compilation as it will involve an amount and time of labour not commensurate with the results likely to be obtained.

(d) This is a matter of internal administration which must be left to the Agent to decide. The authority competent to permit an exception is the Agent who fixed the standard.

CONSTITUTION OF THE LAHORE AND KARACHI ADVISORY COMMITTEES ON THE NORTH WESTERN RAILWAY.

289. *Mr. Lalchand Navalrai: (a) Will Government be pleased to state when were the Lahore and the Karachi Railway Advisory Committees brought into existence?

(b) Has there been any demand for amendment of their present constitution? If so, what action was taken in the matter?

(c) Do Government propose to amend the constitution of these two Advisory Committees with a view to make them more representative and widen the scope of their activities? If not, why not?

(d) What is the maximum period when a revision is desirable in view of their working? If no such duration has been fixed, do Government propose to lay down such a time limit?

(e) Has the question of revision of constitution of Advisory Committees been brought before the Central Advisory Committee for its consideration? If so, what was its view? If not, do Government propose to place it before that body for consideration?

The Honourable Sir Muhammad Zafrullah Khan: (a) In 1923.

(b) to (e). A Resolution recommending the re-constitution of Local Advisory Committees generally with a view to giving them larger powers and responsibilities and making them more thoroughly representative of the people was moved in another place on the 14th September, 1927. I would refer the Honourable Member to the discussion on that Resolution, which was ultimately withdrawn. The question of representation on Advisory Committees was on the agenda of the meeting of the Central Advisory Council for Railways held on the 14th September, 1935, when members desired further information to be obtained on certain points. The question will be brought up again at a meeting of the Central Advisory Council when the information called for from Railways has been received. The interests represented on the various Committees have been altered from time to time as and when the necessity for doing so has arisen. There is nothing to preclude other alterations being made at any time when the case for such alterations has been established.

APPLICABILITY OF THE RESOLUTION RE RECRUITMENT OF MUSLIMS TO INFERIOR AND LABOUR CLASS EMPLOYEES ON STATE RAILWAYS.

289. *Mr. Lalchand Navalrai: (a) Will Government be pleased to state what orders the Railway Board or the Agencies have issued with regard to the ratio of Muhammadans in inferior and labour services on the respective State Railways?

(b) Is it a fact that under the Government Resolution of 7th July, 1934, 25 per cent. has been fixed for Muhammadans in the State Railway services? If so, is this also applicable to inferior and labour class of servants? If not, why not?

(c) Is it a fact that the North Western Railway Administration had issued orders that a minimum of 25 per cent. of inferior and labour services be given to the Muhammadan community?

(d) Is it a fact that this order was subsequently modified and the representation of the Muhammadan community was raised from 25 to 71 per cent? If so, why this percentage was raised to 71 per cent?

(e) What percentage of posts in inferior and labour services on the State Railways is reserved for Hindus separately on each Railway? If no order has been issued in regard to Hindu community, what are the reasons therefor?

(f) Does the present percentage of Hindus in services on the North Western Railway in inferior and labour ranks come to that has been allotted to them? If not, what orders have been issued to bring the percentage of the Hindu community to the proportion allotted to them? If no orders have been issued, what are the reasons therefor?

(g) Is it a fact that the ratio of majority community in the inferior and labour services on the State Railways is not upto the percentage fixed for them? If so, do Government propose to issue instructions that in apportioning the future appointments in inferior and labour services the recruitment of Muhammadans be suspended till the percentage allotted to Hindus is reached? If not, why not?

The Honourable Sir Muhammad Zafrullah Khan: (a) Agents of North Western and Eastern Bengal Railways have been instructed to maintain the existing percentages of minority communities including Muslims in inferior services and labourers, and Agents, East Indian and Great Indian Peninsula Railways, have been instructed to reserve one-third of the vacancies for the redress of marked communal inequalities in these services.

(b) The orders contained in the Home Department Resolution, dated the 4th July, 1934, apply to superior and subordinate services only and not to inferior servants and labourers.

(c) No.

(d) Does not arise.

(e) No definite percentage has been fixed for Hindus on any railway. They are eligible for appointments to all unreserved vacancies.

(f) and (g). In view of my reply to part (e) these parts of the question do not arise.

Mr. Lalchand Navalrai: May I know if the Honourable Member can enlighten me as to why that rule does not apply to inferior servants and labourers?

The Honourable Sir Muhammad Zafrullah Khan: I am afraid that is not for me to answer.

OPINION OF RAILWAY DOCTORS REGARDING THE SICKNESS OF EMPLOYEES ON THE NORTH WESTERN RAILWAY.

290. ***Mr. Lalchand Navalrai:** (a) Is it a fact that every employee, who reports himself as unable to go to duty due to sickness, is given a memo. to a Railway Doctor on the North Western Railway, on form G. 92 Revised?

(b) Is it a fact that this form does not contain any column for remarks against the person reporting sick by the memo. issuing officer? If so, is it a fact that some Supervisors issuing the memo. endorse the same with their own opinions and do not leave to the Doctor to give his un-influenced opinion in regard to the sickness of the employee? If so, why?

(c) Do Government propose to put a stop to this practice? If not, why not?

The Honourable Sir Muhammad Zafrullah Khan: (a) The answer is in the affirmative.

(b) There is space provided on the reverse side of the Form in which in the case of an application for sick leave the issuing officer may enter his opinion or remarks when sending an employee to the Medical Officer. Even if this space were not provided, Government consider that there would be no objection to an issuing officer expressing his views in regard to an individual who was being sent to the doctor, if he considered there was justification for doing so.

(c) No.

HOLIDAYS IN THE DIVISIONAL OFFICE, NORTH WESTERN RAILWAY, KARACHI.

291. ***Mr. Lalchand Navalrai:** (a) Will Government be pleased to state the number of holidays admissible to the North Western Railway Headquarters and various divisional offices staff in a calendar year?

(b) Is it a fact that the employees of the North Western Railway Headquarters Office get Bank, sectional, and local holidays as well, while the staff of the Divisional Superintendent's office at Karachi are given only Bank holidays? If so, why?

(c) Will Government be pleased to state whether it is a fact that the Divisional Office, North Western Railway, Karachi, was kept open even on a Bank holiday in October 1935? If so, why? If Government are not aware of this fact, do they propose to make enquiries for the information of this House?

(d) Will Government please state whether employees called to office on a holiday are given leave in lieu thereof? If not, why not? If the reply be in the affirmative, will Government be pleased to state if the staff of the Divisional Superintendent's Office at Karachi, were given leave in lieu of the holiday in October last when the office was kept open? If not, why not?

(e) Is it a fact that a sectional holiday was given to the Muhammadan employees of the Divisional Superintendent's Office, Karachi, on 12th November 1935? If so, why discrimination was shown to other communities? Do Government propose to issue instructions to the North Western Railway Agency that there should be no discrimination on the railway in regard to the grant of holidays on communal grounds?

The Honourable Sir Muhammad Zafrullah Khan: (a) The staff of the North Western Railway headquarters office and various Divisional offices are normally granted the holidays notified in the gazettes of different provinces by the Provincial Governments under section 25 of the Negotiable Instruments Act of 1881, except the Bank holiday on the 29th or 30th June.

(b) The staff in the headquarters office are allowed holidays admissible under the Negotiable Instruments Act (except the Bank Holiday on the 29th or 30th June) and, in addition, certain important sectional and local holidays provided work conditions permit. The grant of additional sectional and local holidays to staff in Divisional offices is left to the discretion of Divisional Superintendents. The staff in the Divisional Superintendent's office, Karachi, are allowed holidays permitted under the Negotiable Instruments Act, but no sectional or local holidays, as in the opinion of the Divisional Superintendent, Karachi, the number of holidays allowed to staff in Sind is already adequate. The staff have, however, been notified by the Divisional Superintendent, Karachi, that it is open to them in exceptional cases to ask for casual leave on any particular local holiday which they find necessary to observe.

(c) The Divisional Superintendent, Karachi's office was not kept open on any gazetted holiday in October, 1935, but was kept open on two gazetted holidays, one in March and the other in September, 1935, as both of these were Parsi holidays and there was no Parsi employed in the office.

(d) On the North Western Railway claims to compensatory casual leave of office clerical staff ordered to attend office on a holiday are considered; the Divisional Superintendent, Karachi, has evidently lost sight of this and his attention is being drawn to this. In view of my reply to part (c), the latter part of the question does not arise.

(e) The answer to the first part is in the affirmative. As regards the rest Government understand that this holiday was allowed through an oversight and there was no intention to discriminate on communal grounds. Government do not consider any further action is necessary.

IMPORT AND EXPORT OF CIGARS.

292. ***Dr. T. S. S. Rajan:** (a) Will Government be pleased to state the figures for import and export of cigars for the five year period commencing from 1930?

(b) Has there been a fall in the export? If so, will Government be pleased to state the reasons for such a fall?

(c) Do Government propose to take remedies, fiscal or otherwise, to prevent further fall of exports?

(d) Considering the flourishing condition of this industry in the past and its world-wide reputation, are Government prepared to take necessary steps to protect and improve the industry from becoming extinct?

(e) Are Government prepared to take such steps as are necessary to encourage the development of tobacco growing as is done in case of sugar manufacture?

The Honourable Sir Muhammad Zafrullah Khan: (a) The information asked for by the Honourable Member is given in the Annual Statement of the Sea-borne Trade of British India for the year ending 31st March, 1934, and the monthly Sea-borne Trade Accounts for March, 1935, copies of which are in the Library of the Legislature.

(b) There has been a fall in the export of cigars in recent years, due mainly to the general trade depression and diminution of the foreign demand for cigars.

(c) The Government of India are unaware of any steps which they can take to revive a diminishing demand in foreign countries.

(d) The Government of India do not consider that there is any danger of the extinction of this industry in India.

(e) Such steps as are considered necessary and practicable are being taken for the development of tobacco growing in India.

Prof. N. G. Banga: Are Government aware of the fact that the Madras Government propose to raise a duty on tobacco growing in Madras, and get an annual income of Rs. 10 lakhs, and that this duty, if raised, is likely to destroy this particular cigar-making industry in the South?

The Honourable Sir Muhammad Zafrullah Khan: I am not aware.

POSITION OF INDIANS IN KENYA REGARDING THE RESERVATION OF LANDS TO THE WHITES IN THE HIGHLANDS.

293. ***Dr. T. S. S. Rajan:** (a) What is the position of Indians in Kenya regarding the reservation of lands to the whites in the highlands?

(b) Have the Government of the United Kingdom issued an order-in-council and were the Government of India consulted with regard to the same?

Sir Girja Shankar Bajpai: (a) I would refer the Honourable Member to the White Paper of 1923 and to the discussion on Mr. Satyamurti's adjournment motion in this House on the 27th March, 1935.

(b) The attention of the Honourable Member is invited to the reply given by me on the 5th February, 1936, to Mr. Satyamurti's question No. 62 and the connected supplementaries.

MEASURES TO COMBAT MALARIA AND PRICE OF CINCHONA.

294. ***Dr. T. S. S. Rajan:** (a) Has the attention of the Government of India been drawn to the resolutions passed during the last four years at the annual meetings of the Indian Medical Research Association, regarding the urgent necessity and importance of providing adequate treatment for the malaria-stricken population of India?

(b) What action has so far been taken and what is yet remaining to be done?

(c) What measures have Government taken to reduce the price of cinchona alkaloid so that it may be within the reach of the poor people?

(d) Do Government consider that cinchona preparations are mere commercial commodities to be sold at a profit or without loss?

(e) Have the cinchona plantations become part of the revenue-making departments instead of their original intention of being a philanthropic measure?

(f) What is the cost *ex-factory* of:

(i) Quinine sulphate;

(ii) Totaquiana; and

(iii) Cinchona febrifuge?

- (g) What are the sale prices of these three products of cinchona?
- (h) What is the retail sale price of the drug through Post Office and what is the amount realised per pound by such sale?
- (i) How does it compare with the cost of production and wholesale rate?

Sir Girja Shankar Bajpai: (a) Yes.

(b) The Resolutions were primarily for consideration by Local Governments and were duly communicated to them. The Honourable Member is aware that recently the Government of India have given 45,000 lbs. of quinine free of cost to Local Governments for free distribution.

(c) The price at which quinine is sold by Government is appreciably lower than the trade price.

(d) and (e). Attention of the Honourable Member is invited to the answer given on the 9th September, 1935, to parts (b) and (d) of Srijut N. C. Bardaloi's unstarred question No. 54 and to the answer given on the 7th of this month to parts (b) and (d) of Seth Govind Das's question No. 146.

(f) The cost *ex* factory of the Government of India quinine is about Rs. 15 per pound and that of cinchona febrifuge may be taken at roughly Rs. 7 per pound. Totaquina is not manufactured by the Government of India. The Governments of Madras and Bengal who produce it have been asked to state what the cost is.

(g) A statement is laid on the table.

(h) and (i). Information as to sales through the Post Office is being collected from Local Governments by whom the price for such sales is fixed.

Government sale prices of cinchona products.

	Rs. per lb.
Quinine sulphate	18 0
Totaquina	13 8
Cinchona febrifuge	9 0

Lieut.-Colonel Sir Henry Gidney: Will the Honourable Member inform the House whether India is self-supporting in its supply of quinine?

Sir Girja Shankar Bajpai: I have informed the House many times that India is not self-supporting in the matter of its requirements of quinine.

Lieut.-Colonel Sir Henry Gidney: Will the Honourable Member inform the House whether it is the intention of the Government of India to make India self-supporting in its quinine or to continue indenting from Java and other places?

Sir Girja Shankar Bajpai: If the Honourable Member had been in his place when I answered a recent question, he would have appreciated the fact that it is no longer the function of the Government of India to try and make India self-sufficient in the matter of its requirements of quinine.

Lieut.-Colonel Sir Henry Gidney: Will the Honourable Member inform this House in view of the proposed separation of Burma, what steps India intends taking to make good the supply that has hitherto been obtained from Burma?

Sir Girja Shankar Bajpai: That question also has been answered before, and I would suggest to my Honourable friend to make himself up to date.

Mr. President (The Honourable Sir Abdur Rahim): All these questions have been fully answered.

Dr. T. S. S. Rajan: When they receive the reports from the provinces with regard to the sale of quinine through post offices, if they find that they are making a profit, will the Government of India give the money to the poor people by reducing the price of quinine in the post offices?

Sir Girja Shankar Bajpai: The position as regards the sale of quinine is that there is a territorial division between the three Governments which have a supply—Bengal, Madras, and the Government of India. So far as the Government of India's area of distribution is concerned, I shall certainly look into the question as to whether instructions to Local Governments are necessary if they are making what my Honourable friend considers to be a profit on the sales of quinine. As regards the other two Local Governments which supply quinine, I can merely pass the suggestion on to them—I cannot do anything more than that.

Dr. T. S. S. Rajan: Will Government give me the information as to what price each packet of quinine is sold in the post office?

Sir Girja Shankar Bajpai: I have already said that the information is being collected: when I get the information, I shall place it on the table of the House.

Dr. T. S. S. Rajan: I am simply asking whether you know—I think it is three pice or something

Mr. President (The Honourable Sir Abdur Rahim): The Honourable Member has answered the question—he is collecting the information.

Prof. N. G. Ranga: Have Government tried to ascertain what steps the Local Governments are trying to take to supply themselves with the necessary quantities of quinine after the separation of Burma?

Sir Girja Shankar Bajpai: So far as the present and the immediate future is concerned, Local Governments will be able to get their requirements from the supplies available with the Government of Bengal and the Government of India.

Prof. N. G. Ranga: Have the Government of India tried to sound the opinions of these various Governments whether they would like to supply themselves or whether they would like the Government of India to supply them with quinine?

Sir Girja Shankar Bajpai: I have already said that in this matter the initiative rests with the Local Governments.

SHORT NOTICE QUESTION AND ANSWER.

APPOINTMENT OF TWO MORE PUBLICITY OFFICERS.

Mr. M. Ananthasayanam Ayyangar: (a) Is it a fact that Government
 12 Noon. contemplate appointing two more Europeans as publicity officers for helping in the production of books like "India, 1953
 34"?

(b) What is the probable additional cost per year under that head?

(c) What is the need for these officers?

(d) Are they intended to carry on propaganda against India or any political party in India?

The Honourable Sir Henry Craik: (a) It is intended to appoint two more officers to assist the Director of Public Information in his ordinary duties; one European and one Indian. Neither will have anything to do with the compilation of the Material and Moral Progress Report for India. I may add that neither the present Director of Public Information nor any of the officers of the Bureau had any share in the preparation of the last edition of this Report; clerical work of a routine nature was done by his office staff.

(b) About Rs. 57,000.

(c) The Government of India have been considering the question of improving their publicity arrangements at headquarters which they feel are very inadequate. Experience has shown that the Bureau as at present constituted cannot handle efficiently the publicity work of all Departments of the Central Government and that it is essential in order to enable the Government of India to discharge their obligation to the public through the medium of the Press, to possess an efficient organization for making known its policy and for making available information regarding its work in all spheres of administration. It has long been felt that under present conditions with two officers only, i.e., the Director and Deputy Director, the Bureau has not been able to keep sufficiently in touch with all the Departments of the Central Government and to enable the Bureau to do this effectively in future the Government of India consider it is essential that there should be four officers so that the publicity work of the Departments may be divided between them.

(d) No.

Mr. M. Asaf Ali: Are the Government of India aware that this proposal was placed before the Standing Finance Committee, and the Standing Finance Committee did not think that it was necessary for the Government to extend the Bureau, and they gave grounds for not doing so.

The Honourable Sir James Grigg: Yes, Sir: the Government are aware of it, but I think I made it clear to the Standing Finance Committee that the Government intended to present this grant to the Legislative Assembly with the information that a majority of members of the Standing Finance Committee were opposed to it.

Mr. S. Satyamurti: Did Government consider the decision of the Standing Finance Committee, and, if so, when?

The Honourable Sir James Grigg: Do you mean the recommendation of the Standing Finance Committee? Yes.

Mr. S. Satyamurti: What is their conclusion?

The Honourable Sir James Grigg: The conclusion is that it will present the grant to the Legislature accompanied by the information that the majority of the Standing Finance Committee members were opposed to it.

Pandit Govind Ballabh Pant: Was the matter considered by the Government of India after it had been disposed of by the Standing Finance Committee?

The Honourable Sir James Grigg: It is an advisory body; it cannot dispose of the question finally.

Pandit Govind Ballabh Pant: To the extent that the Standing Finance Committee had to deal with it, did the Government of India consider this matter after they had given their decision on it?

The Honourable Sir James Grigg: It was considered by the people concerned in the Government of India.

Mr. M. Ananthasayanam Ayyangar: What kind of publicity work is it proposed to be done by the addition of these two officers?

The Honourable Sir Henry Craik: That I have already explained.

Mr. M. Ananthasayanam Ayyangar: Wherefrom do the Government propose to get these two officers? Do they propose to bring them out from England, or one of them is already an officer in Government employ?

The Honourable Sir Henry Craik: One of them has come from England.

Mr. M. Ananthasayanam Ayyangar: What are his special qualifications for doing publicity work?

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

Mr. S. Satyamurti: May I know, Sir, whether it is in the province of a single Member of Government to bring forward a demand, the adoption of which was rejected by the Standing Finance Committee, or whether the Government as a whole have to bring it up, ignoring the verdict of the Standing Finance Committee?

The Honourable Sir James Grigg: Whatever requirements have to be fulfilled before the demand is presented will be fulfilled.

Mr. S. Satyamurti: I want to know whether Government as a whole considered the decision, recommendation or advice of the Standing Finance Committee, and, if so, when, and what their decision was.

The Honourable Sir James Grigg: I do not know what the Honourable Member means. Government is entitled to administer its business through its departments as well as through Government as a whole.

Mr. S. Satyamurti: Have Government as a whole come to a final decision at all, and, if so, what?

The Honourable Sir James Grigg: Government have come to a final decision, which is to present the demand to the Assembly.

Mr. S. Satyamurti: May I know, Sir, if they have.....

Mr. President (The Honourable Sir Abdur Rahim): This is really quarrelling over words.

RESOLUTION *RE* STATE CONTROL OF THE BENGAL AND NORTH WESTERN RAILWAY AND THE MADRAS AND SOUTHERN MAHRATTA RAILWAY.

Mr. President (The Honourable Sir Abdur Rahim): The House will now resume consideration of the following Resolution moved by Mr. Muhammad Azhar Ali:

“That this Assembly recommends to the Governor General in Council that immediate and necessary steps be taken to take over the control of the Bengal and North Western Railway and the Madras and Southern Mahratta Railway from the present lessees and further not to extend the contracts which expire in the year 1937.”

Mr. B. B. Varma (Muzaffarpur *cum* Champaran: Non-Muhammudan): Sir, I was saying, in supporting this Resolution for the termination of the contract with the B. and N. W. Railway, the R. K. Railway and the M. and S. M. Railway, when you were pleased to adjourn the House for discussion on the adjournment motion on Iraq, that even if a deficit was anticipated in the Railway Budget, this much is certain that whatever deficit other Railways might be expecting, these Railways, I mean the B. and N. W. Railway and the R. K. Railway will run at a profit and a good deal of profit too. When a Railway can pay a dividend of 10 per cent. to its shareholders and at the same time build up a reserve of a considerable sum in excess of even its original share capital, it will be a very good source of wiping off the deficit of other Railways and paying the quota of Railway Budget to the General Budget.

My last point is, Sir, that unless and until this Railway is taken over by the Government, the grievances of the employees and the travelling public cannot be remedied. During the last Delhi Session, I had put a number of questions concerning the grievances of the employees of this Railway, and you were pleased, Sir, to disallow most of my questions on the ground that this Railway was a private Railway and hence not the concern of the Governor General in Council.....

Mr. M. S. Aney (Berar Representative): Will the Honourable Member kindly come over to the front bench so that we may all hear him properly?

Mr. President (The Honourable Sir Abdur Rahim): The Honourable Member had better come over to one of the front benches. He has only two minutes more.

Mr. B. B. Varma: I have finished, Sir. With these words, I strongly support the Resolution and appeal to the Government not to ignore the strong public opinion on this question and to accept the Resolution in letter and spirit.

Pandit Govind Ballabh Pant (Rohilkund and Kumaon Divisions: Non-Muhammadan Rural): Sir, there is an amendment in my name.

Mr. President (The Honourable Sir Abdur Rahim): The Chair thinks by his amendment the Honourable Member wants to add another Railway system to those that are mentioned in the Resolution. That is enlarging the scope.....

Pandit Govind Ballabh Pant: The Resolution proposes the transfer of the management of Railways from the Companies to the States, and, by way of illustration.....

Mr. President (The Honourable Sir Abdur Rahim): Not all Railways.

Pandit Govind Ballabh Pant: By way of illustration it means some, and I was adding one more.

Mr. President (The Honourable Sir Abdur Rahim): That is enlarging the scope. Does the Honourable Member want to speak on the Resolution itself?

Pandit Govind Ballabh Pant: I will speak later on if necessary.

Dr. Ziauddin Ahmad (United Provinces Southern Divisions: Muhammadan Rural): Sir, in supporting this Resolution, I would like to draw the attention of the House to the previous history of both these railway lines. Let me first take the B. and N. W. Railway. This Railway consists of three distinct sections, and each of these sections has a history of its own. The three sections are, the main line—B. and N. W. Railway, the Tirhoot Railway, and the R. K. Railway. The first contract to establish the B. and N. W. Railway was made on the 12th December, 1882, and this contract was for a period of 50 years. The Government provided the land, and the surplus profits after paying six per cent. interest were to be divided between the Company and the Government. But, four years later, in 1886, this provision was rescinded and the Company was allowed to keep the entire profits to itself, and the Government had no share in the surplus profits. The contracts were revised from time to time, and, mostly in favour of the Company and, then, ultimately in the year 1931, the position was reached that either it should be acquired in the following year, or the contract would have to continue for another fifty years. This was the history of the B. and N. W. Railway. As regards the Tirhoot Railway, it belongs to the Government and the B. and N. W. Railway is simply working it. This is a very profitable concern and there is no automatic extension of lease for fifty years as far as this section is concerned. The third is the R. K. Railway. The first contract was signed on the 12th October, 1882, and it opened the first line between Bhojepura and Kathgodam in order to have access to Naini Tal. Subsequently, Government provided land free of cost, and also guaranteed interest at 4 per cent. up to 1885, and they also gave a subsidy of Rs. 20,000 a year for a period of ten years. The Lucknow Bareilly Section was built up by issuing debentures which were purchased by the Secretary of State for India in 1911, 1915 and 1918, so that this particular Railway now belongs to the Government. Therefore, the position of the R. K. Railway is such that it partly belongs to the Government and partly to the Company. This was the position in which we found these three Railways in the year 1931, because, that was the year in which notice was to be given to the Companies that we were going to acquire them in 1932, or, automatically, according to the previous contracts, their term

would extend for another period of fifty years. This question was discussed in the year 1931 and we appointed a special Committee to go into the details of the purchase of these Railways. The Committee reported and we had a full dress debate on the 3rd October, 1931, when the report was taken into consideration. We had at that time a great apprehension that the Government might let go the opportunity as they actually did in the case of the Assam Bengal Railway and we were not prepared that in case of these Companies the period should be extended for another 50 years. At that time, we drew pointed attention to the comforts of the travelling public; I drew a picture on that occasion about the manner in which the third class passengers were treated, but I hope that on this occasion other Members, who are familiar with the actual travelling conditions on this Railway, will do so. We had, however, certain special difficulties to face on that occasion which I shall just enumerate briefly. The first difficulty was that this debate took place on the 3rd October, 1931, that is, it was about 12 days after England went off the Gold Standard and we had great financial embarrassment at that time. We did not know exactly what would be our position a few years later, and to this was added the general trade depression and the general loss in the revenues of the country, so much so that in November, 1931, that is, a month later, the Finance Member had to produce a Supplementary Finance Bill and the House passed a Supplementary Finance Bill, that is, increasing by 25 per cent. the customs and revenue duties on each and every article without considering in detail whether it could or could not stand those duties. This was the financial embarrassment which was also mentioned in the report of the Committee. The report says:

“The Finance Member emphasised the fact that in present conditions a very large sterling sum, nearly £12 millions, required to purchase the Railways could not be raised without unduly straining India's credit with possible detrimental effect on existing securities, or without reducing the power of the Government to finance new expenditure in other directions.”

That was really the difficulty which the Assembly and the Committee had to face, on account of which we could not purchase the lines immediately, and we passed a Resolution to which I shall refer later on. The B. and N. W. Railway Company knew the difficulties with which the Government of India were faced as regards financial embarrassment, and we also knew the difficulties of the B. and N. W. Railway, because they could not possibly run with profit without the Tirhoot Railway. On account of these mutual difficulties, the Assembly passed a Resolution, moved by the Honourable Sir George Rainy, the Member in-charge of Railways, recommending that the Government should enter into negotiations with the two Companies to obtain from them an option to purchase the lines on the most favourable terms on the 31st December, 1937, subject to one year's notice, or, if possible, on the 31st December of any earlier year, again subject to one year's notice. But, contrary to our expectations, the contract, instead of saying “on any date previous to 1937” permitted extension of time not contemplated by the Assembly. The present contract which the Secretary of State signed with the Company without the knowledge of the Assembly is to the effect that the Secretary of State for India shall have the option of purchasing the Company's Railway on the 31st December, 1937, or on the 31st December, 1942, on giving to that Company 12 calendar months' previous notice in writing of its intention in that behalf. The Resolution passed by the Assembly said that we should purchase in 1937 or earlier, but the actual contract signed

[Dr. Ziauddin Ahmad.]

said that it could be purchased in 1937 or in 1942. That is really contrary to what the Assembly recommended. Now, I come to the present position.—Five years have passed away and I should like to examine whether we are in a position to purchase it now. The first objection that was then raised was our financial embarrassment. It cannot hold now. Money is very cheap and our credit has gone up. It is exceedingly easy for India to secure a loan at 3 to 3½ per cent. The loan can be raised easily in rupees or in sterling, and, if loan is raised in rupees, it is exceedingly easy to transfer it into sterling, because our sterling credit in England on account of the transfer of gold from India to that country is exceedingly good. Money may be raised in two ways,—(1) There may be a simple loan which the Government of India may raise at 3 or 3½ per cent, or (2) they may follow the proposal first formulated by Sir George Rainy on the floor of the House, and issue debentures with a guaranteed interest of 2 to 2½ per cent. and participation in profits. The first objection that was raised on account of financial embarrassment does not exist now. The second point which I should like to emphasise is whether it is or it is not a paying concern. This Company, during the last five years, has given a dividend of 19 per cent. in 1930, 16 per cent. in 1931 and 16 per cent. in 1932, 16 per cent. in 1933 and 16 per cent in 1934. Suppose we pay the entire amount by taking a loan at 3½ per cent., how much will we gain? I have got before me the figures of the gross earnings, the working expenses and the net income of the B. and N. W. Railway, and if we pay the entire amount by taking a three per cent. loan, it will be a profitable concern, because the net earnings in the year 1930-31 is 93.7 lakhs, which, on the whole capital, gives an interest of 6.9. In the year 1932-33, the total net income was 98.7 which gives a net profit of 7.1. In the year 1933-34, it will come to 99.18, giving a net profit of 7.3, and, in the year 1934-35, our net profit was 106.4, giving a profit of 7.9 per cent. I now give the figures in a tabulated form :

PURCHASE PRICE—B. AND N. W. RAILWAY.

13,47 Lakhs.

Year.	Gross earnings.	Working expenses.	Net earnings.	Interest.	Dividend paid by Company.
1930-31 . . .	180	86	94	6.9	19
1931-32 . . .	177	81	96	7.1	16
1932-33 . . .	181	82	99	7.3	16
1933-34 . . .	191	83	107	8	16
1934-35 . . .	192	86	106	7.9	16

PURCHASE PRICE—R. K. RAILWAY.
2 Crores.

Year.	Gross earnings.	Working expenses.	Net earnings.	Interest on purchase price.	Dividend paid by Company.
1930-31	29	15	14	7	18
1931-32	27	14	13	6·5	15
1932-33	28	13	15	7·5	15
1933-34	30	15	15	7·5	15
1934-35	32	15	17	8·5	16

I entirely agree that our profit may not amount to these figures which I have just outlined and which the Company is now deriving, because, when it becomes a Government line, the expenses are bound to go up slightly, and we have to provide more money for the comforts of passengers. Even allowing for this, an income of five per cent. is assured and it will be a profitable business. That finishes my second point. Now, I come to the third point. That is the demand of the general public.

Mr. President (The Honourable Sir Abdur Rahim): The Honourable Member has exceeded his time limit.

The Honourable Sir Zafrullah Khan (Member for Commerce and Railways): Does not the Honourable Member support that part of the Resolution which relates to the M. and S. M. Railway?

Dr. Ziauddin Ahmad: I am supporting it. My third main argument is this. We are about to start the Statutory Railway Authority. There will be no kind of political interference from the Legislative Assembly in the future. We must start a scheme of unification, and I may just remind the House that, in the interest of economy, every country is modifying its system of railways. In England, we had 112 different concerns of which 27 were the main and 85 subsidiary, but the Railway Act of 1921 united them into four concerns and further modification is in contemplation. We should also adopt the policy of unification and that was also the recommendation of the Committee which the Government did not follow.

Now, as to the M. and S. M. Railway.

Year.	Interest.	Surplus profit.	Total.	Interest on purchasing price.
1930-31	23½%	40	63	9·5
1931-32	23½%	41½	65	9·8
1932-33	23½%	31½	55	8·3
1933-34	23½%	36½	69	9·0
1934-35	23½%	26½	50	7·5

[Dr. Ziauddin Ahmad.]

This Company was started on the 1st June, 1882. We purchased it in the year 1907 by paying 15 million pounds, and, according to a special contract, we will have the right to acquire it in the year 1937 by paying five million pounds or 666 lakhs. Now, the surplus profits of this particular Company in addition to $3\frac{1}{2}$ per cent. is as follows. In the year 1930-31, the surplus profits are 40 lakhs; in 1931-32, 41 lakhs; in 1932-33, these are 31 lakhs, and in 1933-34, 36 lakhs; in 1934-35, these are 26 lakhs. It works up to an average of four per cent. This particular Company also gets $23\frac{1}{2}$ lakhs for the guaranteed interest at $3\frac{1}{2}$ per cent. The above tabled figures will give the true picture. They are getting $7\frac{1}{2}$ to $9\frac{1}{2}$ per cent., and I am sure that the Government of India can easily raise a loan at $3\frac{1}{2}$ per cent. and thus gain $4\frac{1}{2}$ per cent. to $6\frac{1}{2}$ per cent. The whole of this surplus profit which now goes into the pocket of the Company will go to the Government of India and relieve the taxpayers of this country. We will also save the cost of the Home Board.

Before I sit down, I should like to emphasize that the Government of India, if they have any doubt on this point, should give us an opportunity to discuss the matter in the same manner as they did in 1931 by convening a special Committee appointed by the House or by the Government (to discuss the matter with them and go into all the arguments for and against) and that is the point which I would like to emphasize in the end.

Pandit Nilakantha Das (Orissa Division: Non-Muhammadan): Sir, we should like to know if the Government are supporting this Resolution. In that case, the debate will be facilitated. Or, are they going to oppose it? I suggest that they should take an early part in the debate.

Sir Abdul Halim Ghuznavi (Dacca *cum* Mymensingh: Muhammadan Rural): I am sorry I must oppose this Resolution. I cannot agree with my Honourable friend, who has just sat down, about the benefits that will accrue to the State by the acquisition of these Company-managed Railways. I shall deal presently with the Bengal and North Western Railway. In my opinion, this is not the time for the Government of India to assume wider responsibilities in regard to the management of railways by raising money for the acquisition of additional railways. There are many nation building purposes for which funds are essentially necessary, and, if the funds can be raised at a cheap rate of interest, as my Honourable friend has just pointed out, we may well spend that money for many nation building purposes which are urgent necessities.

An Honourable Member: What are they?

Sir Abdul Halim Ghuznavi: I shall tell you in the lobby and not waste time here. Improvements of the present transportation facilities rather than the taking over of going Railway concerns appear to be the need of the hour. Sir, if we get the money, let us open out as many lines as we can, instead of blocking the money for purchasing a Company-managed Railway which is managing things efficiently and well (*Voices:* "Oh, oh".) It is a fact, it is no use saying "Oh, oh", because they can pay a dividend (*An Honourable Member:* "At our expense"), and I am able to prove to the hilt the efficient management of this particular Company.

An Honourable Member: Travel in third class and see.

Sir Abdul Halim Ghuznavi: Sir, the railways are losing money year after year. There is the railway deficit. The Honourable the Mover of the Resolution said that if the State acquired these two Railways they would be able to make good their deficit. I do not know what my Honourable friend meant by saying that. The deficit is about four crores this year, and does the Honourable Member suggest that by taking over these two Railway lines, the Government will be able to make good these four crores, and that the moment the State acquired this Railway, it will not be a losing concern?

Maulana Shaukat Ali (Cities of the United Provinces: Muhammadan Urban): May I ask my Honourable friend

Mr. President (The Honourable Sir Abdur Rahim): The Honourable Member is not giving way.

Sir Abdul Halim Ghuznavi: Sir, the subject of State *versus* Company management is a very wide subject. What we really want is the control.

(Interruptions).

An Honourable Member: Is the State Railways?

Mr. President (The Honourable Sir Abdur Rahim): The Honourable Member should go on without taking notice of the interruptions.

Sir Abdul Halim Ghuznavi: The State has already got some control over the Company-managed Railways. (*Voices: "No. no"*).

Lieut.-Colonel Sir Henry Gidney (Nominated Non-official): Only in respect of finance.

Sir Abdul Halim Ghuznavi: Finance is the mainstay of every concern.

Mr. President (The Honourable Sir Abdur Rahim): The Honourable Member had better address the Chair.

Sir Abdul Halim Ghuznavi: One point I shall take, because I have got very little time. Speaking about the Bengal and North Western Railway, I regret to have to say this. The Honourable Member said that the Company was making a very huge profit. We have heard that large dividends are paid out to shareholders, but my Honourable friend forgot entirely that the capital on which these dividends are declared only represents a proportion of the whole capital. Sir, as far as I can understand from an answer given in reply to a question by Sir Alan Parsons some years ago, the capital of this Company consists of £3 million ordinary stock, £3 million preference stock and about £1,30,000 deferred stock. It is only on the first of these that high dividends have been declared.

An Honourable Member: What about the rest?

Another Honourable Member: It cannot be less than 3½ per cent.

Sir Abdul Halim Ghuznavi: Now, Sir, take the other side. You get this. It gives you the cheapest rate of transportation that you can ever get in India. Look at the average rate charged for passengers per mile on the meter-gauge of this railway. It is on page 97 of Volume II of the Railway Administration Report, 1933-34. That is the cheapest rate you could get in India.

An Honourable Member: It is also the slowest train, and a most uncomfortable train.

Sir Abdul Halim Ghuznavi: That is what you are paying for. Here, you see, the third class passenger pays less on this Railway than on any other railway; that is what we want. Here it is the cheapest rate that the third class passenger has to pay. In fact, the third class passenger only pays about two-thirds of what he would have to pay on any other State-managed Railway. Again, on page 109 of the same Report, you will find that for the carriage of goods, their rate is the cheapest per ton per mile of any metre gauge railway in India.

Mr. N. M. Joshi: (Nominated Non-official): Exploitation of labour.

An Honourable Member: Also exploitation of passengers.

Sir Abdul Halim Ghuznavi: You cannot say exploitation of passengers.

Mr. President (The Honourable Sir Abdur Rahim): The Honourable Member ought not to be interrupted in that way; and the Chair would ask the Honourable Member himself not to take notice of these interruptions.

Sir Abdul Halim Ghuznavi: You cannot have it both ways. You can either insist on greater facilities than the traffic can bear, that is, than what it can afford, and let the tax-payer foot the bill,—and this is what the State-managed Railways are doing at present or you can allow private enterprise with due control as to rates and fares and safety, as, under existing circumstances, and with these things secured, you ought to give a free hand to the Company railways. Sir, it is very easy to criticise. But, Sir, if you know the difficulties of the management, there will be very little ground for complaint. Sir, we have heard of the splendid management of the State Railways. (*Voices:* “Question, question”.) This has been said times without number, and that is what the Honourable Member wanted by this line being acquired by the State,—with a view to better management, more efficient management by the State. If so, why we waste our four days’ time every year in criticising this management?

An Honourable Member: We want to make it still better.

Mr. President (The Honourable Sir Abdur Rahim): The Chair would ask the Honourable Member not to take notice of these interruptions.

Sir Abdul Halim Ghuznavi: Sir, I gathered from what I heard when this Resolution was first moved that Company management was not an efficient management, that it did not satisfy the public, and that it was the duty of Government to take over these railways for the advantage of

the public and also in order to secure that they shall make some money. I say, Sir, that our experience has shown, when this House some years ago passed a Resolution by a small majority, and when the State acquired the East Indian Railway and the G. I. P. Railway management, after the State acquiring those railways, the management has not been more efficient at all. (Laughter.) They were far better managed when they were under Company management. (Voices: "No, no'"). It is useless to acquire the Company-managed Railways and thus add to the burdens of the taxpayers. What is the effect today? Railways are losing money. Who is paying for that? Supposing the Bengal and North Western Railway is acquired

Mr. N. M. Joshi: We are guaranteeing $3\frac{3}{4}$ per cent. interest.

Sir Abdul Halim Ghuznavi: But my Honourable friend forgets that so long as they make a profit, Government have not got to pay the guaranteed interest.

Mr. N. M. Joshi: But when they make a loss, Government have to pay the guaranteed interest.

Sir Abdul Halim Ghuznavi: But we are not paying now as the company is making a profit.

Mr. M. S. Aney: But they are losing today.

Mr. President (The Honourable Sir Abdur Rahim): Honourable Members will please allow the speaker to proceed without interruptions.

Sir Abdul Halim Ghuznavi: I want to make out this point. It is not opportune now to raise a loan even at a cheap rate of interest and acquire the Company-managed Railways. They are serving the people well as is shown by the report that there is less charge for third class passengers and also lowest freight charges for transportation of goods. If you want to raise money, do so by all means; expand your railways and open new lines. That will bring you money. For instance there was a big scheme of Dacca-Aricha Railway which was a very profitable concern. Assurance was given on the floor of the House that it would be started in 1931. What happened in 1931? Depression came in and Government pleaded want of money. But I know what was the real reason for not opening that railway. Fortunately or unfortunately, the Member for Railways is also the Member for Commerce. He will have to look to the interest not only of railways, but also of commerce.

The Honourable Sir Muhammad Zafrullah Khan: Do you want that ignored?

Sir Abdul Halim Ghuznavi: I want there should be two separate Members. That would be better.

Mr. S. Satyamurti (Madras City: Non-Muhammadan Urban): The more, the better.

Mr. President (The Honourable Sir Abdur Rahim): The Honourable Member has only two minutes more. He must finish his speech within that time.

Sir Abdul Halim Ghuznavi: I will repeat and say that this is not an opportune time to acquire these two railways which are doing very well. We are now seeing how the railways which are under State control are managed. If the Government want to raise money, let them do so, by all means; but let them open new lines out of that money in places where there are no railways. Sir, I oppose this motion.

Lieut.-Colonel Sir Henry Gidney: Sir, I rise to oppose this Resolution. I do so for a good many reasons. It was a great surprise to me to hear my Honourable friend, Dr. Ziauddin Ahmad, suggesting that the State should take over the two railways. From my memory of this Assembly, I have always put my Honourable friend, Dr. Ziauddin Ahmad, as the severest critic of the Railway Board. But he now poses in a different way and he wants to increase the labours and the responsibilities of the Railway Board which is at present a top-heavy institution and my Honourable friend further wants to mulct the finances of the country by adding to the deficit of the Railway Budget.

Dr. Ziauddin Ahmad: May I remind the Honourable Member of the Statutory Railway Board?

Lieut.-Colonel Sir Henry Gidney: We all know that the Railway Board is working at a great loss. I feel sure that, if we repeat the experiment that we did a few years ago when this House, in its earlier life, took over the Company-managed railways, we would be adding to the burden of financial liability and losses. Sir, none in this House can deny that from the time the Railway Board—it was a small institution at one time and it was a very well organised and paying institution—from the time the Railway Board took over the Great Indian Peninsula Railway and the East Indian Railway, those Railways have been steadily losing. Today, the Railways, due to many causes, controllable and uncontrollable, are in a sad state of debt. Does the Honourable Member seriously ask this House to add to the labours of the Railway Board a Railway which is functioning today as the best of any railway in India. It is paying a high dividend to its shareholders, and, by the Railway Board taking it over, I know that, within the next five years, it will add to its debt and increase its responsibility, and who knows we might be asked to appoint another Financial Commissioner and another Honourable Member for Railways. Sir, I do not think it would be to the advantage either of the Railway Board or the finances of this country if we support this Resolution of Mr. Muhammad Azhar Aii. I, personally, have always been dead against State control of railways. The recent past history of the Railway Board, as I said just now, is a sad one of deficits. Let us not, in our hasty desire to possess further control of Railways, especially those which are working efficiently, add to our liabilities and to the loss of the railway concerned. Sir, with these few observations, I oppose this Resolution.

Maulvi Badrul Hasan (Tirhut Division: Muhammadan): Sir, I beg to support the Resolution. Since the Acworth Committee report, it is an undisputed proposition that the railways should be brought under State control. In the first Session of 1931, the question of the termination of the contract with the Bengal and North Western Railway and one other company was raised and this led to the formation of a Select Committee. The report of the Select Committee was placed before the House in the

second Session. Sir George Rainy the then Member for Commerce and Railways put forward the difficulty of raising funds in so short a time as one year and gave assurance of purchasing the said railways in the course of two or three years. His words are:

"But I have not the least doubt that, whoever may sit in the seats we sit today, the question of the possibility of purchase on reasonable terms will come before the Assembly at the end of two or three years."

It was on this understanding that the lease of the Bengal and North Western Railway company was renewed for another five years. It is more than four years since that debate took place, but we do not know what steps the Government have taken in that direction. I understand the Government would again come forward with the plea of want of funds. My simple reply is that the Bengal and North Western Railway is a going concern. It has paid a dividend of 15 to 19 per cent. during the last four or five years. If the Government floats a loan for this purpose, it will not be a loser in any way, rather the chances are that the loan would be repaid in the course of 14 or 15 years. Here I would read a few lines from page 27 of the Acworth Report which runs thus:

"Had the Government thought fit to borrow money even at rate considerably higher than the rate of net return that the Railways could earn on it, we believe its action would have been abundantly justified."

The report refers at the foot-note to the answer given by Lord Inchape in his evidence before the Acworth Committee. It runs thus:

"If I had a railway and wanted the money and saw the trade there, I should raise money even if I had to pay $7\frac{1}{2}$ per cent. or 8 per cent."

Sir, what I beg to submit is that Government ought to take loans for the purpose even if it be at a higher rate of interest.

Now, Sir, I am not in a position to say anything as regards the working of the Madras and Southern Mahratta Railway but as regards the Bengal and North Western Railway, I can say something from my own personal experience. My opinion is quite contrary to what Sir Abdul Halim Ghuznavi holds, but my opinion is based on personal experience. Sir, since the last debate took place in this House, I feel that bribery has not in the least decreased. A goods clerk, in some of the important stations, makes a fortune in the course of four or five years. They have made a scale of their own, the rates of illegal gratification differing in different commodities. Unless one pays those illegal charges the goods would not be accepted; it does not matter even if the parcel is directed to the Commerce Member. If the Honourable the Commerce Member feels any doubt I would invite him to Muzaffarpore during May in the *lichi* season and to Pusa Road during August in the mango season. Let us take then the question of water supply in smaller stations. It is a very old grievance. During the last Session of the Assembly or the Bihar Council, I forget which, in reply to a question it was stated that a bucket of water is supplied to every train in the small stations. Now, Sir, would you believe that a bucket of water would be sufficient for an entire train in even the winter season, not to speak of summer when the needs of drinking water are greater? And this one bucket of water is brought one hour before the train time and it is allowed to bask in the sun, and this is the sort of water that is given to the passengers to drink.

[Maulvi Badrul Hasan.]

The second class waiting rooms in even important stations like Sonpur Muzaffarpur and Darbhanga have no fans in spite of the fact that the said stations are electrified. The waiting rooms in smaller stations, where there are any, have no lights or water supply. The waiting sheds for third class passengers are worse still. They are unprotected from hot or cold winds or draughts of rain. You will not find a single bench in them and it is impossible for one to sleep in them during the night in winter and the day in summer. In most of the stations there is no arrangement for the inter class passengers. The arrangements for food in this line are no better. The Indian refreshment rooms no doubt keep a room for Muhammadans but in most of them there is no Muhammadan cook. Food cooked today is often supplied the next day, I hear the Indian refreshment rooms in our parts are in the lease of a railway official living in Gorakhpur.

Punctuality, Sir, is an exception in the Bengal and North Western Railway Company. You will seldom find any train reaching its destination at the proper time. Even the Lucknow Express, the fastest train on the line, is late by more than half an hour on five days out of a week.

The carriages in most of the trains are of the very old type. The cushions in the inter class of most of the trains are worn out and rickety. Lately the spring cushions of the second class compartments have been replaced by fixed ones.

There is one other important matter which requires consideration and that is the Sonpur Bridge. This bridge brings considerable profit during the Sonpur fair to the Railway Company. It was built long long ago and it has passed its economic life limit. It must have been shaken during the last earthquake. Some questions were put during the last Session of the Bihar Council if this bridge was going to be replaced by a new one and the reply was in the negative. Sir, this Railway Company hardly cares for the lives of the passengers from whose pockets the dividend comes. An example of this is the recent railway crash at Sagauli in the Champaran district of Tirhut.

As regards the staff I would simply say that they are a set of ill-educated and ill-mannered people. Their treatment to the passengers, particularly the third class passengers, is far from satisfactory. They have a free license to travel in the inter and sometimes in the second class and a single word "Railway employee" is sufficient to disarm any ticket collector. These are my reasons, Sir, for supporting this motion.

Mr. Satya Narayan Sinha (Darbhanga *cum* Saran : Non-Muhammadan): Sir, representing as I do in this House a constituency through which the Bengal and North Western Railway runs, I think I owe a duty to myself and also those whom I represent that I should say a few words in support of the Resolution moved by my Honourable friend, Mr. Azhar Ali. Mr. President, perhaps you are not aware that the Bengal and North Western Railway is one of the most inefficient, notoriously miserly and awfully ill-managed Railway Companies in this country. It is impossible for anybody to enumerate the innumerable grievances of the travelling public which have the misfortune to travel by the said Railway and of the poor ill-paid employees of the Company. Sir, the less said about it, the better. My Honourable friend, Mr. Varma, has very ably catalogued the grievances of the travelling public and the employees of the Company, and I think I shall be wasting the time of the House

if I repeat them over again. Sir, we have been told that the Company has an enormous income and it has been able, in certain years, to pay 19 per cent. dividends to its shareholders besides building up a huge reserve fund. If Government take it in their direct control, I hope and trust, Sir, they will be able to balance their railway budget in no time by the profit of this Company. Besides the monetary gain, Sir, Government will earn the blessings of the millions of people in Bihar, and a large part of the United Provinces. I remember, Sir, very vividly when, in the year 1931, the lease of the Company was renewed and the information was made available to the people in our parts, who were very much shocked. This time, when people have come to know that a Resolution for taking over the said Railway Company by Government is going to be moved in this House, high hopes have been raised and they are praying for good sense to dawn on Government so as not to repeat the mistake of the year 1931. I will tell you, Sir, my own experience in this connection. Before coming to attend this Session, a large number of responsible people in Bihar asked me to see that they are relieved of the trouble of travelling by this wretched Company. I know, Sir, the employees of the Company are also praying alike. The Company is so rotten and ill-managed that, unless it is changed root and branch, a remedy here and the redressing of grievances there will not at all solve the problem.

In the last winter Session, my friend, Mr. Varma, and myself put a large number of questions concerning the grievances of the travelling public and its employees, and most of them, Sir, you disallowed on the ground that it was a private concern. What are we to do then? How to ventilate the grievances of millions of the people who travel by this Railway? Besides the travelling public and its employees, there is another large section of the people which have to suffer no less on account of this Company, Sir, I mean the poor cultivators of the part through which this Railway runs. In no other big railway company like this, I can challenge, Sir, you will find insufficiency of waterways which causes unspeakable devastation in floods and torrential rains which, since the last earthquake, have become every year's affair in North Bihar, once called the garden of India for its rich fertility. In the year 1923, when the rivers Ganges and Sone rose very high, several breaches were caused in the railway embankments between Patna and Arrah in the East Indian Railway, and I know they provided a number of waterways immediately, in those places. But what happens with this Company? A large number of breaches are caused every year. Sometimes Government have to resort to firing, killing innocent cultivators who, for saving their lives and cattle, attempt to make an outlet on its embankments during high floods. Representations are made to the authorities of the Company, but they treat them with the usual contempt. I would like to give you an illustration, Sir, in this connection, which will be very amusing. Three bridges of this Railway in the district of Darbhanga, between Madhubani and Rajnagar, collapsed during the earthquake disaster. When those bridges were being rebuilt, their spans were very much shortened. People of the locality raised a great hue and cry, because, even the former bridges were not sufficient for drawing out the logged water of the area, and what would happen if their spans were shortened? The Chief Manager of the Darbhanga Raj and several other responsible people made representations to the authorities concerned, but to no avail. Last year, I also put several questions in that connection and the stereotyped replies:

[Mr. Satya Narayan Sinha.]

were given. And I would like to tell you, Sir, what has been the result of shortening the spans of those bridges. In the last two years' successive floods, the entire crop of the area was washed away. Such instances can be multiplied if we get time for them.

About its mismanagement, I would simply like to draw your attention to the accident which happened only this month at Sagauli, a graphic report of which you must have read in the papers and the memory of which must still be green. A goods train rushed into the building of the station, killing the Assistant Station Master and a number of other people. Such accidents can happen in this Railway alone. I know, Mr. President, for three years consecutively serious accidents took place between Laherasai and Samastipur railway stations in the district of Darbhanga causing the deaths of a large number of passengers. I admit, Mr. President, that it is really sickening to recount all the grievances and troubles caused by this Railway to the people. I would simply say, before I finish, that if the Government at all care for the safety of the lives and the convenience of the people of the area through which this Railway runs, they should lose no time in taking it under their direct control. The question of money should not stand in the way, Sir. Where there is a will, there is a way. Government can easily find the money if they have a will.

As regards Sir A. H. Ghuznavi's arguments, I have simply to say that I P. M. I would not take him seriously, because I know he represents a group—he is a typical representative of the group—which will always go against the popular opinion of the House, irrespective of the merits of the case. He is incorrigible, Sir, and I pity him.

With these words, I support the Resolution. (Applause.)

Mr. V. V. Giri (Ganjam *cum* Vizagapatam: Non-Muhammadan Rural):

Mr. President, Sir, I rise to support this Resolution. No academic discussion is now necessary on this question of State *versus* Company-management. There was many a full dress debate both in the old Imperial Council and again in the Legislative Assembly from time to time before the Ackworth Committee published its report at the time when the State took over the management of the Great Indian Peninsula and East Indian and Oudh and Rohilkund Railways. The question before the House is this: whether notice of termination of contract should be given to the Madras and Southern Mahratta Railway and the Bengal and North Western Railway according to the terms of their agreement. That is the only question today. Firstly, Sir, the Government of India, in the Railway Department, have admitted the financial advantages and the great benefits derived from the State taking over the management of railways, and it would, therefore, be relevant for me to refer to the passages in the Railway Board's reports from time to time. In the Report of the Railway Board for 1925-26, they said when they took over the management of the East Indian and Great Indian Peninsula Railways as follows:

"As one result of the territorial adjustments referred to above there has been a large reduction in the number of junctions between different railway administrations in the north of India with corresponding economies of time and money in the matter of transfer of traffic and rolling stock from one administration to another. The number of junctions where two or more State-managed railway administrations meet has in fact been reduced from 18 to 7 by these adjustments. Each of the State-managed systems now serves a well defined geographical area."

Again, Sir, in the Railway Board's Report for 1927-28 at page 6, at the time of the termination of the contract with the Burma Railways Company, they stated as follows:

"After careful consideration, and having full regard to the views of the Government and the Legislative Council of Burma who expressed themselves in favour of State-management, it was decided, with the approval of the Secretary of State, to take over the Burma Railways for management by the State after the termination of the present contract with the Burma Railway Company on the 31st December, 1928. While the transfer of the line to State-management will entail the payment to the Burma Railways Company of a sum of £3,000,000, it is likely to result in an increase of about half a crore in net annual revenue to Government."

Again, Sir, in the Railway Board Report for 1929-30, when the State acquired the Southern Punjab Railway, it was stated:

"The line, of which the aggregate length was about 927 miles, now forms an integral part of the North Western Railway system; and apart from the administrative advantages gained from this acquisition, the financial gain is estimated to be an increase of some 47 lakhs of rupees in the net annual revenue to Government."

I would not like to trouble the House with many more statements of the kind made by Government in order to establish that the Government of India are convinced that it has really been advantageous to them to have taken over the management of those railways. This statement will equally apply to the railways that the Government are now asked to take. Secondly, Sir, when a question was put in this Assembly last year to Mr. P. R. Rau about the economies proposed by Mr. Pope on the Madras and Southern Mahratta Railway, and the Great Indian Peninsula Railway, he stated that unless the State took over the management of the Madras and Southern Mahratta Railway, these economies would not be effected. Thirdly, I would like to take up the question of Indianization. It is proved that, so far as the pace of Indianization is concerned, the State railways are far better than the Company-managed railways. With regard to stores purchase policy also, we see that Company-managed railways compare less favourably than State-managed railways. In the Report for 1933-34 it is said that while the East Indian Railway did not import even a rupee worth of goods direct, the Madras and Southern Mahratta Railway imported Rs. 30.76 lakhs worth and the Bengal and North Western Railway Rs. 2.38 lakhs.

Sir, I now take the point of view of workers. The workers of the Company-managed railways will be happier if Government take over charge of the Company-managed railways for this reason. If any dispute occurs, the workers of the Company-managed railways are in a very peculiar position. I am speaking from experience. The workers approach the Agent of the Company. He says he is doing a thing under the orders of the Railway Board. If we approach the Railway Board, they say it is the Company-managed railway and ask the workers to go to the Agent of the Railway. The workers of the Company-managed railways are thus driven from pillar to post. Even as regards grievances relating to conditions of service, when we place the grievances of workers before the Railway Board at the half-yearly meeting of the Railwaymen's Federation with the Railway Board, the latter repeatedly ask us to bring forward such questions as relate to Company-managed railways before the Agent

[Mr. V. V. Giri.]

and discuss with him. Therefore, so far as the workers are concerned, they will be glad to have immediate State-management of all the railways.

So far as the financial position is concerned, my Honourable friend, Dr. Ziauddin, has placed before the House facts and figures relating to it. The Company-managed railways pay their shareholders far more dividends than are paid by the State. So far as the Madras and Southern Mahratta Railway is concerned, that Company has been paying a dividend of nearly ten per cent. while the State is only earning five per cent. So also the Bengal and North Western Railway pays its shareholders to the extent of 18 per cent. Applying all these tests, it is not unprofitable to take over the management of these railways. So far as the Madras and Southern Mahratta Railway is concerned, the Company's share of the capital is 8.76 crores of rupees, and the surplus profits and earnings for the five years ending 1932-33 (I am taking the average figures) amount to Rs. 49.6 lakhs. If we, therefore, want to secure money to purchase this railway, even if we feel that we have to pay an interest of five per cent., which is not the case at the present moment, we can raise a loan on three per cent.—but taking into consideration even five per cent., the amount required will be Rs. 43.9 lakhs. Even that, Sir, will be a profitable proposition.

Mr. President (The Honourable Sir Abdur Rahim): The Honourable Member has exceeded his time.

Mr. V. V. Giri: I will take only two minutes. I consider that the raising of a loan is an easy proposition, and I would like to throw out a suggestion on behalf of the railwaymen of India. So far as the railwaymen of India are concerned, according to the latest information, the state owes them as provident fund assets to the extent of 42 crores: even taking the share of the employee to be 21 crores, as a pledge, I am sure it is not a difficult proposition to raise a loan, and I can assure you the railwaymen in India will be very glad to give that sum on the same conditions on which the Company-managed railways get 3½ per cent. guaranteed interest even if there are losses.

I do not like to take much more of the time of the House; but unfortunately, I have got many more points to speak about: I would only say this with respect to what my friend, Sir Halim Ghuznavi, has stated: he said: "Why should the State purchase these railways when companies are running it at a profit?" He must know that this nation is a living nation and it has its sense of self-respect apart from financial considerations; and, as such, the Assembly stands for nationalisation of railways, nationalisation of industries and certainly of the railways; and, therefore, we stand for that proposition; and, Sir Halim and others who do not feel as nationalists cannot understand the sentimental point of view from which this side of the House speaks, apart altogether from the financial considerations which are also sound. Under these circumstances, I heartily support this Resolution.

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

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

The Honourable Sir Muhammad Zafrullah Khan: Sir, the history of this matter has, to a certain extent, already been placed before the House. So far as the Bengal and North Western Railway is concerned, and if it is any satisfaction to my Honourable friend, Pandit Govind Ballabh Pant, I might say that the R. K. Railway will be governed by the same considerations to a very large extent.....

Pandit Govind Ballabh Pant: Thank you.

The Honourable Sir Muhammad Zafrullah Khan: . . . so that the fact that he could not move his amendment will really not affect the question very much,—as I was saying, so far as the Bengal and North Western Railway is concerned, as Honourable Members have already been told, a Committee was set up in 1931 consisting of Sir George Rainy, Sir George Schuster, Mr. Anwar-ul-Azim, Mr. Maswood Ahmad, Pandit Ram Krishna Jha, Mr. Azhar Ali, Lala Hari Raj Swaroop, Mr. B. N. Misra, Dr. Ziauddin Ahmad and Mr. Gaya Prasad Singh, and that Committee took due note of the fact that there was a very strong feeling among the public that the policy of Government ought to be the substitution of State management for Company-management generally, and that more particularly it was desired that an early opportunity should be taken to acquire the Bengal and North Western Railway. As has been explained to the House by certain Honourable Members this morning, the Members of this Committee, both official and non-official, however, were pressed with considerations regarding the financial situation, and they eventually recommended that the Secretary of State should make an attempt to come to some agreement with the Company so that it might be possible to terminate the contract with the Company at the end of 1937 or at some earlier period by giving a year's notice. A contract was entered into between the Secretary of State and the Company on the 8th December, 1932, securing to Government the right of acquiring the Company at the end of 1937 by giving twelve calendar months notice, and also, if the right was not exercised on that occasion, to purchase the interests of this Railway at the end of the year 1942 by giving twelve calendar months notice. My Honourable friend, Dr. Ziauddin Ahmad, has made some slight grievance of the matter that this additional option was also secured. He said: "We said in our Resolution that the Secretary of State should secure an option to purchase the Company at the end of 1937 or at some period earlier. Instead of that he has secured an option to purchase it either at the end of 1937 or in 1942." Really, Sir, I was not able to understand what his grievance was. I think Honourable Members will agree that it is certainly very much better to have two options than one. The whole question, as has been submitted to the House, is, whether the option should or should not be exercised on the first of these two occasions. Most of the speakers on this Resolution, with the exception of Sir Abdul Halim Ghuznavi and Sir Henry Gidney, have supported it. The attitude of the Government, which, I think I might explain at the beginning of the few observations that I have to make, is that they are, in view of the nearness of the date, seriously considering what ought to be done in respect of these two Railways with regard to which some decision must be taken in time to exercise the

[Sir Muhammad Zafrullah Khan.]

option, if the option has to be exercised, before the end of 1936. Government, Sir, as I shall in the course of my observations explain, are collecting certain material which is relevant to the matter, and they are very glad that the House has taken this opportunity of expressing its views from different angles on this question. I assure the House that before Government takes any final decision in the matter, all the considerations that have been put forward or that may be put forward during the course of this debate, will be given their due weight.

Now, Sir, as I have said, there are some observations that I desire to make at this stage, with regard to certain factors that arise for consideration in connection with this matter and which will also have to be taken into account by Government before coming to some decision. With regard to the Bengal and North Western Railway and the R. K. Railway, which is at present managed by the Bengal and North Western Railway it might be taken roughly that the sum required for the acquisition of these two Railways, that is to say, the Company-owned portion of them, would be in the neighbourhood of twelve million pounds sterling. It has been said by almost every speaker supporting the Resolution that the money market is no longer as tight as it was at the end of 1931 or at the beginning of 1932, and that this Railway has been paying such high dividends to its shareholders that it would be an extremely advantageous proposition to go ahead with the purchase of this Railway. Now, Sir, there are one or two considerations that I do wish to put forward with regard to this matter before the House, and the one that I need refer to at this stage of the debate is the question of the high dividends. I will take up the general question of finances and the raising of finances a little later after I have made certain observations with regard to the Madras and Southern Mahratta Railway. The one matter that I wish to allude to at this stage relates to the high dividends paid by the Bengal and North Western Railway. No doubt, this Railway has been paying high dividends to its shareholders, but as was pointed out by Sir Abdul Halim Ghuznavi there is one explanation which we have also to take into account and that is that the dividends that are paid are not paid on the entire capital of the Railway. The entire capital of the Railway, so far as the Bengal and North Western Railway section alone is concerned apart from the R. K. Railway, is in neighbourhood of seven and a half million pounds sterling. Of this, one million three hundred and seventy five thousand pounds is debenture stock, of which four hundred thousand pounds carried a rate of three per cent. interest, and the remainder nine hundred and seventy five thousand pounds, five per cent. Out of the remaining, three million pounds is represented by preference stock equally divided between three per cent. and four per cent. stock, and it is only on the balance of three million pounds of shareholders' capital that these high dividends are being paid. Now, if Government proceed to acquire,—and I want to make it perfectly clear that I am not making points either in favour or against the acquisition, but am only laying the material before the House, indicating what considerations have to be kept in mind,—if Government acquire the Bengal and North Western Railway, they will have to pay a sum of just over ten million pounds sterling, and the then profits of the Railway,—and I say the then profits, as there are some considerations to which I shall advert with regard to the scale of profits after acquisition,—

the then profits will have to be distributed over the whole of this capital, and it is perfectly obvious that even if the ratio of earnings to expenses continues as it is, of which there is not the slightest chance.....

Mr. S. Saiyamurti: Why?

The Honourable Sir Muhammad Zafrullah Khan: I shall explain it presently, as I was saying it is perfectly obvious that even if the ratio of earnings to expenses continues as it is, of which there is not the slightest chance, the rate would be very much lower than it is at present. Now, it has been asked, why is it that you do not expect as high a rate of profits, as high a margin between earnings and working expenses as the Bengal and North Western Railway show at present? I think a good deal of the time that has been devoted to the discussion of this motion was devoted to pointing out the deficiencies of the Bengal and North Western Railway with regard to its rolling stock, with regard to accommodation, waiting rooms, service of water, and several other matters that contribute towards the comfort and the amenity of the people using the railway. And one obvious indication, and I have no doubt that when the State acquires it, it will be pressed to give attention to that matter, is that there must be a considerable amount of improvement in those matters. The argument, I suppose, is that inasmuch as the Company has refused to carry out these improvements, the State ought to take over the railway and carry out those improvements. That being so, I do not think the mere fact that the system is managed by the Company or is managed by the State is either a matter of satisfaction or a matter of dissatisfaction to any part of the House. I have no doubt that Honourable Members desire that a change in management should result in a change in these matters. These matters would require a fairly large amount of capital expenditure. I do not mean to imply for a moment that that should not be undertaken, but I do wish the House to realise that that has to be taken into consideration. For every crore of capital spent on any railway or on this railway when it is acquired there will be a liability in interest—place it as low as four per cent.—of rupees four lakhs a year. Then, it has also been pointed out, and there were one or two interjections by my Honourable friend, Mr. Joshi, to show that there was—I am not admitting it,—that there was a feeling that the condition of labour on this railway was not as good as it was expected to be under State management. That, again, is an indication that, if the management is taken over by the State, pressure will be brought to bear upon those who are responsible for such management to improve the conditions of labour of this railway. That means extra expenditure and, therefore, higher working expenses.

Let us look, on the other hand, as to how the position might stand with regard to the earnings of this particular railway. This particular railway, again, as has been pointed out during the course of the debate, has a comparatively low rate of fares as well as of freight. As Honourable Members have on several occasions pressed upon the attention of Government, the Pope Committee recommended that one of the methods of making any major savings in the working expenses of railways would be by means of amalgamation of the various systems. One of the considerations applying to this railway also is or may be that, if it is taken over, there might be some chance of its amalgamation with the system

[Sir Muhammad Zafrullah Khan.]

of the Eastern Bengal Railway and that both might be worked together. As compared with the Eastern Bengal Railway the rates and fares operating on the Bengal and North Western Railway are low, almost throughout, article for article, or class for class of passengers. That being so, it is still a problem of what is likely to happen. Will the pressure upon the department be that the rates and fares on the Bengal and North Western Railway should be raised to the level of the Eastern Bengal Railway, or will the pressure be in the other direction—that it is undesirable that the Eastern Bengal Railway fares should continue to be higher than those that were in operation on the Bengal and North Western Railway before it was acquired by the Government? Government have already undertaken an examination of these two aspects of the question, that is to say, one, the increase in working expenses that may be expected by transfer of this railway to State management, not only on the Company's section of the railway, but also on the Company-owned portion of the R. & K. Railway, as I have said, both those are bound to go together; secondly, an examination of the possible increase in revenue to counterbalance the almost certain increase in working expenses, that may be achieved by increasing rates and fares. The House will realise that a detailed estimate of these factors would be absolutely necessary before Government could make up their mind with regard to the acquisition of this railway. Those are not however the only considerations that would govern the question.

Mr. Muhammad Azhar Ali: Knowing that the agreement is about to terminate, that is, in 1937,—why did not Government calculate and collect all these facts and figures?

The Honourable Sir Muhammad Zafrullah Khan: Government are collecting them in advance. Notice has to be given at the end of this year and Government hope that their figures will be ready long before the time arrives when notice has to be given. Then, another consideration that must be kept in mind with regard generally to all railways is that the general position is uncertain in several respects. To mention only one, the position that might develop with regard to road competition with the railways. That is another consideration which is not likely to manifest all its tendencies within the course of the year, but it has to be watched because otherwise the position will be this. If notice has to be given at the end of this year and is given, so far as the Company is concerned, it will be entitled to receive the largest capital payment that it would be entitled to at any time, at no subsequent time would it be entitled to any more. But Government, on the other hand, would be investing the taxpayer's money irrevocably, about £12 millions of it, at a time when, if there is going to be any serious deterioration in the earning capacity of these railways, the risk must be entirely Government's and will cease to be the company's risk. In the meantime, however, Government do recognise that there is very widespread discontent with several features of the Bengal and North Western Railway, rolling stock and other amenities, and though nothing spectacular is being done at the moment, the Railway Board are continually pressing upon the attention of the Bengal and North Western Railway the necessity of amelioration in this position. With regard at least to third class rolling stock, and more particularly, with regard to

lavatory accommodation in third class carriages some improvement has been undertaken and is taking place, and the House may rest assured that, whatever the period which might elapse between now and the time of the acquisition of this railway, the Railway Department will continue to do all that is within their power to press the company to provide or to improve these amenities.

Prof. N. G. Ranga (Guntur *cum* Nellore: Non-Muhammadan: Rural):
The Railway Board are practically powerless.

Sir Muhammad Zafrullah Khan: Not entirely. A word or two with regard to the Madras and Southern Mahratta Railway. I am very happy to see that nothing very much has been said with regard to the actual comforts or amenities that are provided on this Railway and I assume that the position here is certainly not the same as obtains on the Bengal and North Western Railway. Here the obvious course of making further economies would be an amalgamation with the South Indian Railway Company, a proposition which appears to be, on such examination as Government have made of the situation, entirely feasible, but the difficulty with regard to this matter is that the South Indian Railway contract would not in the ordinary course terminate till the end of 1945. Government are, therefore, faced with the situation that the main consideration for the acquisition of the Madras and Southern Mahratta Railway would be the effecting of economies that might result from an amalgamation of the system with the South Indian Railway but there is this difficulty with regard to their contracts. We are entitled to give notice for acquisition with regard to the Madras and Southern Mahratta Railway at the end of 1936, or at the end of any subsequent period of five years so as to acquire it at the end of 1942, or 1947, and so on. With regard to the South Indian Railway, the chance of acquiring it does not occur in the normal course before the end of 1945, so that there are various positions which arise with regard to an adjustment of this disparity between the two dates and Government have under consideration several schemes, the adoption of any one of which might give the desired result. One course which requires exploration is the course that has been urged today, that notice should be given at the end of the year for the acquisition of the Madras and Southern Mahratta Railway at the end of 1937, that it should be taken over as a separate system as it now exists and run as a separate system and that we should wait for the acquisition of the South Indian Railway in the normal course at the end of 1945, and then amalgamate the two. Another alternative would be to extend the contract with the Madras and Southern Mahratta Railway till 1945, that is to say it might be made co-terminous with the contract of the South Indian Railway, on condition that the two railways should amalgamate and that then the amalgamated system might be acquired at the end of 1945, on such terms as may now be settled when one contract is made co-terminous with the other. A third consideration is that the Madras and Southern Mahratta Railway might be acquired in 1937, and that the South Indian Railway might be acquired, by private negotiation, also at the end of 1937, and then an amalgamation of the two might be carried into effect.

Mr. S. Satyamurti: That is the best.

The Honourable Sir Muhammad Zafrullah Khan: An attempt of that kind has this feature, that a higher price would have to be paid for the South Indian Railway stock than would have to be paid in 1945. We are collecting material on that subject to see whether it may not be preferable to adopt that course rather than wait till the end of 1945. There is yet another method of bringing about the desired result and that is to acquire the Madras and Southern Mahratta Railway at the end of 1937, and to hand over its management to the South Indian Railway and then to adjust the question of the distribution of surplus profits.

Prof. N. G. Ranga: That would not satisfy anybody.

The Honourable Sir Muhammad Zafrullah Khan: As I have said, these are the various matters engaging the attention of Government. There has been some indication, as I have been making these observations, from some parts of the House that it would be extremely desirable to bring about a solution of this question. I think preference from the opposite side has been shown for a method by which, at the end of 1937, the Madras and Southern Mahratta Railway might be acquired and the South Indian Railway might be acquired by private negotiation. However, financial considerations will really rule the situation so far as this aspect of the case is concerned. Then there are the general considerations to which I said I would revert later in the course of my observations. In regard to this I think it is not only the financial situation that has to be considered. The constitutional position has also to be considered. Now the dates, as Honourable Members are fully aware, are the end of 1936 for coming to a decision as to whether notice should or should not be given and the end of 1937, for the purpose of making payments. The amount required will be with regard to the Bengal and North Western Railway together with the Rohilkund and Kumaon Railway something in the neighbourhood of 12 million pounds and with regard to the Madras and Southern Mahratta Railway 5 million pounds, that is to say a total of 17 million pounds. As I have said, the constitutional position has also to be regarded and the constitutional position is this. To begin with, these dates indicate that the taking over of these two railways, in case a decision is made in favour of their acquisition, will almost synchronise with the setting up of the Federal Railway Authority and one consideration, which is very relevant and which has to be given its due weight, is whether it would be fair at the time of setting up the Federal Railway Authority to face them with an accomplished fact with regard to these two contracts and that they should be presented, as their very first task, with the question of the transfer of very large numbers of staff to State-management, the question of a smooth transfer between the companies and the State and the question of an amalgamation at both ends of India between different railway systems. I do not suggest that would be a consideration which would necessarily preclude considering the question of acquisition. However, there is that aspect of the matter to be considered. Another matter which is also affected by these constitutional changes is the question of the raising of this money. With regard to the rates of interest, it has been pointed out that the rates of interest at present are very low as compared with the rates at which money was obtainable at the end of 1931, or the beginning of 1932. That no doubt is correct, but money has not to be raised today. The decision with regard to the

acquisition of these railways has to be made before the end of the year but if the decision is to acquire these railways, the money will be required towards the end of 1937, and it would require either a very rash or an abnormally intelligent financial brain to predict as to what the state of the stock market is going to be at the end of 1937. Again, as I say, it is a matter to be considered, whether Government shall undertake a liability to the tune of 17 millions at the end of 1936, which they have to fulfil at the end of 1937. That is another uncertain feature but let us assume that the decision is that these two railways are to be acquired and that 17 million pounds has to be provided. The payment has to be made in sterling in England and it can only be done either by borrowing the amount in London or by raising the amount in this country. The latter might be done either by direct Government issue or, as was suggested by Dr. Ziauddin, by the flotation of a company which might take over these companies for the time being. If the amount has to be raised in England, the dates are again relevant, that is to say, the amount which will have to be raised towards the end of 1937. That will be what is known as the transitional period under the Government of India Act of 1935, and borrowing then would be governed by section 315 of the Government of India Act in Part XIII of the Act which deals with the transitional period. That section lays down that during this transitional period there shall be no borrowing by the Secretary of State in the London market except under the authority of any East Indian Loans Act which might be passed by the British Parliament and within such limits as might be laid down by Parliament in that Act. Therefore, it would involve the Secretary of State having to secure very large borrowing powers from Parliament and Parliament would naturally have to scrutinize the purposes for which the amount would be spent—another matter to which due regard must be paid. On the other hand, it was suggested that the money should be raised in India at that time either by a direct Government issue or by debenture stock or by the flotation of a company. Whichever method is adopted, it necessarily means that after the money has been raised, or when provision has been made for the raising of the money, arrangements must be made for the acquisition of an abnormal amount of sterling for the payment in London and these exceptional transactions, even if they are not in themselves impracticable, might, if they entailed a tightening of the market, prove very embarrassing for the Reserve Bank as well as detrimental to the economic stability of the country. I again do not say that that is bound necessarily to happen but I do say that that is another consideration which has to be kept in mind. Some of these difficulties are bound always to exist and, therefore, that again is a factor to be considered, *viz.*, that, if there are some features of the situation which have to be faced in any case, how are they to be co-ordinated to the existing situation so that a thing which has got to be faced in any case is not allowed to stand in the way as a permanent obstacle? As I said in the beginning, my object in placing these observations before the House was merely to put them in possession of the considerations which Government has to give due regard to before they arrive at their decision. Well, Sir, at this stage this is all I have to submit for the consideration of the House and I will repeat again that the attitude of Government with regard to this matter is that they have not at all one way or the other made up their mind; that they must make up their mind in the course of the next few months; they are collecting information on such matters on which information is available; and, in

[Sir Muhammad Zafrullah Khan.]

addition to the considerations which other Honourable Members have placed before the House, there are those additional considerations which I have ventured to submit for the consideration of the House which must be taken into account before a decision is arrived at. And I say again, Sir, that the Government are very glad that the House has taken this opportunity of expressing its views on these matters so that Government will have those views before them when they arrive at a decision.

Dr. Ziauddin Ahmad: Will you consider the desirability of taking the Assembly into confidence before arriving at a final decision, either by moving a Resolution in the Assembly or by consulting a committee, as was done in the year 1931?

3 P.M.

The Honourable Sir Muhammad Zafrullah Khan: I have already observed that I am very glad that the Members of this House have taken this opportunity of placing their views before the House so that Government might consider them before they arrive at a decision; and if there are any further matters which Honourable Members think are relevant and which Government ought to take into consideration, I have no doubt that during the remainder of the debate they will place them before the House.

Sir Cowasji Jehangir (Bombay City: Non-Muhammadan: Urban): May I ask a question? Does that mean that the House will not again have an opportunity of being consulted in this matter, and that Government will take a decision in the matter independently of the House,—leaving aside today's discussion?

The Honourable Sir Muhammad Zafrullah Khan: Sir, Government notes that the House, subject to whatever course the debate may take finally, so far as Honourable Members who have spoken so far are concerned, is pressing upon the Government the necessity of acquiring this Railway. I think the House has very clearly expressed its views. If my Honourable friend means that Government should come up before the House and say: "Here is the material collected, now let us resolve into a Committee and decide this question finally", I am afraid that is not the position.

Babu Kailash Behari Lal (Bhagalpur, Purnea and the Sonthal Parganas: Non-Muhammadan): Sir, I rise to support this Resolution; but, before I do so, I should thank the Honourable Member in charge for whatever sympathy he has been able to show to this Resolution. I feel bound to support this Resolution, Sir, because some portion of my constituency is covered by the Bengal and North Western Railway. The notoriety of this Railway is so well-known that it hardly needs repetition. Each word of its name represents its bogus character. First of all, Sir, not a single mile of its line runs either through Bengal or the North-west province of India now. It will amuse you, Sir, how amongst the masses its name is interpreted in the vernacular. The "B. N. W. R." is known as *Behuda Nalak and Wahiyat*. (Laughter.) This is how it is popularly interpreted in the vernacular in our parts. The Honourable Member, in opposing the Resolution, has enumerated the comforts and cheapness provided to the passengers. Really, Sir, the Honourable Member was

speaking in a superlative degree about everything cheapest provided by the Bengal and North Western Railway Company. But I may add that the Company considers "human life" the cheapest. (Hear, hear.) Perhaps nowhere railway accidents would be so frequent, and the loss of human life so appalling, as on this Bengal and North Western Railway. We have been informed about its good management, as the shareholders get a dividend every year. But this is the very reason why the charge of mismanagement is levelled at the head of the manager of the Company. Sir, the dividend is not the only test of good management. This is rather the reason why the management should be taken over from the Company, as the State is likely to look, not only to the dividend, but to the other aspects of the management, of which the public comfort is not the least important. Then, Sir, the Railway has played a very important part as an agency for civilization. But this Bengal and North Western Railway, through whatever part it runs, has created very little impression on account of its utter wretchedness. Sir, most of its station buildings are not better than even the latrine sheds provided by the East Indian Railway stations. (Laughter.) The station platforms bear equally a most wretched appearance. Then, to crown all, the corruption rampant amongst the employees is proverbial. I am tempted to narrate instances of corruption, but I think the subject has been sufficiently dealt with, and I should not encroach upon the valuable time of the Assembly. With these words, Sir, I support the Resolution, as, in our part of the country, it would be very much against our interests if the Railway were to continue to remain under Company-management.

Mr. M. Ananthasayanam Ayyangar (Madras Ceded Districts and Chittoor: Non-Muhammadian Rural): Sir, we have been treated to very lengthy arguments on the pros and cons of State-management of these railways. I would only give one answer to all that has been said by the Honourable the Commerce Member, *viz.*, that where there is a will, there is a way. (Hear, hear.) Sir, these are not the obstacles which cannot be surmounted, and I am really surprised that the small obstacles mentioned, are magnified to large proportions, and even to this day the Government are not prepared to say yes or no. Sir, the Honourable the Commerce Member has been dilating at length on the various difficulties, but he has not suggested to us how those difficulties can be cleared up in the course of five or six months and what further additional information is necessary to clear up this ground and make it possible for him to come to a decision either in the affirmative or in the negative. I would first say that the constitutional bogey and inconvenience trotted out is an absolute myth. Far from the constitutional changes standing in the way. I would say, it might certainly help towards working these railways, when they are taken up under State control, in a much better manner, than they are being managed by the companies. When the Federal Authority comes in, the Honourable the Commerce Member is afraid that children ought not to be allowed to play with swords.

The Honourable Sir Muhammad Zafrullah Khan: I say—let them fashion their own swords, instead of our giving it to them.

Mr. M. Ananthasayanam Ayyangar: All that we want to say is, let them not fashion any sword at all. I am afraid the Honourable the

[Mr. M. Ananthasayanam Ayyangar.]

Commerce Member is a little pessimistic. I do not know where he will disappear when the Statutory Railway Authority comes into being. He will certainly be there in one capacity or another. If he is single-handed and unaided today, he will have in future the wisdom of the Railway Authority that is being shaped into existence.

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

Therefore, far from it being a handicap, I am confident, it will serve a very useful purpose. By a change in the constitution, the staff controlling the Company-managed railways would not disappear from the spot. They would certainly be transferred to another control. So even there with respect to the staff I cannot understand how any such inconvenience will arise. Therefore, it is idle to contend that the change of management from a Company to the State would be a source of serious embarrassment to the Railway Authority that would come into being, if such a huge problem as managing some two or three more small railways are added on to them. Well, Sir, the policy of State-management was started so early as 1923 and I find that some of the biggest railways have been taken under State-management. One Honourable Member on the other side says that State-management is so bad that we must go back to Company-management or in the case of the railways which are at present Company-managed, we must continue their management. I have been noticing the Honourable Member sitting on the other side in his attempt to applaud the present Government sometimes finds argument against this Government. I was wondering if he would not say some day that before the new constitution comes into being, let us go back to the days of the East India Company management so that the Company would manage and govern India better than the present Government. I am yet to hear such an argument. I will not be surprised if such an argument is advanced by that Honourable Member so that the Government in this country would hereafter be managed by Honourable Members sitting on the other side with, of course, one seat on the Directorate for the Honourable Member who has spoken just now. I venture to say that his speech was absolutely reactionary. I would say, it is far from advancing the interests of the country at large, far from advancing the interest of the passenger traffic and even far from helping the interest of the political status and position of this country. Therefore, I would dismiss the very idea of allowing the continuance of the Company-management or words to that effect which have fallen from the lips of the Honourable Member who has been so anxious to depict the Company-management as good. Even the Honourable the Commerce Member has not said one good word with respect to this Company management. He assumes the Company management is bad but says it might be accepted for the present and he builds thereon the argument that if the management is changed, that will involve an additional burden indirectly to the taxpayer, or an additional expense by way of capital outlay and there will be so much of work that has to be started immediately on taking up the management. I say, it would always be there, whether in 1937 or in 1941 or even whether in 1958. The same difficulties are bound to be there always. Therefore, that is no argument for saying let

the Company go on managing the line, let the passengers who travel by that line be treated little better than dogs and animals, if not as goods. Let them be put into the carriage through one way and let them drop out through the latrine or through the shutters which have no bolts and in the act let the people get their heads broken or limbs maimed. That is no argument which will be accepted by any reasonable section of this House. I would, therefore, say, as regards the Company-management, that, even the Government has not one good word to say. It is, therefore, accepted that the Companies are not managing the lines properly. I was wondering what to say of the Railway running in my part of the country, namely, the Madras and Southern Mahratta Railway which runs over a mileage of 3,229 miles. I could not find more adequate words than those which were used with respect to the Bengal and North Western Railway. I would respectfully invite the Honourable the Commerce Member to come to one of our third class compartments. The compartment is so small that even a dead carcass cannot be kept intact, tied hand and foot, for even one hour there.

Sir H. P. Mody (Bombay Millowners' Association: Indian Commerce): Then, how can you have a live Commerce Member.

Mr. M. Ananthasayanam Ayyangar: That is why I hesitate to invite him there. The seats are so bad. I may say that even a carcass, if placed there, will certainly get revived into life because the innumerable bugs prevalent there are so clever that they will infuse good blood into the carcass from the stock of rich blood that they have drunk from live persons, who were travelling in the compartments. The latrines and other things are absolutely unsatisfactory. There is no light in the carriages and the carriages are very rickety. On account of these defects, the railways are losing their passengers. I do not know whether there is so much of bus competition with the railways in any other part of India as there is in my part of the country. I shall give only one instance, that is between Katpadi and Chittoor, in my part of the country. The railway line between these two places is managed by the Madras and Southern Mahratta Railway. The fare for third class was something like eight annas for a distance of 18 miles. Owing to bus competition, the fare was reduced to six annas and again to four annas. Still the railway is suffering from the competition. Why? The facilities provided by this Railway are so excellent that the passengers would much rather risk their lives in motor buses and entrust their lives to novice motor drivers in preference to sitting in the railway third class compartment only to be eaten by bugs together with the risk of letting their children fall out of the train for lack of bolts to the doors. These are the sort of inconveniences we are suffering from! Yet the Honourable the Commerce Member would say live until 1941 when you will certainly be revived into existence, or if by that time you disappear, we will somehow find some cause or method of bringing you back into existence. These are the inconveniences we suffer in the railways.

One word about the argument of not being able to find money today and even if money should be obtained today we do not know what would be the rate of interest in 1937 or in 1941. I would only characterize this as a want of spirit of enterprise in the Honourable the Commerce Member. Miss Amy Johnson flew from England to Australia and when:

[Mr. M. Ananthasayanam Ayyangar.]

she fixed up her programme to take off, she was told that the weather was bad and she was advised to change the date of her departure. She replied: "If the weather is bad here, if there is lightning and thunder here, it may not be bad fifty miles away, and, in the same way, if the weather is clear here, it may be bad fifty miles away or all through the way to Australia." Therefore, if the rate of interest is not going to be determined today as to what it will be in 1937. I do not know how the Honourable the Commerce Member expects that in 1941 or in 1942 or in 1947 or in any other quinquennial period that may come hereafter, he is going to find the interest much cheaper than what it is at present. I submit, Sir, we are in a hopeless depression now so far as money market is concerned. I may inform the Honourable the Commerce Member if he is not already aware of it, that there is absolutely nothing like private lending in this country. It has absolutely disappeared. I can assure him with respect to the conditions obtaining in my part of the country that private lending has disappeared partly with the passing of the Insolvency Act and partly with the coming of the new Act on the Statute-book, namely, the removal of the arrest section from the Civil Procedure Code. With respect to the Co-operative Society it is a child which is not cared for either by the Government on the one side or by the non-officials on the other. There is too much of interference or too little of it and, therefore, the Co-operative Societies are one after another getting into liquidation. Therefore, the only course open for people who do not know what to do with their money is that they build houses in towns so that they might get some rent. This is the way in which there is ample money in my part of the country. If only the Honourable the Commerce Member has the courage to float a loan now, I may assure him that within less than five minutes it would be over-subscribed. Only recently there was the instance of the shares of the Reserve Bank getting over-subscribed to twice the extent. I would ask the Honourable the Commerce Member or even the Honourable the Finance Member, whom I do not find in his place, whether it is not a fact that the Reserve Bank called for five crores and that the shares were over-subscribed to the extent of nine crores with the result that they had to cast a lot to allot shares. If money is here so readily available why not straight-away get into the country and then try to relieve the several Co-operative Societies some of which still command the confidence of the public? I know the rate of interest that is allowed for fixed deposits within a year or a year and a half is not more than $3\frac{1}{2}$ or 4 per cent. That is in the mofussil parts, not to speak of the ease with which you can get money here. Just the other day a loan of 500 million dollars was raised in the United States of America at a rate of $1\frac{7}{8}$ per cent. per annum. Two years ago they raised 2,000 million dollars for relieving unemployment in America of ten million persons at a very low rate of interest. If that is the case in other countries, I can assure the Honourable the Commerce Member that it is not worse in this country. Money will flow in, and, if there is any difficulty, people from other parts of the world would be too willing to subscribe. Therefore, Sir, it is now time for the Government of India to make up its mind. There are absolutely no difficulties, as were mentioned by the Commerce Member, which are insurmountable. If there are difficulties they are not to be solved by thinking over them for a month or a couple of months. Whether today or in the year 1941 notice

has to be given. You always have to take stock of what may happen a year hence and you have to keep a margin for the time that is yet to come. We are still recovering from a depression and I am not confident that we are recovering altogether. But if it is easy to find money now, you may not be able to get it a few years later. Therefore, I would say, terminate the contract soon. Then as regards exchange. If money has to be paid away to the Company, the Commerce Member found that there was some difficulty in procuring sterling of the value of nearly 18 million pounds. The Finance Member is again and again saying that he is not prepared to monkey with the ratio, that he is wedded to it for all time to come. I wonder that all the intelligence and ingenuity of Government is not able to solve the problem when such a beautiful ratio as 1s. 6d. has been placed on the Statute-book. I would further say that the huge amounts of gold that have been going year after year would solve the problem. There is so much of sterling securities which can be easily paid away.

Mr. President (The Honourable Sir Abdur Rahim): The Honourable Member has already spoken for 15 minutes.

Mr. M. Ananthasayanam Ayyangar: I will finish in five minutes. I will, therefore, say that the market is cheap, the market is available, and the people who have money might be helped by being allowed to subscribe towards the shares and debentures of the loans that may be raised. Already we have raised 780 crores for the purpose of railway administration. The administration report says that the lines that they work are the property of the State; the greatest part of the capital is the property of Government. If future capital is necessary Government has to raise it, or otherwise, with the permission of Government the Company may raise it. All the contracts are terminable at the option of the Secretary of State. And in the Company, working in the part from which I come, 11½ millions belong to the State, and five millions belong to the Company. And to find five millions is not an insurmountable difficulty. Therefore, the question of money ought not to be allowed to stand in the way of wholesale progress and development. The policy settled has to be pursued. So far as the Madras and Southern Mahratta Railway is concerned, I find from the working capital, earnings, receipts and expenditure that it is the fifth or sixth railway working in this country and the mileage is 3,000 miles. I would say that no difficulty stands in the way.

Certain apprehensions were raised by Sir Henry Gidney, if there be a change of management, but they are not proper apprehensions. Evidently he apprehends that the favouritism that is shown to certain sections of the Indian community may not be allowed to stand when the State takes over the management. He has to live with us and I do not think there need be any such apprehension.

As regards trade we find again and again.

Mr. President (The Honourable Sir Abdur Rahim): The Honourable Member must conclude his speech now.

Mr. M. Ananthasayanam Ayyangar: The rates and fares, in spite of various Resolutions, have not improved, and, in these circumstances, I whole-heartedly support the Resolution.

Pandit Govind Ballabh Pant: Sir, I was hoping that it might not be necessary for me to intervene in this debate, and that is the reason why I did not avail myself of the opportunity that you were pleased to give me in the morning. The speech of the Honourable the Commerce Member, however, though marked with his usual lucidity, was not reassuring, if it was not positively disquieting. The sting of it lay particularly in its tail. It is my complaint that while stating that Government were prepared to consider the question in its various aspects and were engaged in collecting information, the Commerce Member was in fact unsettling a settled fact. Government had already decided, according to the Resolution of this House passed in October, 1931, that they would acquire both the Bengal and North Western Railway and the Rohilkund and Kumaon Railway at the latest by the 31st December, 1937. The Resolution gave option to Government to acquire earlier if they so chose,—any time between 1932 and 1937. But in no case were they given the option of putting off the acquisition beyond the 31st December, 1937. But today the Honourable the Commerce Member tells us that the question is still an open question. They are still giving thought to many considerations, and, as the date of notice will never at any time synchronise with the date of payment, therefore he will never be able to make up his mind whether to acquire the railways or not to acquire. That, Sir, is my complaint, and I do submit that it is playing with the decisions of this House. The Honourable the Commerce Member has probably his sympathy with us. He, I hope, is inclined to help the cause of acquisition, but that is not enough. Are not the decisions of this House, to which Government themselves happened to be a consenting party, to be respected by Government themselves. That, Sir, raises a large question of principle.

Sir, the question of State *versus* Company management is a very old one. I would only be wasting the time of the House by dilating on the relative merits of this issue as it has been discussed threadbare on unnumberable occasions on the floor of this House as well as outside. The Ackworth Committee, followed by the 1923 Resolution and the clause that is included in the Resolution which now forms the basis of the railway administration of 1924, finally settled the matter. So far as these particular railways are concerned, the Resolution passed in 1931 left no room for vacillation or dilatoriness. The Honourable the Commerce Member asks us "Are not two options better than one? When the Secretary of State arranged with these companies that the Government might exercise an option in 1937 and again, if they so chose, in 1942, what was wrong about it?" My submission is that the mischief lay in the attitude of the mind which lay in the background. It indicates an attitude of unfriendliness towards the proposal. It indicates an attitude of indecision up to the end, and it indicates a tendency to put off the evil day by five more years if it could not be put off for the next 50. So I submit that after this House had definitely decided that these railways should be acquired as early as possible and in no case should the date of acquisition be postponed beyond the 31st December, 1937, the Secretary of State should not have been a consenting party to any option, to any arrangement that would delay the consummation of the arrangement beyond the stipulated date, *i.e.*, the 31st December, 1937. We are told that money may not be available then. I do not know whether the Honourable the Commerce Member accepts even today that it is easy enough. He says: "How can we arrange to get such a colossal sum of 17 million

"pounds?" Does he not know that the Government, of which he is a Member, have raised more than 17 million pounds a year to cover up the deficits in their budgets from year to year? If he were to look into the accounts of the last six or seven years, he will find that the Government actually raised about 100 million pounds, and that only to cover up their own deficits. So it is not such an unmanageably exorbitant amount as he seems to assume. Does he not know that even last year a loan of 10 million pounds at three per cent. was raised on behalf of the Government of India in England against the unanimous protest of the people and the financiers of this country? Does he not know that the rate of interest has come down to three per cent., and, last year, 15 crores were raised at three per cent. about which the Controller of the Currency observes that it was an unusual phenomenon and that nothing like this had happened since the year 1896? Does he not know that for the last two years the bank rate has been steady at three and a half per cent.? Does he not know that the Post Office Savings Bank rate has been reduced to two and a half per cent. and that of cash certificates to three per cent.? I would not belabour this point still further, but I would ask him to refer to the report of the Controller of the Currency and other books on the subject, and then he will feel satisfied that this is just the time when money can be raised. He tells us: "But how can you assure me that it will be so on the 31st December, 1937?" This difficulty does not exist in reality. It can be met in various ways. I might suggest to the Benches opposite one simple way out. I might say: "If you are serious about this business, why do you not arrange it with the Company, let them have the money now, ask them to pay you three and a half per cent. for the interval and then have the account settled completely after the interval when the acquisition will have been completed." There would be other ways perhaps which might be suggested. But I would not tread on that delicate ground. Perhaps it is the monopoly and preserve of better heads opposite and they would resent my intrusion.

Sir, I am really sorry that the Honourable the Commerce Member should treat this still as an open question. He says that the Statutory Railway Authority should not be burdened with two novel encumbrances at its very birth. I wish its birth were a still birth, but that is beyond my province. But is he serious about it? Does he really mean that the addition of these two small lines to the vast network of railways in this country will upset the equilibrium and make things unmanageable for the great Statutory Authority?

Then, the Commerce Member tells us that it may not be equally profitable. I do not mind it; I am prepared to accept that, when we want the management to be taken up by Government, we expect that all persons, even if they be black or brown, will be treated by at least the Honourable the Commerce Member who happens to belong to our own community, as men, and not as brutes, and in that hope it is that we are pressing for the transfer of the control of management from the Company to the State. It is just possible that the expenses may go up, but I can tell him that there are various other ways by which the gap could be filled up and bridged. The other day—I cannot find a better authority than Dr. Ziauddin Ahmad for the remark that has been made—he said here on the floor of this House that a station master getting Rs. 100 per mensem at Chauri Chaura had been earning by illicit means Rs. 4,000 per month. If this is the state of affairs prevailing in the Company,

[Pandit Govind Ballabh Pant.]

proper management can certainly lead to a considerable addition in the income and the revenue that these Companies are capable of yielding, and, if properly managed, can legitimately yield. So, whatever the additional revenue, it will be more than covered. I can say this from my own experience. I have seen, Sir, passengers travelling along this route being given tickets at the last station just before the terminal station, the rest of the money being kept by the guard and the tickets being handed over at the terminal station, not by one or two, but by scores of travellers, and not once or twice, but day to day and again and again, except when I myself happened to travel in the train, for when I saw it for the first time, I could not control myself. I told the guard that whichever be the Company, whoever be the shareholders, I could not possibly be a witness to practices of this sort being committed before my very eyes. After that day, I did not see the thing being repeated, but I know that it did go on and is being continued to this day. So if the State takes over, if there be a rational system of administration, I have every hope that the expenses, though they will rise up, will be covered by the additional income that will be earned by means of, and in consequence of, a sympathetic, rational and fair system of management. Sir, in these lines and in these Companies, part of the capital is even now owned by the State. It is an anomalous system; in fact, as my Honourable friend to the left reminds me, the bulk of the capital is owned by the State. So far as the Rohilkund and Kumaon and the Bengal and North Western Railways are concerned, there are certain lines which are exclusively owned by the State, but of which the management had been leased out to these Companies. Is it fair that the Company which does not own the line and whose interests are in fact limited only to a very small part of it should boss the whole show and enjoy a profit of 15 per cent.? It was some years back as high as 19 per cent., I may inform the House. The Honourable the Commerce Member told the House that there are certain items on which interest is being paid only at 3 per cent. Let me assume that it is so. Still, when we can borrow money at 3 per cent., so far as those items are concerned, the interest which the Government will have to pay on the loan will not be more than what is being paid on account of the money that will be liquidated thereby today. So far as the other items are concerned which are earning today 12 or 14 or 15 per cent. the Government will be making thereby a saving of 9 to 12 per cent. On the whole, taking the entire system into account, there will be a net saving; and, at a time like this, when the railways are gradually sinking into a deadweight, any Government should have pounced upon such an opportunity in order to save the situation. When the railways on the whole are proving a losing concern, it befits the Government if they want to save the situation and to give an opportunity to the blessed Railway Authority to make a start under good auspices, to acquire for them some of these lines which are really profitable and which will contribute to a certain extent towards the diminution of the amount of loss and deficit which the entire system is entailing today. I will not go further into details; but I will warn the Honourable the Commerce Member that, so far as this House is concerned, it has finally settled that these railways should be acquired by the Government before December, 1937. So far as the Government are concerned, they are bound by their definite solemn undertaking and promise that they would do so, before 31st December, 1937. So, whatever

be one's view about the honesty of the Government of India, as it is constituted today. I hope that in this case at least they will not have the audacity to defy and resile from the unanimous verdict of this House, backed as it was by their own solemn pledge and undertaking.

Mr. M. Asaf Ali (Delhi: General): I move that the question be now put.

Mr. President (The Honourable Sir Abdur Rahim): Does the Mover, Mr. Azhar Ali, wish to reply?

Mr. Muhammad Azhar Ali: Yes, Sir. I have listened with very great patience to all that the Honourable the Commerce Member said on this Resolution of mine. It was indeed a lecture to school boys to tell us at this late hour that these are the hitches, these are the difficulties and these are the matters which we have still to consider: I think it does not teach us anything—on the other hand, it is a sort of disappointment to all of us here. I was a member of that Committee in 1931. I know how favourably inclined Sir George Rainy was to our proposals in that Committee; and, I am sure, that although the Honourable the Commerce Member is in every way sympathetic to the acquisition of these Railways, for certain reasons, which may be behind perhaps, he is not able to come to a definite conclusion about this Resolution at this time in the House. For the Honourable Member to say that it will be difficult to get Parliament to sanction for certain loans, because, under the Statute, we cannot do it at present, my submission is that we have great credit in England at present for sterling loans, and I do not see any reason why we cannot take advantage of it, or at least float a loan in India itself. This is a demand which Indians have been making for a very long time, and I do not see why we should go to England for a loan of this kind. Why should we not have debentures floated or some other means which the Government of India themselves can very easily find out? The export of gold has not been stopped; it has gone up to perhaps more than 270 crores. Under those conditions, I do not see why these sterling loans cannot be floated in any other form here. A rupee loan in India is possible if not in England; and, as regards the objections which my Honourable friend, Sir Abdul Halim Ghuznavi, has taken, I have not much to say. Perhaps he has not travelled on this Bengal and North Western Railway or the Madras and Southern Mahratta Railway. He mostly travels on his East Indian Railway, and the comforts which the State gives on those lines are far superior to the comforts that we have on these lines here. The conditions on the Bengal and North Western Railway have been very lucidly stated on the floor of this House, not this time alone, but also before this in 1931. They are simply disgraceful, and, therefore, the only issue before this House today should be that the comforts of the people of this country and especially of those third class passengers ought to be the ruling passion in our minds, not that we cannot raise any loan or anything of the sort. As my friends on this side have just explained, it is very easy to raise loans whenever you want to do it—where there is a will, there is a way.

I have not much to say today at this stage, because it is very late and because my friend, Pandit Govind Ballabh Pant, has very lucidly replied to all the points that have been raised by the Honourable the Commerce Member. I press my motion.

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

"That this Assembly recommends to the Governor General in Council that immediate and necessary steps be taken to take over the control of the Bengal and North-Western Railway and the Madras and Southern Mahratta Railway from the present lessees and further not to extend the contracts which expire in the year 1937."

The motion was adopted.

RESOLUTION RE EXTENSION OF THE SAME LEVEL OF ADMINISTRATION TO THE PEOPLE OF THE EXCLUDED AND PARTIALLY EXCLUDED AREAS.

Mr. A. K. Fuzul Huq (Bakargunj *cum* Faridpur: Muhammadan Rural): Sir, this Resolution and the one that follows deal with the same subject, with this difference that the one that stands in the name of Mr. Satyamurti is more comprehensive than mine. In order to shorten the debate, I would ask permission that mine should be passed over so that Mr. Satyamurti's Resolution should be moved.

Mr. Ram Narayan Singh (Chota Nagpur Division: Non-Muhammadan): Sir, I have been authorised to move this Resolution. Sir, I beg to move the following Resolution, namely:

"That this Assembly recommends to the Governor General in Council that he may be pleased to take such steps as he thinks necessary and proper to extend the same level of administration to the people of Excluded Areas, partially Excluded Areas, and Chief Commissioners' Provinces including the British Baluchistan, positively from the 1st of January, 1937."

Sir, the question of the administration of these Excluded Areas or partially Excluded Areas is one which vitally concerns the people of the whole country in general, and over a crore of them in particular, who happen to live in those tracts or parts of the country which have been now stigmatised by our British masters as Excluded and partially Excluded Areas. Sir, if we look at the Sixth Schedule given in the last Government of India Bill, we find that the number of the Excluded Areas was only four and that of partially Excluded Areas only 11, but now as it is given in the Order in Council and submitted to Parliament, we find that in both cases the numbers have been increased to 8 and 26 respectively. Sir, formerly in some provinces such as Bombay, Central Provinces, United Provinces and the Punjab there were no such areas as partially Excluded or totally Excluded Areas, but now we find that some portion or other has been so declared in every province, and this against the definite undertaking given only last year on behalf of Government and also by the Parliament itself to the contrary. Sir, I do not wish to say anything against the breach of this undertaking of the British Government or the British statesmen, because to them there is no sanctity in making promises and in breaking them in the same breath. It is quite possible that the memory of the British people has failed. Besides that, they are clever businessmen, and they may not consider it necessary to remember unprofitable promises. The hands of the British people have been forced to part with some of the political powers in this country. Therefore, it is but natural for them to take away with their left hand what they had been forced to give by the right hand. They want to maintain the despotic nature of

their present administration in some part of the country or other. Sir, these Areas have been selected, not for the benefit of the aboriginal races of the country, not for the benefit of any other people of India, but solely to maintain the British power in this land. Sir, among the conservative Members of the British Parliament, Major Cadogan and Mr. James seemed to be very very enthusiastic over this question. They posed to be the protectors of the aboriginal races of this country, but I shall tell them not to shed crocodile tears over this question. They say that the aboriginal races of this country may be exploited by non-aboriginal races. This sort of sympathy reminds me of a saying that exists in this country and that runs as follows :

"Nau saw choche khaker billi chali hai haj ko."

Which means : "having eaten away nine hundred mice, the cat has started on a pilgrimage". I ask the British people and their representatives here not to talk of the exploitation of one race by another. Is there any race in the world who is a greater exploiter than the British race? They talk of according special treatment to the backward races of this country. May I know, Sir, what have they done for these people during all this period of their rule in this country? Up till now they have done nothing, not only to speak of the aboriginal races of this, for anybody in this land. They speak of according special protection to the backward races of this country. Sir, I can quote from Sir John Simon's Report to show what they have done for these backward races till now. I refer to page 109 of Vol. II, and this is what Sir John Simon has said :

"The responsibility of Parliament for the backward tracts will not be discharged merely by securing to them protection from exploitation and by preventing those outbreaks which have from time to time occurred within their borders. The principal duty of the administration is to educate these people to stand on their own feet, and this is a process which has scarcely begun."

Sir, this is the verdict of the Royal Statutory Commission, and I do not think there can be any better testimony as regards the negligence of the British administrators in this country towards the welfare of the people of the backward tracts. Sir, whether Major Cadogan and Mr. James shed crocodile tears over this question or not, I think this testimony of Sir John Simon ought to put them to shame for what they now say. Sir, I do assert most emphatically that our rulers have done practically nothing, nor do they ever intend doing anything for anybody in this country. It is no good saying that they are going to do something now when they have not done anything so far ever since the advent of their rule in this country. If when they have been administering this country all along and did not do anything for these people, can we imagine that they will do something at the time of their departure from this country?

Sir, the terms "Excluded Areas" and "Partially Excluded Areas" are new things introduced into the administrative literature of this country. Formerly, some of these were called backward tracts. Sir John Simon took pity over the feelings of those people and recommended that for the term backward tracts, Excluded Areas and partially Excluded Areas should be substituted, as in his opinion, these latter terms were less derogatory and less offensive. However, his recommendation has been accepted. I

[Mr. Ram Narayan Singh.]

must thank Sir John Simon and all those who have accepted his recommendation for their kind sentiments, but I may tell them at the same time that the change in epithet has not helped us in any way, because the people of backward tracts or the Excluded Areas or partially Excluded Areas stand where they were.

4 P.M. Sir, I think the House would like to know something about the history of these tracts, but it is very difficult for me to relate the entire history of all the tracts within the short time that is at my disposal, but I wish to mention one or two cases, and I may say that the history of one tract is similar to that of the other. Sir, let me say something about Chota Nagpur Division which is my constituency. Before the British came to occupy that territory, it was divided into several small States and they were independent of each other. They had their own Courts and their own form of administration. They were independent and the people were happy and prosperous. When the unfortunate day came and those territories passed into British possession, they administered the whole of Chota Nagpur for about a century by means of the same regulations with which they administered all other parts of Bihar and Orissa and other parts of the country. In course of time, it was found out that some of the regulations were not necessary in some parts of the country. Besides, different regulations were required according to different local circumstances. In fact, there was no question of any people being more forward or more backward. It was to ascertain these differences that the Scheduled Districts Act of 1874 was passed, but there was no question of any race or any community being inferior or superior to others. After the passing of that Act the districts were divided into two classes,—regulation districts and non-regulation districts. The non-regulation districts were also known as scheduled districts, and the administrators began treating the people in some different ways. But there was no legal recognition of these differences, but gradually several Government of India Acts came to recognise these differences, till the Government of India Act of 1919 finally recognised the different constitutional status of these districts. Similar must be the history of all other places now known as Excluded or partially Excluded Areas. Our British friends are very anxious to afford to the people of these areas a special treatment. I would tell the House and the world outside what that special treatment is. Special treatment means making all the Government officials in those areas to be something like independent chiefs or kings or whatever else you may call them. The administrators in those areas do not think that they have to obey rules and regulations. They behave as if they have no higher authority to whom they will have to explain their conduct, and as regards the people themselves, these officers treat them as if they are cattle and dogs. Regarding the administration the less said the better. When we remind ourselves of it our blood boils. Some of the officials appointed for those areas appear to be specially appointed for the same. Some of the officers do not appear to know or to understand law. I may cite an instance of a magistrate deciding a case in the Santhal Parganas. There was a magistrate who was deciding a criminal case. A man was convicted of theft, but he died during the course of the prosecution. The magistrate thought that as his son would inherit his property, the son ought to inherit also the punishment of his father. The magistrate, therefore, punished the son for the offence committed by the father! This is not an

imaginary case. I quote this case from a speech delivered by the Honourable Mr. Madhu Sudan Das, who was at the time one of the Ministers of the Bihar and Orissa Government, and that is printed at page 202 of the proceedings of the Local Legislative Council, dated the 7th December, 1922. Major Cadogan and Mr. James ought to know that this is the way in which justice is being administered in Excluded and partially Excluded Areas, and such are the magistrates who are appointed for the purpose there. This is the result of one-man's rule. Several grounds have been brought forward why these areas ought to be treated as partially Excluded and totally Excluded Areas. Before I advance my own reasons against such a proposal, let me deal with the grounds given by Government officials themselves. Here is a document which has been given to us only a few days ago by the Government of India. I do not know what to call it, whether it is a document full of forgery or concoction or what—it is very difficult for me to say. Here is the Government of India's recommendation. In the concluding portion, it is stated :

“We have accepted without change the recommendations of the Governments of Assam, Bihar and Orissa, Madras, the United Provinces, the Punjab and the North-West Frontier Province.”

When we look at the letter of the Government of the Punjab there is no recommendation; the Punjab Government have said nothing. Not only that but something more. They say: The Government of the Punjab have agreed that both these tracts should be Excluded Areas and that recommendation we accept. They say that the Government of the Punjab have agreed. There is no question of recommendation but at the same time they say that we accept their recommendation. They are highly educated people. They must be understanding the recommendation or whatever was written by the Government of the Punjab. I do not know whether they consider the whole world to be fools or they are fools themselves. Here is a statement given by the Government of Bombay :

“Whatever disadvantages these people have suffered in the past have been due more to their ignorance, indebtedness and poverty than to their being completely unacquainted with democratic forms of Government or their political exploitation by the more advanced classes. The principle of electing a leader is not unknown to them but is one of the usual incidents of their village life. Their response to deliberate efforts to educate them and advance their interests has been fairly good. Isolation or segregation of these tracts would retard their progress permanently. What they need is not isolation but special measures to ameliorate their condition.”

Further on, the Bombay Government say :

“The process of assimilation which has been gradually going on would receive a set back if these areas were excluded or partially excluded. It should however be noted that the Bhils in most parts of the district are not so backward as is generally imagined. They have been taking an increasing share in local self-government. They are found on almost every local body in the district and they generally understand the principles of local self-government On the contrary, the local bodies are only too eager to advance their condition.”

In Parliament, some Government officials said that the Ministers and the Legislatures will not take care of these aboriginal races of the country and here it is given out that these local bodies are only too eager to advance their condition. Further on they say that the needs of the Bhils in the matter of communication and water supply have been considered

[Mr. Ram Narayan Singh.]

sympathetically. Again, Mr. Symington, Backward Class Officer in the Bombay Presidency, says:

“Perhaps more could and ought to have been done for them in the days when there was money to spend; if so, the blame, if any, must attach to Government and cannot be attributed to the introduction of the democratic system under the periodical reforms. There is no reason to think that the Legislative Council and Ministers have been less sympathetic towards the aboriginals than the old bureaucracy. That being so, there seems to be little logic in pressing the proposal to set up partially excluded areas in this Presidency.”

Sir Cowasji Jehangir (Bombay City: Non-Muhammadan Urban): The Bombay Government is not too bad?

Mr. Ram Narayan Singh: Yes, for this particular purpose. Sometimes justice flickers. In this connection the Bihar Government have said something which it is very difficult to understand. This is what they say:

“This question has been under examination by the Local Government from time to time since 1928. When the matter was discussed by the Simon Commission, the Local Government considered it necessary to retain the existing degree of protection for all the eight districts that are at present classed as backward tracts. Subsequently, impressed by the difficulty of continuing to protect indefinitely those portions of the backward tracts in which the aboriginals are in the minority, the Local Government modified their views to some extent and in paragraph 38 of the opinion submitted with Mr. Hallett's letter No. 4368-A. R., dated the 23rd August, 1930, they suggested that parts of the districts of Santhal Parganas, Manbhum, Hazaribagh, Palamu, Singhbhum and perhaps Sambalpur and Angul need not be retained in a special position.”

Now they say that things have changed now. But I do not know with what sense of justice they say so.

Mr. President (The Honourable Sir Abdur Rahim): The Honourable Member has only two minutes more.

Mr. Ram Narayan Singh: I will finish soon. Then the Bihar Government say:

“The Provincial Legislature, as a whole, has taken no interest in the backward tribes other than to press for the removal of the existing forms of protection.”

I have quoted instances to show how the Provincial Legislature has pleaded for them. Further on, the Bihar Government say:

“The Congress has taken no interest in them except to exploit them for political purposes.”

Here is an attack on the Congress. I do not know what right they had to attack the Congress in this connection. The Congress has no power. Let Government give the Congress power and let them see what they do to these people in ten years' time.

Sir, the grounds brought forward by those who want that these areas should be excluded from the operation of the reforms are too frivolous to need any refutation on our part. In this connection, I like to mention one thing and that is this. Sir, when I was Vice-Chairman of my own District Board, I submitted a proposal and the District Board agreed that fifty scholarships should be given for the children of the backward peoples. So long as I remained Vice-Chairman, these scholarships were given, but

as soon as I retired from that position, those scholarships were stopped, and not only that but all the money so paid was surcharged to me, after I retired from that office. Sir, they speak of these aboriginal people in piteous tones, but at the same time they won't look to their welfare at all,—Sir, all this is mere humbug. Every Indian worth his name is anxiously waiting for the opportunity when they will be able to do something for the people of these backward areas. Now, Sir, it may be that there are people who are backward here and there. For them, some special measures are required—and not that they should be declared unfit for this form of Government or that form of government. Of course, I have no time to say anything further, and I appeal to every Member of the House only to do justice to the people of these Excluded Areas. I shall only say this much that when *you* want a better form of Government, when you want this or that sort of privileges, for yourselves, I think, as just men, you should desire the same to others also. With these words, I conclude my speech and I hope that every section of the House will support this motion, and I hope the Government Benches, if they are occupied by just people, will also support the motion. (Loud Applause.)

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

“That this Assembly recommends to the Governor General in Council that he may be pleased to take such steps as he thinks necessary and proper to extend the same level of administration to the people of Excluded Areas, partially Excluded Areas, and Chief Commissioners' Provinces including the British Baluchistan, positively from the 1st of January, 1937.”

Notice has been given of an amendment by Pandit Nilakantha Das. Does the Honourable Member wish to move the amendment?

Pandit Nilakantha Das (Orissa Division: Non-Muhammadan): With your permission, Sir, I may move it on the next occasion when it will be taken up.

Mr. President (The Honourable Sir Abdur Rahim): The Honourable Member must decide whether he is going to move it or not.

Pandit Nilakantha Das: Sir, I move:

“That at the end of the Resolution the following be added:

‘Particularly by immediately moving His Majesty's Government to secure an appropriate amendment to the recent Order in Council on the subject of Excluded and partially Excluded Areas.’”

Sir, on this subject an Order in Council has been passed recently, and, so far as our Government of India are concerned, perhaps for the present it is an almost settled fact

The Honourable Sir Nripendra Sircar (Leader of the House): May I rise to a point of information? Do you propose, Sir, to follow the course of each amendment being moved and discussed, or

Mr. President (The Honourable Sir Abdur Rahim): The procedure the Chair wishes to follow is that, after this amendment has been moved, there shall be a discussion both on the original Resolution and on the amendments.

The Honourable Sir Nripendra Sircar: If the amendments are formally moved now, Sir, then we can talk generally on the Resolution *plus* the amendments.

Mr. President (The Honourable Sir Abdur Rahim): Or he can make his speech now.

Pandit Nilakantha Das: Shall I be allowed to speak now and also afterwards?

Mr. President (The Honourable Sir Abdur Rahim): The Honourable Member cannot do that, he may simply move the amendment formally now; the Chair thinks it will be more convenient for him to do that.

Pandit Nilakantha Das: Very well, Sir. I move it formally; then I shall speak at a later stage. I move.

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

“That at the end of the Resolution, the following be added :

‘Particularly by immediately moving His Majesty’s Government to secure an appropriate amendment to the recent Order in Council on the subject of Excluded and partially Excluded Areas.’”

The Resolution will, therefore, read like this:

“That this Assembly recommends to the Governor General in Council that he may be pleased to take such steps as he thinks necessary and proper to extend the same level of administration to the people of Excluded Areas, partially Excluded Areas, and Chief Commissioners’ Provinces including the British Baluchistan, positively from the 1st of January, 1937, particularly by immediately moving His Majesty’s Government to secure an appropriate amendment to the recent Order in Council on the subject of Excluded and partially Excluded Areas.”

The Honourable Sir Nripendra Sircar: Sir, although on this side we have got several speakers who desire to speak and can usefully do so, particularly with reference to particular areas like Baluchistan, those in Bombay, and so on, I rise at the earliest stage to tell the House the exact position of affairs and the attitude of Government in relation to this matter of Resolution on Excluded and partially Excluded Areas. This House is aware that public attention has been called to this class of areas since the days of the Simon Commission, and the Simon Commission itself, I believe in paragraphs 127 and 134 of their report, refers to the necessity of the special treatment of areas inhabited for the most part by aboriginal and backward peoples. I have no desire to read all those paragraphs, because I presume most of the Honourable Members are quite familiar with the reasons given there. Then, Sir, the Simon Commission, as we all know, was followed by the Round Table Conferences. During the First and the Second Round Table Conferences, so far as my recollection goes, there was no specific discussion on this question. I believe there was a passing reference in some of the speeches at the end of the Session, but that may be practically ignored; in the First and the Second Round Table Conferences, practically this question was not discussed. At the Third Round Table Conference, under head C, we have the contemplated special responsibility of the Governor in connection with Excluded Areas and the question of their classification into categories. Now, this was ultimately confirmed by the Report of the Joint Select Committee in paragraph 80

of their report. I think the House will remember that the Secretary of State was cross-examined on this subject of Excluded Areas, and he was asked questions as to the treatment of particular areas which were to be excluded and also as regards some of the areas which were proposed to be partially excluded. The definite proposals of His Majesty's Government appeared for the first time in the draft of the Bill which has now become the present Act, in the Sixth Schedule. Now, up to that time, the position of affairs was this, that public opinion in India had the same opportunity of making representations on the question of Excluded and partially Excluded Areas as it had on any other topic which was discussed before the Joint Select Committee or the Round Table Conference.

Sir Cowasji Jehangir: Were the Government of India's opinions or the Local Governments' opinions made known to the public?

The Honourable Sir Nripendra Sircar: I hope the Honourable Member will wait. I am taking the subject chronologically. I am presently coming to his question. I am now confining myself to a narration of facts, and I will come to the Honourable Member's question. What has since occurred is this. My Honourable friend, Mr. Ram Narayan Singh, referred to the amendment of Major Cadogan. The amendment was moved in the House of Commons by Major Cadogan on the 10th May. He proposed by his amendment to add a large number of areas to the proposals which had emerged from the report of the Joint Select Committee. This amendment led to two results. Firstly, the substitution of the procedure of Order in Council in the place of a Schedule which was in the original scheme, and, secondly, instructions were issued under orders of Parliament to the Government of India for a *de novo* examination of the whole problem by the Provincial Governments in India with special emphasis on reports of district officers. I believe it was sometime probably late in June that these instructions were received. These instructions, if I may read only the relevant portion, were these: The Government of India were directed by the Secretary of State under orders of Parliament for an examination *de novo* by each Provincial Government of the problem. For the purpose of this examination, the following instructions were laid down: That having regard to the limitations consequent upon total exclusion of the powers of the Legislatures and of the Ministers responsible to them, the areas to be placed in the category must be based upon certain necessity and must be as limited as possible in scope consistently with the needs of the aboriginal population. The other instruction was that there should be no hesitation in including in the category of partially Excluded Areas any area containing a preponderance of aborigines or very backward people just of sufficient area to make possible the application to it of special legislation and will be susceptible without inconvenience of special administrative treatment. These, Sir, were the instructions which were issued to the Government of India and the directions further were that, in order to enable the Secretary of State to carry out his statutory obligation, I believe it is by section 91, of laying the draft Order in Council for approval by both Houses by 2nd February, we had to send our reports by some date in December, 1935. From what I have already read out, Honourable Members will notice the form of the enquiry and the nature of the directions which were issued to the Government of India. The Government of India were asked to make their report not by consulting public opinion, but by getting reports from the Provincial Government

[Sir Nripendra Sircar.]

who in their turn were to rely on—they lay special emphasis on this—the reports of their district officers. So far, therefore, as the Government of India were concerned, it was a very limited enquiry and how the enquiry was to be made, directions have been laid down in the instructions from the Secretary of State under orders of Parliament. The Secretary of State was so situated that there was no time for consulting public opinion again even if it were necessary. I am sure, many Honourable Members have read the debates in the House of Commons as also in the House of Lords, and those debates clearly show that it was brought out by many speakers, in fact it was fairly obvious from their speeches, that Indian vocal opinion speaking generally was against any extension of this doctrine of Excluded or partially Excluded Areas. That is to say, it cannot be suggested for one moment that so far as Parliament was concerned, they were not fully aware while the debate was going on and from several speeches which were made by the speakers, that there was a strong body of opinion—I think I may even use a more extended word—they were aware that generally vocal Indian opinion was against any increase in partially or totally Excluded Areas. From the very nature of the matter, the aborigines could not be expected to either understand or express opinion on constitutional questions. With that knowledge, the instructions which were in fact issued to us of the kind which I have laid before this House and we carried out those instructions. Having regard to the course of events in Parliament, the Secretary of State could not give directions for taking public opinion. The results of this enquiry, the nature and the form and the method of which were laid down in the instructions issued under the parliamentary authority, were to be sent to the Secretary of State for the purpose of information of Parliament. All that could be done in those circumstances were actually done by securing simultaneous publication in India and England of the Command Paper and the draft order. The Government of India, I submit to this House, did all that was in their power in the position in which they found themselves for securing that Indian public opinion will be able to make itself heard on the draft order before it was approved of by the two Houses of Parliament, which was part of the procedure relating to the Order in Council. As soon as we came to know not now, but during the Simla Session that certain notices were given of moving Resolutions in connection with Excluded Areas,—they were ultimately not balloted—we knew perfectly well that the intention was to protest against an increase in the Excluded and partially Excluded Areas. As soon as the Government of India came to know that a Resolution on the Excluded Areas was contemplated and was likely to be moved, provided it found a place in the ballot, we brought the matter to the notice of the India Office that a debate was likely to take place and we undertook to send a telegraphic summary of the debate which was expected to take place in the House and a copy by telegram of any Resolution which might be passed. As Honourable Members are aware, as a matter of fact, this Resolution did not find a place in the ballot, and so it was not discussed in the Simla Session. I find the other relevant dates are these. I am making no comments now, but I am placing the facts before the House. As I said, the statutory duty was to place the draft order by 2nd February. I believe the first available day was the 4th February, but it does not matter whether it was 2nd or 4th. Then, the consideration of this draft order by the House of Commons was fixed for the 7th February. It was months ago when the date was fixed.

At that time there were grounds for believing that the debate would be over before February. As I have told Honourable Members, that did not in fact happen, and we are discussing the matter today. This date, *viz.*, 7th February, we know as a result of telegrams received. When the Order in Council was taken up by the House of Commons for consideration, that was on the 7th February. No amendments were moved except, I should say, a Government amendment as regards what I may shortly call the Mymensing entry, and that was moved for the purpose of entry into this class of areas under discussion. I am not very clear in my ideas, but I understand that each of these areas was put separately for consideration, but I may be wrong. Although there was no formal amendment the debate in each case has been formally adjourned by the House of Commons to enable them to consider any amendment which may be recommended by the House of Lords. So the present position, to put it shortly, is that on the 7th February, these motions were put up: no amendments were made except one relating to Mymensing, and all these debates have been formally adjourned pending any amendments which may be recommended by the House of Lords. So far as we know, according to the latest information, no date has yet been fixed for consideration of the Excluded Areas Order in the House of Lords. If I have narrated these facts it is only for the purpose of showing how we exactly stand and that there is still the possibility of the debates reaching England if their purport is sent by telegram before any order is passed either in the House of Commons or in the House of Lords.

Then, Sir, coming to the Resolution itself, the Honourable the Mover has used this language:

“That this Assembly recommends to the Governor General in Council that he may be pleased to take such steps as he thinks necessary and proper to extend the same level of administration to the people of Excluded Areas, partially Excluded Areas, and Chief Commissioners’ Provinces including the British Baluchistan.”

Now, Sir, we are in this position that unfortunately it is too late. For instance, as far as Chief Commissioners’ Provinces are concerned, that is settled by this Act which has been passed after a deliberation of seven years. I refer this House to sections 94 to 98. As the result of the Act, Chief Commissioners’ provinces have been established, and in the subsequent sections provisions have been found as to the method of administration of those provinces. Therefore, it is now impossible for securing to these provinces the same level of administration, as will prevail in Governors’ Provinces. Of course, Parliament can repeal the present Act in a day and make other recommendations. But, short of that, it is too late, though any recommendation, which will be made in the House, will, of course, be forwarded in due course. What I am pointing out is that, so far as Chief Commissioners’ provinces are concerned, the law is embodied in the Statute and it cannot be changed without altering the Statute. So far as the Excluded Areas and partially Excluded Areas are concerned, I have explained to the House what the position is, and I do not desire to repeat my statements. The position is that no date has yet been fixed in the House of Lords and the discussion in the House of Commons formally stands over. As I said, I do not intend to deal with the different areas; there are other Honourable Members who have better knowledge and are prepared to do that. I have already told the House,

[Sir Nripendra Sircar.]

I think that, while we came to know that a Resolution was likely to be moved in the Simla Session, we not only informed the India Office of it, but we undertook to send them by telegram a summary of the debates and of any Resolution which may be passed. That is still our position. Any Resolution that may be passed here and a summary of the debates we undertake to send by telegram to the Secretary of State.

Mr. N. V. Gadgil (Bombay Central Division : Non-Muhammadan Rural) : Sir, I wish to support the Resolution. As the Honourable the Leader of the House has said, there is still hope that there may be a few modifications in the draft of the Order in Council that has been placed by the Secretary of State before Parliament, I think, therefore, that whatever time we may spend on it here would be well worth it. So far as the present draft Order is concerned, you will be pleased to find that originally the Sixth Schedule that was referred to in section 91 of the Government of India Bill contained four Excluded Areas and 11 partially Excluded Areas. And the amendment of Major Cadogan recommended 17 Excluded Areas and 30 partially Excluded Areas. As a matter of fact, what we find now in the draft is that the number of Excluded Areas is eight and that of partially Excluded Areas is 28. And it is stated that this has been the result of a *de novo* examination undertaken at the express instructions given by the Secretary of State. If we were to refer to the debate that took place on the amendment of Major Cadogan on the 10th May, 1935, one cannot but feel that the whole attempt of the amendment was firstly, to include as large a portion in the category of Excluded Areas as possible, and if that was not possible, to include as large a portion in the second category, namely, partially Excluded Areas, as possible. In fact if I were to refer to what Mr. Winston Churchill has stated, it will be abundantly clear that the attempt was to expand the scope of the amendment as much as possible,—in fact to the whole of India. I will refer to the Parliamentary Debate, column 1410 :

“I am satisfied that the more we can exclude from the operation of the Bill the better. I like this longer list; I like it much better than the Under-Secretary’s list.”

And then further on he says :

“I should be very glad indeed if the Under-Secretary were to accept the amendment, and even if my Honourable and gallant friend cared to add other districts to it I should not object. I should not object indeed to including in it the entire scope of the Great Indian Peninsula.”

Sir, that was the object. In the first place, taking the larger question of constitutional consideration, the first object was to give as little as possible, and the second object was to give that as little to as few persons as possible. When the first object was practically achieved, the attention of the English diehards was diverted to the attainment of the second part of their object, and this is perfectly embodied in the amendment that was moved by Major Cadogan in the House of Commons. The specious plea that these backward tracts or backward tribes should be excluded on the ground that they need protection, on the ground that they are educationally backward, on the ground that they are economically exploited by other advanced classes, sounds ill in the mouths of those who have done nothing but 150 years of exploitation. I will take only those tests which have

been laid down during the discussion in the House of Commons and try to judge whether the inclusion of areas in the new Schedule is really justified. The first test is whether they are educationally advanced. On that point, I will not say what I want to say, but I will only refer to those who have a right to say about it, namely, the representatives of the backward tribes. There was a discussion, Sir, in the Bihar Council on the 18th February, 1935, when the India Bill was published, and the Sixth Schedule referred to in section 91 of the India Bill was under discussion. A Resolution was moved by Babu Devendra Nath Samanta, who is one of the representatives of the backward classes. The Resolution was:

"That this Council recommends to Government to be good enough to take necessary steps so that no part of the Chota Nagpur Division may be declared to be an 'Excluded Area' or a 'Partially Excluded Area' in the forthcoming Constitutional Reforms."

This was not the first time that such a Resolution was moved in the Bihar Council. Similar Resolutions had been moved in the years 1923, 1927 and 1933. Even in the Legislative Assembly, in the year 1927, a similar Resolution was moved, and my Honourable friend, Mr. Ram Narayan Singh, was one of the participants in the debate. Not that there was any doubt about the course of public opinion in India on this question, but as the question became more important at this particular juncture in the Bihar Council the Resolution that I have referred to was moved. In the speech which was delivered by Babu Devendra Nath Samanta, he said that it was absolutely ill-founded to say that the people in Chota Nagpur were backward. I refer to what he said, which is reported at page 342 of the debate:

"A number of students have been receiving higher education in colleges. I may further inform the House that education among the aboriginal girls is much higher than among the girls of other communities in Chota Nagpur. . . . Some of them have been working for years, efficiently as deputy magistrates, sub-deputy magistrates, assistant settlement officers, pleaders, medical practitioners, teachers in high schools and as sub-inspectors of schools, deputy inspectors of schools, sub-inspectors of police and excise, veterinary assistant surgeons and foresters."

Judged from whatever point of view, whether from educational or even the economic point of view, a case was completely made out against the inclusion of Chota Nagpur in the partially Excluded Area. In the reply given by the Government Member also, it was conceded that it was a very strong case, but the plea that was made out was that after all some protection was needed. A suggestion was made in the course of the debate that instead of including such areas either in the category of 'Excluded Area' or 'partially Excluded Area', advantage should be taken of the provision in section 52 (I) (b) of the Bill then, and the Government of India Act now, for the safeguarding of the legitimate interests of the minorities. It was pointed out that it was quite enough for the purposes of protecting whatever interests there were. After this, Sir, as I have said, the attempt was made in the House of Commons to exclude as many people as possible from the operations of the new Government of India Act, not with a view to confer any benefit but with a view to preserving these areas for the exploitation of British capitalists. It is not the fear that I am here advocating, but it has been referred to by one of the

[Mr. N. V. Gadgil.]

speakers in the debate. It has also been said that if these areas are not given protection, the result will be that they will fall victims to Poona Brahmins—that is what has been said by Colonel Wedgwood. I know Poona Brahmins being one of them, but what I am afraid of, Sir, is that the real protection that they need is not from Poona Brahmins but from London Brahmins and *Banyas* who have come to sit opposite me. After the debate was over and as a result of that, the whole Schedule was withdrawn and a promise was made that there would be a further enquiry. Although it was conceded that the Schedule had been prepared after complete investigation and after consulting all those who deserved to be consulted, the scope of the undertaking then given was that there would be very little by way of addition. This is what the Attorney-General said on that occasion :

“The Under-Secretary sees no reason whatever to anticipate that, except for a few comparatively minor additions, in addition to the one or two which he has mentioned, there will be any additions which we shall feel justified in offering to the House as fit to go into the category of Excluded Areas.”

He summed up towards the end of his speech by saying that what he said applied equally to the partially Excluded Areas. From the White Paper that has been published by the Government of India on “Excluded and partially Excluded Areas” which I really call “White Flag”, I find that Government of India have completely yielded to the pressure of the Secretary of State. They lay down certain conditions and certain tests which were referred to just now by the Honourable the Law Member, that the inclusion in ‘the partially Excluded Areas’ must be justified on certain considerations. But there is another and additional test that has been laid down in the letter of the Secretary of State and that is :

“To what extent the areas in which such classes predominate can be brought, without administrative disadvantage or without countervailing disadvantage to the remainder of the inhabitants of the area, within the special provisions of Chapter V of Part III of the Bill.”

The last test has not been applied to many areas now recommended. If I were to confine my remarks to what has happened in the Bombay Presidency, you will see that there was not a single district which was under the operation of the Scheduled Districts Act or which was covered by the provision of section 52A of the Government of India Act of 1919. The Bombay Government, to start with, recommended that there should be no Excluded Area or partially Excluded Area in the Bombay Presidency. In their report, they have clearly stated the reasons why they do not propose to recommend any. Taking the tests laid down in the Secretary of State’s letter, at page 37 of the White Paper, they say about the Bhils thus :

“Some of them have been nominated on local bodies and have done as well as might be expected from an uneducated and economically poor class of people. Whatever disadvantages these people have suffered in the past have been due more to their ignorance, indebtedness and poverty than to their being completely unacquainted with democratic forms of Government.”

Not only this. In the Thana district where certain Mahals also have been included in the partially Excluded Areas, the voting strength of these backward classes is considerable; in West Khandesh, practically half the

district has been included in the partially Excluded Areas. I have received a number of telegrams from Bhil leaders, from the Presidents of various municipalities, from the various taluk boards and members of district and local boards—some of them are Bhils—protesting against the inclusion of Nayapur, Nandurbar, Taloda, Shahada in the partially Excluded Areas. . .

Sir Cowasji Jehangir: Against the wishes of the Government of Bombay.

Mr. N. V. Gadgil: Yes, the Government of Bombay recommended that they should not be included in such areas. I do not know who
5 P.M. is ultimately responsible for their inclusion. As regards West Khandesh I will refer to what has been stated in the Census of 1931—Vol. VIII—Part I about the educational standard of these Bhils in the West Khandesh district :

“The Bhils in this taluka are gradually giving up their former modes of living. . . They are now not afraid to leave their native places and go outside for their livelihood. They have now realised the benefits of education and are sending their boys freely to schools, nay, they have even engaged private tutors where Local Board schools are not available and all are paying their salaries by collecting private contributions. Some of them have now learnt carpentry. They have formed their own association, viz., ‘the Bhil Sevasangh’ and the chieftain of Singpur, Meherban Veersing Bapu Padvi is the chairman of this Sangh. They hold their meetings often and decide caste disputes. These disputes are mostly regarding women either marrying another person again during the lifetime of their husbands or those leaving their husbands’ houses and going to reside with others as mistresses. The defaulting person is required to pay according to his capacity to the injured person a sum of money to meet the expenses of his first marriage. A part of this money is however spent by the assembled villagers to their common drink and remaining only is paid to the person injured. Such disputes are very common and are decided by the Sangh daily. There is a Bhil Boarding House at Taloda where Bhil boys (about 20) are given free boarding and lodging and free education partly at the cost of Government and partly at the cost of the Local Board. The boys have shown good progress in education and several have passed the Vernacular Final Examination and have become school masters. The Bhils have their own peculiar language (Bhiloni) and Bhil teachers are preferred in Bhilora villages to outsiders as they can better interpret and teach the Bhil boys. Two Co-operative Credit societies have been started for exclusive Bhil population and they are being managed satisfactorily by Bhil members. There is also an Agricultural Development Association at Taloda under the Chairmanship of Meherban Veersing Bapu Padvi, Chieftain of Singpur, and under his wide experience and guidance the Bhils have been experimenting improved method of agriculture and giving up their stereotyped form of cultivation.”

Mr. President (The Honourable Sir Abdur Rahim): The Honourable Member has spoken for fifteen minutes already.

Mr. N. V. Gadgil: I will take five minutes more.

Mr. President (The Honourable Sir Abdur Rahim): The Honourable Member must finish his speech soon.

Mr. N. V. Gadgil: The Backward Classes Officer, Mr. Svmington, to whom certain questions were formulated, has replied at the end of his note, printed at page 45:

“On the whole I do not consider that the interests of the people concerned themselves would be furthered by the action urged. Indeed, as stated above, it might result in a tendency to leave the responsibility for progress on the Governor’s shoulders as his special responsibility, and the Governor is likely for many reasons to be reluctant to exercise his individual powers except on special occasions. This I think would be a real danger.”

[Mr. N. V. Gadgil.]

So, against the considered opinion of the Backward Classes Officer, against the considered opinion even of the district officers, against the considered opinion of the Commissioners of the Divisions, against the considered opinion of the Government of Bombay, several areas have been included in the partially Excluded Areas. Those belonging to the advanced classes who happen to be included in these areas have not been heard at all. On the merits of the question, taking the test laid down by the Secretary of State, I submit that so far as the areas from the Bombay Presidency are concerned, they have been wrongly included in the draft Order. For these reasons, I support the Resolution.

The Assembly then adjourned till Eleven of the Clock on Wednesday, the 12th February, 1936.