

1st March 1938

# THE LEGISLATIVE ASSEMBLY DEBATES

(Official Report)

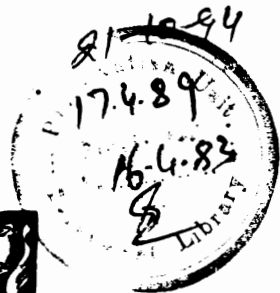
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Volume II, 1938

*(23rd February to 23rd March, 1938)*

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## SEVENTH SESSION OF THE FIFTH LEGISLATIVE ASSEMBLY, 1938



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1938

M77LAD

# Legislative Assembly.

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MR. M. GHIASUDDIN, M.L.A.

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

MR. L. C. BUSS, M.L.A.

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# LEGISLATIVE ASSEMBLY.

*Tuesday, 1st March, 1938.*

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.

## MEMBER SWORN:

Mr. Eric Conran-Smith, C.I.E., M.L.A. (Government of India: Nominated Official).

## STARRED QUESTIONS AND ANSWERS.

### (a) ORAL ANSWERS.

#### EXEMPTION FROM TAXATION OF PENSIONS PAID ABROAD.

518. \***Mr. T. S. Avinashilingam Chettiar:** Will the Honourable the Finance Member state:

- (a) what is the basis on which distinction is made of pensioners residing in India and abroad in section 272 of the Government of India Act, 1935;
- (b) whether there is a similar law in any other country in the world where pensions paid to those residing abroad is immune from taxation by the country which pays it; and
- (c) what amount will accrue to the Government of India if this exemption is disallowed?

**The Honourable Sir James Grigg:** (a) This section merely confirmed the existing practice.

(b) The information is not available.

(c) I would refer the Honourable Member to the reply given to part (a) of question No. 354 on the 7th September, 1937, and the supplementary questions thereto.

**Mr. T. S. Avinashilingam Chettiar:** May I know what is the basis for the practice?

**The Honourable Sir James Grigg:** The Honourable Member had better put that down.

**Mr. T. S. Avinashilingam Chettiar:** I submit to you, Sir, that I am putting the very same question as here and I have given the Honourable Member sufficient notice of that?

**Mr. President** (The Honourable Sir Abdur Rahim): I think the Honourable Member has answered that question.

**The Honourable Sir James Grigg**: I said that the basis is the existing practice, but the Honourable Member asks me to do a little historical research into the existing practice.

**Mr. T. S. Avinashilingam Chettiar**: May I know the reasons for this differentiation in the existing practice?

**The Honourable Sir James Grigg**: I could, if I were allowed time, give the reasons, but I could not do so in reply to questions.

**Mr. T. S. Avinashilingam Chettiar**: Is the Honourable Member aware of any other country in this world where such differentiation is made?

**The Honourable Sir James Grigg**: I have answered that.

**OFFICERS GETTING EXEMPTION FROM INCOME-TAX ON PENSIONS PAID ABROAD.**

519. **\*Mr. T. S. Avinashilingam Chettiar**: Will the Honourable the Finance Member state:

- (a) what is the number and total pay of officers coming under the operation of section 272 of the Government of India Act, 1935, thus getting exemption from income-tax;
- (b) which posts are considered to be reserved under sub-section (iii) (b) of the above section; and
- (c) who is the authority that classified them as reserved under this section?

**The Honourable Sir James Grigg**: (a) The required information is not available and cannot be furnished without involving labour incommensurate with any advantage to be gained.

(b) Posts reserved under section 246 (1) or under section 246 (1) read with section 250 (2) of the Government of India Act, 1935.

(c) The authority which classifies reserved posts is the Secretary of State.

**Mr. T. S. Avinashilingam Chettiar**: May I know whether these reservations are made once for all or from time to time?

**The Honourable Sir James Grigg**: That is a legal question on which I am not qualified to speak without notice.

**Mr. C. N. Muthuranga Mudaliar**: May I know whether a number of new appointments commencing from the Marketing Officer to the latest Educational Commissioner that have been made also come under this category?

**The Honourable Sir James Grigg**: I think the Honourable Member had better put that down.

**PROHIBITION FOR TAKING UMBRELLAS IN A PART OF THE ALLAHABAD FORT.**

520. **\*Mr. Brojendra Narayan Chaudhury:** Will the Honourable Member in charge of Defence please state:

- (a) if there is any rule or order prohibiting the taking of umbrellas but not of shoes into the part of the Allahabad Fort which contains the images of the Hindu gods;
- (b) if so, what inconvenience will be caused if umbrellas are allowed in;
- (c) if there is any arrangement for custody of umbrellas so left at the small gate which leads to the river;
- (d) if the reply to part (a) be in the negative, whether Government propose to inquire if umbrellas are disallowed as a matter of fact; and
- (e) whether Government propose to consider the desirability of posting aged Indian officers at the above gate instead of young, new British recruits?

**Mr. C. M. G. Ogilvie:** (a) Yes. The taking of umbrellas, sticks or bundles into the temple area is prohibited at the instance of the Head Priest of the temple who is opposed to the relaxation of the order.

(b) The carrying of umbrellas, sticks, etc., is undesirable as the precincts of the temple are very cramped and unintentional damage might be done to the images.

(c) During the *Mela*, umbrellas, sticks, etc., are placed in a special enclosure in charge of Civil Police and Boy Scouts appointed by the *Mela* Committee. At other times, they are stacked just inside the Pilgrims' gate under the charge of one of the Pilgrim Guides appointed by the Head Priest.

(d) Does not arise.

(e) During the *Mela* small parties of British troops are on duty at the gates and at points along the barricades. These are necessary to control the great crowds which pass through the Fort to the temple and to prevent the possibility of the barricades being carried away and the Fort being overrun. At other times there is only one British soldier on duty at the Pilgrims' gate from 7 A.M. to 5 P.M. hours daily, assisted by a Pilgrim Guide. Another Guide is on duty at the temple entrance.

All arrangements for the control and convenience of pilgrims during the annual *Mela* are made in close consultation with the *Mela* Committee, which details Boy Scouts to assist the troops and to work in conjunction with them.

The *Mela* Committee has always expressed itself as entirely satisfied with the arrangements made and with the conduct of the troops, and Government see no valid reason for altering the present arrangements.

**Mr. Brojendra Narayan Chaudhury:** I am asking about the ordinary days. Does not the Honourable Member consider that it is undesirable to post young, raw British soldiers at the gate from 7 A.M.?



**Mr. C. M. G. Ogilvie:** I should say it is a matter of argument. Personally I do not think so.

**Mr. Manu Subedar:** What is the objection to the carrying of umbrellas in the hot sun there?

**Mr. C. M. G. Ogilvie:** I have given an answer.

**Mr. Manu Subedar:** Does the temple belong to the public, or does it belong to the Priest?

**Mr. C. M. G. Ogilvie:** I want notice of that.

**Mr. Brojendra Narayan Chaudhury:** Is the Honourable Member aware that young, raw British soldiers stare at ladies?

**Mr. C. M. G. Ogilvie:** No.

**Mr. Brojendra Narayan Chaudhury:** Will the Honourable Member kindly make enquiries if it is a fact that they stare; if I produce evidence of gazetted officers.

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

#### PARTIAL STOPPAGE OF THE SIMLA EXODUS.

521. **\*Mr. T. S. Avinashilingam Chettiar:** Will the Honourable the Home Member state:

- (a) whether it has been decided to reduce the number of persons and offices which move to Simla?
- (b) if so, what is the extent of reduction; and
- (c) what is the amount saved by this?

**The Honourable Sir Henry Craik:** (a), (b) and (c). I would refer the Honourable Member to the Press Communiqué, dated the 19th January 1938, and to the reply given on the 15th February to Seth Govind Das' question No. 250.

**Mr. T. S. Avinashilingam Chettiar:** My recollection is that the Honourable Member replied that it is under calculation. Is that so?

**The Honourable Sir Henry Craik:** Calculation of the cost?

**Mr. T. S. Avinashilingam Chettiar:** Yes.

**The Honourable Sir Henry Craik:** I said I was having calculations made and would lay a statement on the table. It is not ready yet.

**Mr. T. S. Avinashilingam Chettiar:** Does he expect to lay it before the end of the Session?

**The Honourable Sir Henry Craik:** I cannot say definitely but I hope so.

**Mr. M. Ananthasayanam Ayyangar:** Is there any progressive scale whereby the exodus of officers will be completely stopped gradually or in the course of a period of years?

**The Honourable Sir Henry Craik:** I would refer my Honourable friend to the final paragraph of the press communiqué.

#### SLOW PROMOTIONS OF MILITARY SUB-ASSISTANT SURGEONS.

†522. **\*Sardar Sant Singh:** (a) Will the Defence Secretary be pleased to state if the Defence Department has been receiving representations about the slow promotion of I. M. D. (S. A. S.) Branch? If so, do Government propose to take any steps to remove the grievances of the cadre in this respect?

(b) Is it a fact that the Jamadar I. M. D. has to wait for over twenty-two years to reach the rank of Subedar? If so, does the same condition prevail in any other unit?

**Mr. O. M. G. Ogilvie:** (a) No representation has been received in recent years and Government do not admit that any reasonable grounds for grievance exist.

(b) Under the rules, an I.M.D. Jemadar, after passing the departmental examination, crosses the efficiency bar on ten years' total service, and, thereafter, promotion to the rank of Subadar is *by selection* on occurrence of vacancies. It is, therefore, incorrect to infer that an I.M.D. Jemadar must wait 22 years before promotion to Subadar. All that can be said is that they may be promoted any time after ten years but that the less efficient must wait longer than the more efficient. Elsewhere in the Indian Army the rank of Subadar is reached at an average of 21 years service.

#### COMPOSITION AND STRENGTH OF SUBORDINATE RAILWAY AUDIT SERVICE OF THE INDIAN AUDIT DEPARTMENT.

†523. **\*Sardar Sant Singh:** (a) Will the Honourable the Finance Member be pleased to state the total present strength of Subordinate Railway Audit Service of the Indian Audit Department—(i) Senior Auditors and (ii) Junior Auditors?

(b) Will the Honourable the Finance Member be pleased to state the percentage composition of each class by Hindus, Muhammadans, Sikhs, Christians and other communities?

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

*Statement showing the strength of Subordinate Railway Audit Service of the Indian Audit Department.*

(a)		Total strength.			
Senior Auditors	.	47			
Junior Auditors	.	59			
(b)		Hindus.	Muhammadans.	Sikhs.	Domiciled Europeans and Anglo-Indians.
		Per cent.	Per cent.	Per cent.	Per cent.
Senior Auditors	.	91.5	2.1	2.1	4.3
Junior Auditors	.	88.1	5.1	..	6.8

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

### ADVERSE EFFECTS OF LOCALISATION SCHEME IN THE SUBORDINATE RAILWAY AUDIT SERVICE.

†524. **\*Sardar Sant Singh:** (a) Will the Honourable the Finance Member please state if it is a fact that a localisation scheme in the Subordinate Railway Audit Service was made necessary in 1935 on account of the economy campaign in order to cut down the travelling allowance expenses on transfers to a minimum?

(b) Are Government aware that this scheme actually prejudiced the rights of several hands in the Department? If so, are Government prepared now to review the situation and take steps to remedy the adverse effects on the prospects of those who suffered therefrom, and to scrap the localisation scheme? If not, why not? Is it a fact that the transfers of the staff from one Railway to another as governed under Supplementary Rule 119A (as amended by correction slip No. 181) involve no travelling expenses?

**The Honourable Sir James Grigg:** (a) The change was made more in the interests of efficiency than economy.

(b) I shall deal with the first part of the question in my reply to the Honourable Member's question No. 526. As regards the second part, the answer is substantially in the affirmative.

### AUDITORS IN CERTAIN CIRCLES.

†525. **\*Sardar Sant Singh:** Will the Honourable the Finance Member be pleased to state the number of permanent and temporary posts of Senior and Junior Auditors of:

- (a) the Bengal Circle,
- (b) the Southern Circle, and
- (c) the Punjab Circle?

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

*Statement showing the Number of Permanent and Temporary Posts of Senior and Junior Auditors in the Circles enumerated below.*

Name of Circle.	Senior Auditors.		Junior Auditors.	
	Permanent.	Temporary.	Permanent.	Temporary.
Bengal Circle . . . .	18	..	21	3.
Southern Circle . . . .	16	..	19	..
Punjab Circle . . . .	12	..	16	..

### ADVERSE EFFECTS OF LOCALISATION SCHEME IN THE SUBORDINATE RAILWAY SERVICE.

†526. **\*Sardar Sant Singh:** (a) Will the Honourable the Finance Member be pleased to state the strength of the clerks qualified for promotion to the rank of Senior Auditors and Auditors in each Circle at the time of localisation of the Subordinate Railway Audit Service?

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

(b) Is it not a fact that the prospects of the qualified clerks of the Punjab Circle were much more bright on the All-India List of the Subordinate Railway Audit Service than the prospects now in the localised circle?

(c) Is it a fact that due to the localisation of the service, all qualified clerks and even unqualified clerks of the Bengal Circle were promoted in the officiating capacity to the rank of Junior Auditors just after the localisation in 1935, while senior qualified clerks in the Punjab Circle uptil now and even for years to come, have no chance of promotion to the rank of Junior Auditor?

(d) Will Government please state the names of the qualified clerks and the number of years by which their promotions, when comparing with all India promotions, have been advanced or set back due to the localisation of the service?

(e) Do Government propose to take such steps which would undo the wrongs done to the Punjab Circle?

(f) Will Government please state if qualified clerks in the Punjab Circle were willing to be localised in other Circles according to their chances of promotion to the Auditor's rank on the basis of the All-India List?

(g) If the answer to part (e) be in the affirmative, will Government please state the reasons for not so localising the Punjabee qualified clerks?

(h) Will Government please state if they were requested to distribute all qualified clerks in different circles proportionately to the number of posts of Junior and Senior Auditors of each Circle?

**The Honourable Sir James Grigg:** (a) The number of clerks qualified for promotion to the rank of Senior Auditor and Auditor in each circle at the time of localisation was as follows:

Punjab Circle	.	.	.	.	.	.	.	.	16
Bengal Circle	.	.	.	.	.	.	.	.	11
Southern Circle	.	.	.	.	.	.	.	.	14

(b), (c), (d), (e), (f), (g) and (h). It is true that the localisation scheme, which was introduced in the interests of efficiency and economy, did retard in some few instances and to a very small extent the prospects of promotion of the establishments affected. In other instances prospects were improved. In the great majority of cases, however, prospects were unaffected to any appreciable extent and Government are satisfied that no general injustice has resulted from the scheme. They are not prepared in consequence to jettison this valuable administrative reform.

#### ABSENCE OF CIVIC AMENITIES FOR CIVILIAN INHABITANTS AT CAMPBELLPORE.

527. **\*Mr. Sham Lal:** Will the Defence Secretary be pleased to state:

(a) whether it is a fact that the Cantonment Authority of Campbellpore levies nearly 20 per cent. of taxes on the basis of property, and that it does not provide any civic amenities like school, hospital or dispensary, pipe water or well, lighting arrangements, etc.;

(b) whether it is also a fact that a major portion of its income is spent on the pay of staff and general administration;

- (c) if the answer to part (a) be in the affirmative, what steps Government propose to take to supply at least the minimum civic amenities to civilian inhabitants of Campbellpore?

**Mr. C. M. G. Ogilvie:** (a) The cantonment of Campbellpore is State-aided. It provides civic amenities so far as the funds at its disposal permit. During 1936-37 the income from local resources was only Rs. 9,412 while it spent over Rs. 10,000 on civic amenities such as drainage, roads, public safety and convenience (which includes 'lighting'), medical services and schools.

(b) No.

(c) Does not arise.

**Mr. Sham Lal:** Are any educational facilities provided there?

**Mr. C. M. G. Ogilvie:** Yes.

#### NEPOTISM IN THE AGRA CANTONMENT BOARD.

528. **\*Mr. Sham Lal:** Will the Defence Secretary be pleased to state:

- (a) whether the Agra Cantonment Board has employed many servants who are related to a member of the Board;  
 (b) whether this practice is against the Rules and Orders now in force; and  
 (c) if the answer to part (b) be in the affirmative, what action Government propose to take in the matter?

**Mr. C. M. G. Ogilvie:** (a) Government have seen an article to that effect in the *Agra Punch*.

(b) No. Sub-section (4) of section 36 of Cantonments Act, 1924, regulates such appointments.

(c) Does not arise.

**Mr. T. S. Avinashilingam Chettiar:** May I know whether the Government have inquired into the matter?

**Mr. C. M. G. Ogilvie:** Which matter?

**Mr. T. S. Avinashilingam Chettiar:** The matter referred to in clause (a).

**Mr. C. M. G. Ogilvie:** Yes.

**Mr. T. S. Avinashilingam Chettiar:** What has been the result of the inquiry?

**Mr. C. M. G. Ogilvie:** I have not got the information with me.

**Mr. T. S. Avinashilingam Chettiar:** Will the Honourable Member place it on the table of the House when he receives it?

**Mr. C. M. G. Ogilvie:** If necessary, yes.

**Mr. K. Santhanam:** Is there any rule by which applicants should state their relationship to the members of the Board?

**Mr. C. M. G. Ogilvie:** Yes.

#### INCREASE IN WATER TAX IN THE RAWALPINDI CANTONMENT.

529. **\*Mr. Sham Lal:** Will the Defence Secretary be pleased to state:

- (a) whether it is a fact that the water supply for civilian bazar areas is in the hands of the Military Engineer Services in Rawalpindi Cantonment;
- (b) whether it is a fact that recently this Department has demanded much larger value of water from the Cantonment Board than hitherto;
- (c) whether it is also a fact that in consequence of this demand the Board has been forced to levy water tax on unconnected shops and godowns in addition to unconnected houses as heretofore;
- (d) whether it is a fact that in the neighbouring municipality of Rawalpindi City, there is neither water tax on unconnected houses nor shops and godowns; and
- (e) whether Government propose to save the public from this increase in water tax?

**Mr. C. M. G. Ogilvie:** (a) Yes. The arrangements for giving a bulk supply to the Board under section 234-A of the Cantonments Act are not yet complete.

(b) and (c). A proposal was made to increase the water tax to cover the rate at which water is now supplied but this has been dropped.

(d) Yes.

(e) Does not arise.

#### CONSTRUCTION OF A NEW HOSPITAL BY THE RAWALPINDI CANTONMENT BOARD.

530. **\*Mr. Sham Lal:** Will the Defence Secretary be pleased to state:

- (a) whether it is a fact that the Rawalpindi Cantonment Board wishes to demolish the building of its present hospital and construct a new one with the same number of beds, at a cost of more than two or three lakhs of rupees;
- (b) whether it is a fact that the Board has no money to pay to the contractor for this proposed construction and the Board intends to pay in three or four years in instalments, thereby incurring interest charges of the contractor;
- (c) whether it is also a fact that no detailed estimates of the proposed hospital have been placed on the table of the Cantonment Board for consideration; and
- (d) whether Government have communicated their sanction of the proposed project and considered its financial effect?

**Mr. C. M. G. Ogilvie:** (a), (b) and (c). Yes.

(d) The answer to the first part of the question is in the negative. The financial effect will be considered on receipt of the detailed proposal.

**DIFFERENCE IN THE SYSTEM FOR SUBMISSION OF INCOME-TAX RETURNS BY OFFICIALS AND NON-OFFICIALS IN THE UNITED PROVINCES.**

531. **\*Mr. Sri Prakasa:** Will the Honourable the Finance Member state:

- (a) if it is a fact that Government servants, including income-tax officers, in the United Provinces have the privilege of being assessed to income-tax by a special officer;
- (b) if they have not to undergo the same formalities regarding the presentation of pass books, etc., as the ordinary non-official has to; and
- (c) if Government propose to take steps to abolish the distinction between officials and non-officials in the matter of submission of income-tax returns and make the system uniform in the cases of both?

**The Honourable Sir James Grigg:** (a), (b) and (c). I would refer the Honourable Member to the reply given to his question No. 1457 on the 7th April, 1936, and also to the replies given to supplementary questions asked by him in connection with that question.

**Mr. Sri Prakasa:** May I know what exactly is the point in maintaining this difference between officials and non-officials in the matter of giving returns of their income-tax?

**The Honourable Sir James Grigg:** In the answer to the question to which I have referred I denied that there was any difference but I may say, in order to make the matter perfectly clear, that definite instructions have been given, making it clear that in no circumstances is any income-tax officer to be allowed to assess his own income.

**Mr. Sri Prakasa:** What I want to know is whether it is not a fact that officials of Government in the United Provinces have to submit their income-tax returns to a special officer posted in Allahabad?

**The Honourable Sir James Grigg:** This question was already answered in the negative in April, 1936.

**Mr. Sri Prakasa:** Will the Honourable Member kindly make inquiries whether it is a fact that there is a special officer to whom officials of Government have to send their income-tax returns?

**The Honourable Sir James Grigg:** There is a salary circle in the United Provinces as in every other province but the assessment in the circle is not confined to officials. It deals also with the salaries of all other persons.

**Mr. Sri Prakasa:** I am referring to salaried officials?

**The Honourable Sir James Grigg:** I am referring not only to salaried officials but all salaried persons.

**Mr. Sri Prakasa:** The Honourable Member says . . . .

**Mr. President:** The Honourable Sir Abdur Rahim): The Honourable Member has the information.

**Mr. Sri Prakasa:** Yes, Sir, but I want this Government to change its ways?

**Mr. President** (The Honourable Sir Abdur Rahim): That is not the object of the question hour.

**HUNGER-STRIKE BY MR. DHANWANTRI CONVICTED IN THE DELHI CONSPIRACY CASE AND RELEASE OF POLITICAL PRISONERS IN THE CENTRALLY ADMINISTERED AREAS.**

532. **\*Mr. Sri Prakasa** (on behalf of Mr. Mohan Lal Saksena): (a) Will the Honourable the Home Member be pleased to state if it is a fact that Mr. Dhanwantri, convicted in the Delhi Conspiracy case, is on hunger-strike? If so, for how long?

(b) What are the reasons for the strike?

(c) What is the total number of political prisoners convicted in the centrally administered areas, and how many of them have been repatriated from the Andamans?

(d) Have Government considered the question of releasing political prisoners since October last? If so, to what decision have they reached?

(e) Do Government propose to consider the advisability of releasing forthwith Mr. B. K. Dutt and Mr. Dhanwantri who have already served the major part of their sentence?

**The Honourable Sir Henry Craik:** (a) The prisoner Dhanwantri went on hunger-strike in the Lahore Central Jail, along with some others, on the 10th January last. All of them abandoned the hunger-strike on the 26th February.

(b) The prisoners stated that they went on hunger-strike and would continue it, to enforce the demand for "the release of all political prisoners, state prisoners, detenus and internees; the lifting of the ban on exiles; and the repeal of all repressive laws".

(c) I am making enquiries and shall lay a statement on the table of the House in due course.

(d) No.

(e) Government have no intention at present of releasing these prisoners.

**Mr. Sham Lal:** Is it a fact that Dhanwantri was sentenced to seven years and has undergone five years. If remission is granted he can be released at once?

**The Honourable Sir Henry Craik:** He was sentenced on the 28th April, 1933, to seven years rigorous imprisonment under section 307 and three years rigorous imprisonment under section 19 of the Arms Act, the sentences to run concurrently.



**Mr. Sham Lal:** Why is his remission being delayed?

**The Honourable Sir Henry Craik:** I must have notice of that.

**Mr. M. Ananthasayanam Ayyangar:** May I know why even in cases where these prisoners are not guilty of any violent acts the Central Government does not consider the desirability of releasing such political prisoners?

**The Honourable Sir Henry Craik:** The Honourable Member asks whether these prisoners were guilty of violent acts? The answer is 'Yes'.

**Mr. T. S. Avinashilingam Ochettiari:** May I know whether these prisoners are given the remissions which are usually allowed to persons sentenced to rigorous imprisonment?

**The Honourable Sir Henry Craik:** As far as I know, they enjoy the usual remissions.

**Mr. M. Ananthasayanam Ayyangar:** May I know if the Government have ascertained whether they have given up their creed of violence?

**The Honourable Sir Henry Craik:** I must have notice.

**Mr. Sri Prakasa:** Are their cases examined along the principles followed by the Governments of Bihar and the United Provinces?

**The Honourable Sir Henry Craik:** I cannot say. I have not seen the principles laid down by those Governments.

#### PARTIAL STOPPAGE OF THE SIMLA EXODUS.

533. **\*Mr. C. N. Muthuranga Mudaliar:** (a) Will the Honourable the Home Member please lay on the table a statement showing the list of offices which are proposed to be retained permanently in New Delhi during the ensuing summer season?

(b) What are the reasons for not completely stopping the exodus to Simla of all the Government of India offices?

(c) When do Government expect to keep down all the offices in New Delhi?

(d) Are Government prepared to consider the advisability of holding the autumn Session of the Legislature in New Delhi in September-October next instead of in Simla? If not, why not?

**The Honourable Sir Henry Craik:** (a) I would refer the Honourable Member to the Press Communiqué, dated the 19th January, 1938, a copy of which is in the Library of the House.

(b) and (c). There are various reasons, both of convenience and of administrative efficiency against the complete abandonment of Simla by the Government of India during the hot weather: and I am unable to give any forecast as to when (if ever) that step may be found necessary.

(d) The times and places for holding the Sessions of the Chambers of the Indian Legislature are appointed by the Governor General, not by Government. I may, however, inform the Honourable Member that suggestions similar to his own have been made on earlier occasions and have been found to be open to substantial objection on a number of grounds.

**Mr. Manu Subedar:** May I know whether Government are aware of the fact that many business and professional men and highly capable Government officials are working in the plains?

**Mr. President** (The Honourable Sir Abdur Rahim): That is arguing. Everybody knows that. I don't think anybody wants that sort of information. I won't allow the time of the House to be wasted by such questions.

**Mr. C. N. Muthuranga Mudaliar:** With reference to (b) may I ask whether Government will take the opinion of this House in the course of this Session whether they would prefer to meet here or in Simla?

**The Honourable Sir Henry Craik:** I have already explained this is a matter for the Governor General and not for Government. The question has been raised on previous occasions and opinion is by no means unanimous in favour of meeting in Delhi.

**Mr. Manu Subedar:** May I know if Government have considered whether the efficiency which would be lost by stopping the exodus is equivalent to the amount spent on the exodus?

**The Honourable Sir Henry Craik:** The cost of holding a Session in Delhi will be considerably more than if it was held in Simla.

**Mr. M. Ananthasayanam Ayyangar:** What will be the saving by this partial stoppage of offices?

**The Honourable Sir Henry Craik:** I cannot answer that off-hand. That is a question for the Finance Member.

#### APPRENTICES ENGAGED FOR TRAINING IN PRINTING IN THE SECURITY PRINTING, INDIA, AND THE CURRENCY PRESS.

584. **\*Mr. K. Santhanam:** Will the Honourable the Finance Member please state:

- (a) the number of apprentices engaged from the commencement of the Security Printing India and the Currency Press for technical training in printing;
- (b) how many of these were (i) Europeans, (ii) Anglo-Indians and (iii) Indians; and
- (c) how many of each category of apprentices were discharged as inefficient and how many have been taken into permanent employment?

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

*Statement showing the Number of Apprentices engaged in the Security Press for Technical Training in Printing.*

(a) 40.	
(b) (i) 6.	
(ii) 13.	
(iii) 21.	
(c) Discharged as inefficient.	Taken into permanent employ.
(i) Nil.	1
(ii) Nil.	6
(iii) 3.	5

**CERTAIN POSTS UNDER THE MASTER, SECURITY PRINTING, INDIA:**

535. **\*Mr. K. Santhanam:** Will the Honourable the Finance Member please state:

- (a) the number of posts under the Master, Security Printing, India, which carry a starting salary of Rs. 500 per month and above;
- (b) how many of these are gazetted and how many are non-gazetted;
- (c) the reason why such highly paid posts are non-gazetted; and
- (d) who fills up these posts?

**The Honourable Sir James Grigg:** (a) Four.

(b) Two gazetted and two non-gazetted.

(c) Status and responsibility determine whether a post should be gazetted or not. Pay is not the sole criterion.

(d) The gazetted posts are filled by the Governor General in Council, and the non-gazetted by the Master, Security Printing, India.

**Mr. K. Santhanam:** May I know if the two posts are kept non-gazetted in order to give the Master, Security Printing, India, a free hand in regard to them?

**The Honourable Sir James Grigg:** That is imputing a motive and I am not sure whether that is admissible, but I think I can answer that in the negative,—quite certainly.

**Mr. K. Santhanam:** I do not say it is a bad motive; it may be a good motive to give a man a free hand; I am simply asking for information.

**The Honourable Sir James Grigg:** Status and responsibility determine whether a post should be gazetted or not. So I assume that those are the criteria; the question of the personal desire or patronage of the Master of the Press does not come in.

**Mr. K. Santhanam:** May I know what are the status and responsibilities of those persons who are non-gazetted and yet receive more than Rs. 500?

**The Honourable Sir James Grigg:** The non-gazetted posts are the Chief Inspectors.

**Mr. K. Santhanam:** Is it the opinion of the Government that the responsibility of a Chief Inspector is less than that of an ordinary gazetted officer?

**Mr. President** (The Honourable Sir Abdur Rahim): That is asking for an opinion.

**Mr. M. Ananthasayanam Ayyangar:** How does Government recruit the other officers—directly, or through the Public Service Commission?

**The Honourable Sir James Grigg:** The Honourable Member had better put that down.

**Mr. C. N. Muthuranga Mudaliar:** Does any of these officers get any overseas allowance?

**Mr. President** (The Honourable Sir Abdur Rahim): That has nothing to do with this question.

#### SUSPENSIONS AND DISMISSALS BY THE MASTER, SECURITY PRINTING, INDIA.

536. **\*Mr. K. Santhanam:** Will the Honourable the Finance Member be pleased to state:

- (a) the number and names of subordinates suspended by the present Master, Security Printing, India, Major Fitzmaurice and those dismissed by him since 1934 and the reasons for suspension in each case;
- (b) whether these subordinates have a right of appeal, and to whom; and
- (c) the special rules, if any, concerning the appointment and dismissal of subordinates in the Security Printing, India, Currency Note Press and Central Stamp Stores?

**The Honourable Sir James Grigg:** (a) Government do not consider that it is desirable in the public interest to give this information beyond saying that in the period mentioned two persons have been dismissed and 14 suspended.

(b) Yes, to the Secretary to the Government of India in the Finance Department.

(c) There are no special rules.

**Mr. K. Santhanam:** May I know how many of these people dismissed are Indians, how many Anglo-Indians and how many Europeans?

**The Honourable Sir James Grigg:** No, I am not prepared to give that information.

**Mr. K. Santhanam:** May I know what were the circumstances leading to their dismissal?

**The Honourable Sir James Grigg:** I am not prepared to give that.

**Mr. K. Santhanam:** May I know if the majority of those dismissed are Indians?

**The Honourable Sir James Grigg:** The majority of the people in the Press are Indians, and the majority of the people dismissed must be Indians.

**Mr. M. Ananthasayanam Ayyangar:** May I know how many of these have preferred appeals and how many of these appeals have been allowed?

**The Honourable Sir James Grigg:** I must have notice of that.

**EXCLUSION OF INDIAN PHILOSOPHY FROM THE SYLLABUS OF THE INDIAN CIVIL SERVICE EXAMINATION.**

587. \***Mr. K. Santhanam**: Will the Honourable the Home Member be pleased to state:

- (a) whether the attention of Government has been drawn to the resolution passed by the Indian Philosophical Congress at Nagpur on the 11th December, 1937 relating to the exclusion of Indian Philosophy from the syllabus of the Indian Civil Service examination;
- (b) whether Government have received any further representation in the matter; and
- (c) whether they propose to reconsider their attitude and restore Indian Philosophy to its old place among the optional subjects in the syllabus of the Indian Civil Service examination?

**The Honourable Sir Henry Craik**: (a) Yes.

(b) No.

(c) I would refer the Honourable Member to the replies given by me to starred questions Nos. 802 and 803 on the 31st March, 1937, and to the supplementaries thereon. I have nothing to add to them.

**Mr. K. Santhanam**: I wish to point out that this question refers to the position as it stands after the answers to those questions, referred to by the Honourable Member, were given: I am asking whether they have considered this matter in the light of this further resolution of the Indian Philosophical Congress at Nagpur?

**The Honourable Sir Henry Craik**: When we received the resolution referred to, the matter was reconsidered but it was decided to adhere to the previous decision.

**FEDERAL COURT OF INDIA.**

588. \***Mr. M. Ananthasayanam Ayyangar**: (a) Will the Honourable the Home Member state whether the Federal Court has done or has been doing any original or appellate work since its establishment? If so, what work has been done?

(b) Are any fees charged in respect of suits or appeals by way of court fees or otherwise to the Government and if so, what sum has been received so far?

(c) Is it intended to be an itinerant court, and what is the purpose of making it so?

(d) Is it a fact that the court will have a four months' vacation from June this year? Is this vacation to be exclusive of other holidays and Sundays or inclusive? What is the need for such a long vacation and who fixed the same, the court or the Government? What will then be the total number of working days for the court?

(e) Is it a fact that the court will sit only from October to April at Delhi and thereafter for two months at some hill station?

(f) What is the amount spent on the Federal Court till now, and what is the estimated cost thereof per year?

**The Honourable Sir Henry Craik:** (a) and (b). No cases have yet come before the Federal Court and, therefore, no fees have been charged. The fees prescribed will be found set out in Schedule III to the Federal Court Rules. I understand that the Court has been occupied since its establishment in framing its Rules and meets regularly at present to dispose of administrative matters.

(c) and (e). The main sittings of the Court are in Delhi and no arrangements have yet been made for sittings in any other place.

(d) I understand that the Court proposes for the present to sit from the beginning of October to the early part of June in each year. The commencement of the term is fixed under the Federal Court Rules, which were made by the Court and approved by the Governor General; the commencement of the vacation is to be fixed by the Chief Justice in each year. The number of working days for the Court will depend in part upon the number of public holidays falling in term-time in each year, and for the current year will amount to approximately 150. This figure is rather less than that for the nearest comparable High Court and rather more than that for the Judicial Committee of the Privy Council.

(f) The amount spent up to 31st January, 1938, is roughly Rs. 1,05,000, and the estimated cost per year is about Rs. 2,67,000. Certain fees have been received from persons who have enrolled themselves as Advocates in the Court.

**Mr. C. N. Muthuranga Mudaliar:** May I know how many cases have been disposed of since it started?

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

**Mr. Lalchand Navalrai:** Is it a fact that references are being made to the Federal Court for consultation on important and doubtful points, and are they bound to answer these references or not?

**The Honourable Sir Henry Craik:** Does the Honourable Member ask whether references can be made or are being made?

**Mr. Lalchand Navalrai:** My present question is concerned with the point whether these references are being made.

**The Honourable Sir Henry Craik:** I am not sure.

**Mr. Lalchand Navalrai:** Then I ask—can they be made, in this sense, namely, if there is any statutory question on statutory law, which is doubtful, can the public ask for consultation and opinion of the Federal Court?

**The Honourable Sir Henry Craik:** That is entirely a matter arising out of the construction of the statute; the Honourable Member had better read the Act.

**Maulvi Abdur Rasheed Chaudhury:** Are the Federal Court Judges getting their pay without doing any work?

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

**Mr. M. Ananthasayanam Ayyangar:** Has the Governor General made any reference to this Federal Court for any opinion on any important matter?

**The Honourable Sir Henry Craik:** That does not arise out of this; the Honourable Member had better put down a question if he wishes.

**Mr. K. Santhanam:** May I know if it is the Government or the Chief Justice who fixes the number of holidays for the Federal Court.

**The Honourable Sir Henry Craik:** That is a matter for the Court.

**Mr. Lalchand Navarai:** Presuming that the Honourable Member has read the rules which they have framed are they in a position to tell me whether consultation can be made with them about doubtful points of statute?

**The Honourable Sir Henry Craik:** I am not prepared to express a legal opinion; I am not a lawyer.

**Mr. Lalchand Navarai:** Do the rules provide for it?

**Mr. President** (The Honourable Sir Abdur Rahim): I think the rules have been published and the Honourable Member can read them.

**Mr. K. Santhanam:** May I know if it is permissible for the court to fix three hundred and sixty-five days as holidays? Have the Government of India no voice in fixing the number of holidays for the Court?

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

#### USE OF THE WATER OF THE BARA RIVER BY THE MILITARY AT PESHAWAR.

539. **\*Mr. Abdul Qaiyum:** (a) Will the Defence Secretary please state whether it is a fact that the military authorities are entitled to take 1/16th of the available supply in the Bara River for irrigating the Peshawar Cantonment?

(b) Is it a fact that they are now taking a fixed supply which is more than the 1/16th to which they are entitled?

(c) Is it a fact that the grant of a fixed supply to the Cantonment interferes with the equitable distribution of irrigation water to the whole Khalil Tappa?

(d) Will the Defence Secretary please state whether, for drinking purposes, the military and the Cantonment authorities take about 1/25th of the whole supply in the Bara River without either right or title?

**Mr. C. M. G. Ogilvie:** With your permission, Sir, I will answer questions Nos. 539—542 together.

I am collecting the information and will lay it on the table in due course.

**Mr. Abdul Qaiyum:** May I ask if it is not possible for the Honourable Member to answer each question separately?

**Mr. President** (The Honourable Sir Abdur Rahim): The Honourable Member has said that he is collecting the information, and since the information is not available the Honourable Member cannot give a separate answer to any part of the question.

**Mr. K. Santhanam:** How long will it take Government to collect the information and place it on the table of the House?

**Mr. C. M. G. Ogilvie:** I cannot say; inquiries have to be made from the N.-W. F. P.

#### USE OF THE WATER OF THE BARA RIVER BY THE MILITARY AT PESHAWAR.

†540. **\*Mr. Abdul Qaiyum:** (a) Will the Defence Secretary please state whether any agreement was entered into by the military authorities in connection with the Bara River water in 1864?

(b) If so, what are the terms of that agreement?

(c) Did the headquarters, Peshawar District, Peshawar, write to the Headquarters, Northern Command, in April 1932, admitting that the military were entitled to eight cusecs, but that they take 14 and require 18 cusecs?

(d) Was it suggested in the letter referred to in part (c) that the military should reduce their demand from Bara by cutting off the supply of irrigation water, i.e., eight cusecs from that source entirely?

(e) Was it also suggested in the above letter that the military should draw water from the Kabul River canal for irrigation, that irrigation system could be rapidly installed from this new source and that even a scheme was in existence?

(f) Was it admitted in that letter that the military authorities are misappropriating water which rightly belongs to the cultivators of the Mohmand and Khalil areas?

#### USE OF THE WATER OF THE BARA RIVER BY THE MILITARY AT PESHAWAR.

†541. **\*Mr. Abdul Qaiyum:** (a) Will the Defence Secretary please state whether a conference regarding water for military was held on the 13th October, 1930, which was attended among others by the Executive Officers, Peshawar Cantonment?

(b) Were any proposals made and decisions taken at this conference? If so, what are those decisions?

(c) Was any scheme submitted to the Government of India by the Local Government on the 31st July, 1931?

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†For answer to this question, see answer to question No. 539.



(d) Was it suggested therein that water for irrigating the Cantonment be drawn from the Kabul River Canal?

(e) Were the supplies in the Bara River diminishing while the demands of the military were increasing?

#### USE OF THE WATER OF THE BARA RIVER BY THE MILITARY AT PESHAWAR.

†542. **\*Mr. Abdul Qaiyum:** (a) Will the Defence Secretary please state whether it is a fact that the Local Government of the North-West Frontier Province and the local military authorities agree that the Bara water should be restored to the Bara cultivators?

(b) Have the above authorities suggested that ten cusecs of water be pumped from the Kabul River Canal?

(c) What steps have the Government of India taken to do justice to the Bara cultivators?

(d) Do Government contemplate doing anything in the matter?

#### STRENGTH AND DISPOSITION OF THE INTERNAL SECURITY BRITISH TROOPS.

†543. **\*Sardar Mangal Singh:** Will the Defence Secretary please state:

(a) whether any Provincial Government has requisitioned the services of British troops for dealing with communal riots since the 1st April, 1937, and if so, which and how often;

(b) whether Government have reconsidered the disposition of the internal security British troops; and

(c) whether Government have sent any despatch to the British Government regarding the strength and disposition of the internal security British troops?

**Mr. C. M. G. Ogilvie:** (a) The civil power is not entitled to lay down the composition of the force employed. British troops were, however, once called out on a request by the Punjab Government. British troops were also kept in readiness at Poona, Madras and Jubbulpore on requests for military assistance by the Provincial Governments concerned to deal with anticipated communal riots.

(b) and (c). No.

#### TROOPS SENT TO AND RETURNED FROM CHINA.

†544. **\*Sardar Mangal Singh:** Will the Defence Secretary please state.

(a) whether any troops have been sent to China or to any other country since 1st September, 1937;

(b) if so, to which countries, and how many; and

(c) whether any troops have returned from China since the Sino-Japanese war began?

**Mr. C. M. G. Ogilvie:** (a) No.

(b) Does not arise.

(c) No.

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†For answer to this question, see answer to question No. 539.

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

**PRISONERS IN THE ANDAMANS AND ITS ABANDONMENT AS PENAL SETTLEMENT.**

†545. **\*Sardar Mangal Singh:** Will the Honourable the Home Member please state:

- (a) the number of prisoners who are now being detained in the Andaman Island; and
- (b) whether it is contemplated to abandon the Island as a penal settlement for Indian prisoners?

**The Honourable Sir Henry Craik:** (a) and (b). I refer the Honourable Member to the reply which I gave on the 23rd February to parts (a), (d) and (c) of Mr. M. Ananthasayanam Ayyangar's starred question No. 456.

**PROGRAMME OF MECHANISATION OF THE INDIAN ARMY.**

546. **\*Mr. T. S. Avinashilingam Chettiar:** Will the Defence Secretary state:

- (a) whether the details of programme of mechanisation have been worked;
- (b) what will be the main arms that will have to be purchased; and
- (c) of these how much it will be necessary to be purchased in England and how much in India?

**Mr. C. M. G. Ogilvie:** (a), (b) and (c). I refer the Honourable Member to my speech of the 31st January last on his adjournment motion and the replies I have since given to the several questions on the same subject.

**Mr. T. S. Avinashilingam Chettiar:** The answer to the previous question was that it has not been ascertained till now. May I ask if the Honourable Member has ascertained it now after the lapse of so many days?

**Mr. C. M. G. Ogilvie:** I can give the Honourable Member no further information that I have already given.

**Mr. T. S. Avinashilingam Chettiar:** May I ask when the Government expect to ascertain that information?

**Mr. C. M. G. Ogilvie:** It is not in the public interest at present to give the exact details of the armaments to be supplied to British troops.

**PROPOSAL FOR BRINGING FORWARD A BANKING BILL.**

†547. **\*Sardar Mangal Singh:** Will the Honourable the Finance Member please state:

- (a) whether it is contemplated to bring forward a banking Bill this year; and
- (b) if so, whether it will be introduced this Session?

**The Honourable Sir James Grigg:** (a) and (b). Certain provisions relating to banking have been included in the Indian Companies Act and

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

an Amending Bill dealing with these provisions has recently been passed by the Legislature. No further legislation on this subject is at present contemplated.

#### POLITICAL PRISONERS ON HUNGER STRIKE IN THE AJMER JAIL.

548. **\*Mr. Mohan Lal Saksena:** Will the Honourable the Home Member be pleased to state:

- (a) whether it is a fact that certain political prisoners have gone on hunger strike as a protest against the treatment in Ajmer Jail;
- (b) what are the names of the persons on hunger strike and what are the reasons for their hunger strike; and
- (c) in which class the prisoners have been classified?

**The Honourable Sir Henry Craik:** (a), (b) and (c). Two prisoners named Ram Singh and Girdhari Lal went on hunger strike in the Ajmer Central Jail in order to obtain increased amenities.

Ram Singh went on hunger strike on the 1st February and abandoned it on the 10th February. Girdhari Lal went on hunger strike on the 27th January and abandoned it on the 11th February. Ram Singh is classified as a 'B' class prisoner, Girdhari Lal as 'C' class.

#### PROVINCIALISATION OF CERTAIN ALL-INDIA SERVICES.

549. **\*Mr. Badri Dutt Pande:** (a) Will the Honourable the Home Member be pleased to state if the Central Government have received from the United Provinces Government a representation, or copy of a resolution and the debate thereon passed by the United Provinces Assembly recently, requesting the Central Government to move the Secretary of State to provincialize at an early date the Indian Civil, Police and Medical Services and that all control over these services be given to the Provincial Governments?

- (b) If so, what action have Central Government taken in the matter?

**The Honourable Sir Henry Craik:** (a) No.

- (b) Does not arise.

#### DISCRIMINATION ABOUT WARM UNIFORMS TO BE WORN BY INDIAN MILITARY OFFICERS.

550. **\*Mr. Badri Dutt Pande:** Will the Defence Secretary be pleased to state if it is a fact that Indian officers and ranks are not allowed to wear warm serge uniform, which only British officers and ranks are allowed to wear and that they can wear only khaki drill uniform, irrespective of the climate? Is it a fact that even when it is heavy cold, Indians are not allowed to wear overcoats, which can be worn only when off duty?

**Mr. C. M. G. Ogilvie:** The answer to the whole of the question is "No."

**JUTE DUTY, EXCISE DUTY ON PETROL AND KEROSENE AND CUSTOMS DUTY.**

551. \***Mr. Kuladhar Chaitia:** Will the Honourable the Finance Member please state:

- (a) the amount of jute duty realised from the Provinces of Bengal, Assam and Orissa during 1934-35, 1935-36 and 1936-37;
- (b) the amount of excise duty realised from petrol and kerosene (i) from Assam during 1934-35, 1935-36, 1936-37, 1937-38 (if available), and (ii) from other Provinces in India during 1934-35, 1935-36 and 1936-37 (if any); and
- (c) the amount of customs duty realised from the ports of Calcutta, Madras, Bombay and Karachi during 1934-35, 1935-36 and 1936-37?

**Mr. A. H. Lloyd:** (a), (b) and (c). Three statements are laid on the table of the House.

*Statements.*

(a)

Gross Customs duty realised from exports of Jute in Bengal, Assam and Orissa:

	Bengal	Assam	Orissa.
	in 000 Rs.	in 000 Rs.	in 000 Rs.
1934-35	3,58,66	Nil.	Nil.
1935-36	3,77,38	Nil.	Nil.
1936-37	4,31,25	Nil.	Nil.

(b)

*Statement showing the amount of excise duty (net receipts) realised from Petrol and Kerosene in Assam and other Provinces.*

Province.		Petrol.		Total.
		(Motor Spirit).	Kerosene.	
		Rs.	Rs.	Rs.
Assam	1934-35	1,02,32,787	53,99,218	1,56,32,005
	1935-36	1,00,47,925	55,76,001	1,56,23,926
	1936-37	96,31,728	60,32,934	1,56,64,662
	(a)			
Punjab	1937-38			
	1934-35	5,52,756	80,369	6,33,125
	1935-36	3,87,392	62,990	4,50,382
	1936-37	6,43,582	1,28,239	7,71,821
Bihar and Orissa	1934-35	2,596	..	2,596
	1935-36	2,414	..	2,414
	1936-37*	2,560	..	2,560
	(a)			
C. P. and Berar	1934-35	..	1,221	1,221
	1935-36	..	..	..
	1936-37	..	..	..
	(a)			
India General	1934-35	96,220	9,367	1,05,587
	1935-36	38,110	4,305	42,415
	1936-37	82,116	5,880	87,996
	(a)			

(a) Figures not available.

\*1936-37 figures relate to Bihar only.

(c)

*Total net receipts from Customs duty in Bengal, Madras, Bombay and Sind during the year 1934-35 to 1936-37.*

Province.	1934-35.	1935-36.	1936-37.
	In 000 Rs.	In 000 Rs.	In 000 Rs.
Bengal.	13,54,48	14,00,90	14,18,59
Madras	5,10,20	4,73,89	3,99,55
*Bombay including Sind	20,16,56	19,69,44	..
Bombay	..	..	14,58,65
Sind	..	..	3,92,33

\*Separate figures for Bombay and Sind are available only for 1936-37.

NOTE.—Figures for specified ports in the Provinces are not readily available.

#### FOREIGN EXPERTS INVITED BY THE GOVERNMENT OF INDIA.

552. **\*Mr. C. N. Muthuranga Mudaliar:** Will the Honourable the Home Member please state:

- the number and names of foreign experts British and others separately, invited since 1st April, 1937, or whom it is proposed to invite now, by the several departments of the Government of India, and their subordinate offices;
- whether efforts were made, and if so, what they were, to find out what India could supply in each case;
- in which cases no efforts were made to find out whether Indians were available and why;
- the period for which each foreign expert has been appointed, or is proposed to be appointed, and the terms sanctioned;
- the cases where motions of adjournment of the House were made; whether any effect was given to the wishes of the House as expressed on these motions, and if not, the reasons for it;
- cases where experts had been invited but orders cancelling the invitation were later issued, and the reasons in each case for those orders; and
- the cases where the Standing Finance Committee was consulted and its decision on each case?

**The Honourable Sir Henry Craik:** I am collecting the necessary information and will lay a statement on the table of the House in due course.

**Mr. M. Ananthasayanam Ayyangar:** With reference to part (a) of the question, may I ask if it is in the contemplation of the Government to get any fresh officers?

**The Honourable Sir Henry Craik:** I am not aware of any such intention.

### SUMPTUARY ALLOWANCE OF HIS EXCELLENCY THE VICEROY AND GOVERNOR GENERAL.

553. **\*Mr. C. N. Muthuranga Mudaliar:** Will the Honourable the Finance Member please state:

- the sumptuary allowance at present enjoyed by His Excellency the Viceroy and Governor General;
- whether there is a similar allowance in any of the Dominions of the British Empire, and if so, how much; and
- the total amount of the allowances enjoyed by the Viceroy during the year 1930 and during 1937 (financial)?

**The Honourable Sir James Grigg:** (a) Rs. 40,000.

(b) Government have no information.

(c) A statement is laid on the table.

#### *Statement.*

	1930-31.	1937-38 (probable).
	Rs.	Rs.
Sumptuary allowance	40,000	40,000
Contract allowance	1,62,700	1,58,300
State conveyances and motors	35,000	52,000
Presents and charities	10,000	15,000
Customs duty on imported stores	9,000	5,000
Purchase of glass, crockery and linen	16,000	21,000
Tour expenses	3,04,000	5,55,000

**Mr. T. S. Avinashilingam Chettiar:** May I ask whether this amount has been recently increased or decreased?

**The Honourable Sir James Grigg:** The Honourable Member had better give me notice of that. The figures I was asked to supply give a comparison between 1930 and 1937. These figures are given.

**Mr. C.**

### CREATION OF OFFICERS' POSTS IN THE MASTER GENERAL OF ORDNANCE BRANCH.

554. **\*Mr. K. S. Gupta:** (a) Will the Defence Secretary be pleased to state whether it is a fact that in the Master General of Ordnance Branch, Army Headquarters, a number of officer's posts are being created?

(b) Is it a fact that 21 clerical posts are being abolished in order to make provision for the contemplated officers' posts?

**Mr. C. M. G. Ogilvie:** (a) and (b). A scheme for the re-organisation of the Master General of the Ordnance Branch of Army Headquarters is under consideration. It does not entail the retrenchment of the civilian ministerial establishments mentioned.

### INCOME-TAX ON DIVIDENDS PAID BY THE RESERVE BANK AND DESIRABILITY OF ITS PAYMENT BY MONEY ORDER.

555. **\*Mr. Sri Prakasa:** Will the Honourable the Finance Member state:

- if it is a fact that the small amount of dividend paid by the Reserve Bank to shareholders, is considerably reduced by the levy of income-tax at the highest rate and commission necessary to cash the dividend warrants;

- (b) if Government are considering the desirability of enacting some rule or law by which **such** shareholders of the Reserve Bank, as do not otherwise **pay income-tax**, could be exempted at the source; and
- (c) if Government propose to consider the desirability of recommending to the Reserve Bank to send the dividends by money-order instead of by dividend warrants, to such shareholders as may so desire?

**The Honourable Sir James Grigg:** (a) and (b). As I explained in my reply to starred question No. 409 on 16th February, 1937, a shareholder whose total income is less than the taxable minimum can avoid the taxation of his dividends at source by obtaining an exemption certificate under the proviso to sub-section (3) of section 18 of the Indian Income-tax Act. As regards commission, this is not deducted at source but the collecting bank makes the usual remittance charges when the dividend warrant is presented for collection through an outstation bank.

(c) I understand that at the request of shareholders dividends are sent by money order to places where there is no bank, treasury or sub-treasury. The matter is entirely one for the Reserve Bank, and I am not prepared to take any steps in regard to it.

**PERMISSION TO THE SCHEDULE BANKS TO CASH THE DIVIDEND WARRANT OF THE RESERVE BANK FREE OF COST.**

556. **\*Mr. Sri Prakasa:** Will the Honourable the Finance Member state:

- (a) if the Reserve Bank keeps large amounts of money of scheduled banks without interest; and
- (b) if Government propose to recommend to the Reserve Bank the desirability of allowing the scheduled banks to cash the dividend warrants of the Reserve Bank free of cost to their constituents, debiting the same to the Reserve Bank itself?

**The Honourable Sir James Grigg:** (a) I would invite the attention of the Honourable Member to the provisions of section 42 of the Reserve Bank of India Act, 1934.

(b) No. This is entirely a matter for the Reserve Bank and the scheduled banks.

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**UNSTARRED QUESTIONS AND ANSWERS.**

**IMPORT DUTY ON MOTOR SPIRITS FROM BURMA.**

44. **Mr. Brojendra Narayan Chaudhury:** Will the Honourable the Finance Member please state:

- (a) the quantity of motor spirits imported into India from Burma in the years 1936-37 and 1937-38 (period for which figures are available);

- (b) if excise and import duties were levied on Burma motor spirits in the years 1936-37 and 1937-38; and  
 (c) if so, the income therefrom?

**Mr. A. H. Lloyd:** I lay on the table two statements containing the information asked for.

*Statement showing Imports of Dangerous Petroleum flashing below 76°F., Petrol, Benzine and benzol from Burma in 1936-37 and 1937-38.*

Year.	Quantity in 000 gallons.
1936-37	66,124
1937-38 (nine months-April to December)	49,635

NOTE.—It is probably safe to assume that all, or almost all, these imports consisted of motor spirit.

*Statement showing Duty collected on Motor Spirit imported into India from Burma in 1936-37 and 1937-38.*

Year.	Gross figures of duty in 000 rupees.
1936-37, Excise duty . . . . .	4,16,444
1937-38 (ten months-April to January)—	
Excise duty . . . . .	43,53
Import duty . . . . .	2,29,57

#### SINDHIS IN THE CUSTOMS HOUSE SERVICES.

45. **Mr. Lalchand Navalrai:** (a) Will the Honourable the Finance Member be pleased to state the maximum period for which a Collector of Customs can remain at one place?

(b) Will he please state how many Collectors have been in charge of the Customs Office at Karachi, and how long each has been there during the past three years?

(c) Will he please state the number of Madrasis taken in or transferred to the customs service in Karachi during the last ten years?

(d) Will he please state why Sindhis were not taken in the places of Madrasis?

(e) Will he please state if any Sindhis have been taken in the Customs House Service at Madras?

(f) Is there any standing order of the Government of India that the residents of Sind and of the Punjab and the North-West Frontier are eligible for customs service in Karachi? If so, why are others permitted to be crowded there?

**Mr. A. H. Lloyd:** (a) None has been prescribed.

(b) The following officers worked as Collectors of Customs, Karachi during the past three years:

1. Mr. F. Buckney, up to 3rd April 1936.



2. Mr N. R. Pillai, I.C.S., from 4th April 1936 to 6th October 1936.
3. Mr. D. F. Keegan from 7th October 1936 to 3rd November 1936.
4. Mr. F. J. Karaka from 4th November 1936 to 14th February 1937.
5. Mr. S. C. Satyawadi from 15th February 1937 to 2nd August 1937.
6. Mr. P. N. Chandavarkar from 3rd August 1937 to 15th December 1937.
7. Mr. S. N. Gupta, I.C.S., from 16th December 1937 onwards.

(c) The information available with the Government of India goes back to June 1935, since which time no Madrasis have been appointed to service in the Karachi Custom House. This being so, the Government of India do not consider that any advantage is likely to be gained by examining the facts relating to earlier appointments. The answer just given does not relate to officers of the Imperial Customs Service, who are liable to serve in any part in India and whose postings are arranged solely with regard to administrative convenience.

(d) Does not arise.

(e) To the best of the Government's knowledge and belief, one.

(f) For purposes of recruitment the provinces allotted to the Karachi Custom House are Sind, Delhi, Punjab, North-West Frontier, Ajmer-Merwara and British Baluchistan. The implication contained in the latter part of the question is not admitted.

#### MOTION FOR ADJOURNMENT.

#### EXPULSION OF THE SON OF HAJI AKBAR ALI KHAN, M.L.A., FROM NORTH WAZIRISTAN AGENCY.

**Mr. President** (The Honourable Sir Abdur Rahim): I have received notice of a motion for adjourning the business of the House from Mr. Abdul Qaiyum. He wishes to discuss a definite matter of urgent public importance of recent occurrence, namely, "the arbitrary expulsion of the son of Haji Akbar Ali Khan, M.L.A., Frontier Province, from North Waziristan Agency for alleged political activities". I do not know whether the Honourable Member is aware that he has got to obtain the consent of the Governor General under Rule 12B read with Rule 23B. Has he done it?

**Mr. Abdul Qaiyum** (North-West Frontier Province: General): Under those rules it is not necessary to obtain the consent of the Governor General . . . . .

**Mr. President** (The Honourable Sir Abdur Rahim): That is your opinion. It is perfectly clear that the Honourable Member cannot move this motion of adjournment without the previous consent of the Governor General because it relates to a tribal area.

**Mr. Abdul Qaiyum**: But the Governor General may overrule it.

**Mr. President** (The Honourable Sir Abdur Rahim): If the Honourable Member will read the rules, he will find that the motion can be moved only with the consent of the Governor General.

**Mr. Abdul Qaiyum**: Sir, the rules are becoming more and more complicated every day and it is becoming very difficult for us to follow the intricacies of various rules.

**Mr. President** (The Honourable Sir Abdur Rahim): I am sorry if the Honourable Member finds the rules to be complicated but I have got to work them. If the consent of the Governor General has not been obtained to the moving of this motion, it has to be disallowed. It is disallowed.

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### ELECTION OF MEMBERS TO THE PUBLIC ACCOUNTS COMMITTEE.

**Mr. President** (The Honourable Sir Abdur Rahim): I have to inform the Assembly that the following Members have been elected to the Committee on Public Accounts, namely:

1. Mr. Umar Aly Shah.
2. Mr. B. Das.
3. Sirdar Jogendra Singh.
4. Prof. N. G. Ranga.
5. Mr. S. Satyamurti.
6. Bhai Parma Nand.
7. Captain Sardar Sir Sher Muhammad Khan.
8. Mr. J. Ramsay Scott.

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### ELECTION OF THE STANDING COMMITTEE FOR THE LABOUR DEPARTMENT.

**Mr. President** (The Honourable Sir Abdur Rahim): I have also to inform the Assembly that upto 12 noon on Friday, the 25th February, 1938, the time fixed for receiving nominations for the Standing Committee for the Labour Department only three nominations were received. As the number of candidates is equal to the number of vacancies, I declare Mr. T. Chapman-Mortimer, Pandit Krishna Kant Malaviya and Mr. N. M. Joshi to be duly elected.

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### THE SIND SALT LAW AMENDMENT BILL.

**Mr. A. H. Lloyd** (Government of India: Nominated Official): Sir, I move for leave to introduce a Bill to amend the law relating to salt as at present in force in Sind.

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

"That leave be granted to introduce a Bill to amend the law relating to salt as at present in force in Sind."

The motion was adopted.

**Mr. A. H. Lloyd**: Sir, I introduce the Bill.

## THE INDIAN TEA CONTROL BILL.

**Mr. President** (The Honourable Sir Abdur Rahim): Further consideration of the Bill to provide for the control of the export of tea from, and for the control of the extension of the cultivation of tea in, British India, as reported by the Select Committee.

**Mr. Badri Dutt Pande** (Rohilkund and Kumaon Divisions: Non-Muhammadian Rural): Sir, the other day we were discussing the amendment\* of my Honourable friend, Mr. Kuladhar Chaliha. That amendment seeks to provide for a Board of Arbitrators who should hear appeals from the decisions of the Licensing Committee. One of the points raised was about expenditure and the other point was about the little work which the Board will have to do. Another point was raised by the Leader of the House who ought to be well versed with facts and figures about Bengal. I am sorry to say that he opposed the amendment so ably moved by my Honourable friends from Bengal, Mr. Akhil Chandra Datta, Mr. Brojendra Narayan Chaudhury and Mr. Kuladhar Chaliha. If I remember aright, the Honourable the Leader of the House said that it was only the long purse which will be able to get justice in Courts. That was the impression left on my mind. Now, my Honourable friend is no doubt a very able lawyer, a great statesman and a skilful debater. But he will go down in history as a great snake charmer and a lion tamer. When we ask him questions about Federation . . .

**Mr. President** (The Honourable Sir Abdur Rahim): The Honourable Member must not go on like this. He must confine himself to the amendment.

**Mr. Badri Dutt Pande**: About this tribunal, he said that parties must have bags of money to be able to appeal to this tribunal. When we ask for justice, he says that the small tea planters have small purses and they will not be able to defend themselves. Neither they will be able to give fees to the lawyers. This is like the saying:

*"Hamne chaha tha ke Hakim se karenge phariyad.*

*Woh bhi kambakht tera chahnevala nikla."*

Its translation is:

"I thought I would appeal to the sense of justice of the great man, but he turns out to be a supporter of those judges."

That is the underlying meaning. Of course, we know for a fact and we need not be reminded that the power, prestige, personality and purse are the monopolies of those Benches that go to make political power. But we, on these Benches, are imbued with Gandhian principles and our motto is

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\*"That after sub-clause (2) of clause 7 of the Bill the following new sub-clause be inserted:

"(3) If any party is aggrieved by any order of the Licensing Committee under sections 14, 28, 29, 30 he shall have the right to refer the case in the prescribed manner to a Board of Arbitrators consisting of three members one of whom at least shall be an Indian formed in the following manner:

- (i) one member to be nominated by the Licensing Committee.
- (ii) one member to be nominated by the Government of Assam;
- (iii) one member to be nominated by the Government of Bengal;

and the decision of the Board shall be binding on the Licensing Committee'."

not "honour and dollar", but service to the country and that every man must get justice, whether he is rich or poor. That is our ideal. We have no faith in the doings of the Executive and things settled at tea parties or cocktail parties that are abundantly being given these days. We have no faith in them and as regards the shaking of our faith there is an article which says why we should not go to Delhi for justice, not written by Indians but by Richard Freund on "The Sham Majesty of New Delhi" published by the Spectator of London.

**Mr. President** (The Honourable Sir Abdur Rahim): Does that article speak of the tea planters?

**Mr. Badri Dutt Pande:** No, about justice in Delhi.

**Mr. President** (The Honourable Sir Abdur Rahim): The Honourable Member had better confine himself to the amendment.

**Mr. Badri Dutt Pande:** We say we have no faith in these arbitrators I am referring to these judges in the light of the article written by Mr Richard Freund.

**Mr. President** (The Honourable Sir Abdur Rahim): The Honourable Member must speak to the amendment which refers to arbitrators.

**Mr. Badri Dutt Pande:** We are now discussing Board of Arbitration and I say that the bureaucracy should not be on the Board of Arbitration. We should have an independent tribunal. He says:

"Going from office to office, one is struck with the appalling lack of ordinary human feeling. In the higher regions of the Central Government, all the virtues which Englishmen and Englishwomen possess at home seem to turn like milk. They become narrow-minded stuck up, and stiff with formality. It used to be said that the civilian makes up in efficiency what he lacks in grace."

**Mr. President** (The Honourable Sir Abdur Rahim): The Honourable Member must use his own arguments.

**Mr. Badri Dutt Pande:** The Honourable Secretary in charge of this Bill says that appeals are made to the Governor General. I am saying that such appeals are no good.

**Mr. President** (The Honourable Sir Abdur Rahim): But the Honourable Member must not go on reading other people's arguments. He must use his own arguments.

**Mr. Badri Dutt Pande:** When their mind is prejudiced against us, we do not want such arbitrators. That is my line of argument. I am referring casually why we should not want the arbitration orders of these officials and secretaries, who really decide tea appeals.

Now, Sir, I shall refer to the report of the sub-committee in London. Dealing with the right of appeal, that sub-committee's report says:

"Any estate which is dissatisfied with the decision of the Licensing Committee under either of the two preceding clauses may appeal, within two months of the date of

[Mr. Badri Dutt Pande.]

such decision, to the Appeal Board from whose decision an appeal will lie to the Governor General in Council. The fee to be lodged with the Licensing Committee by an estate desirous of appealing against the decision of the Licensing Committee shall be Rs. 240 which shall be non-returnable.

An estate which is dissatisfied with the decision of the Licensing Committee in respect of the assessment of its young areas may appeal within two months of the date of such decision to the Appeal Board on the same conditions as those above mentioned."

Now, Sir, the remarks of the sub-committee could well have been written by one of the Congress Members. Regarding right of appeal the sub-committee says:

"The Joint sub-committee consider that, in the event of claimants being dissatisfied with the ruling of the Licensing Committee in respect of their claims they should have a right of appeal therefrom. It is the opinion of the Joint sub-committee that this right to state a case either in person or by Counsel will facilitate and help to create a better atmosphere than exists at present owing to the feeling that there is, in practice, no actual right of appeal against the decisions of the Licensing Committee. Under the Indian Tea Control Act, 1933, no such right of appeal is provided for. Section 7 of the Act gives the Governor General in Council a power of control over all acts of the Licensing Committee and the Joint sub-committee understand that it is under this power that today it has been customary for a special department of the Government of India to deal with appeals from the orders of the Licensing Committee."

**Mr. President** (The Honourable Sir Abdur Rahim): The Honourable Member is quite irrelevant. If he has not got anything more relevant to say, he must give other Honourable Members a chance to discuss the matter.

**Mr. Badri Dutt Pande:** I want to make the point. . . .

**Mr. President** (The Honourable Sir Abdur Rahim): The Honourable Member is talking on all sorts of things. The Honourable Member should not go on wandering aimlessly and quoting at length from other documents. These quotations have no bearing on the point at issue.

**Mr. Badri Dutt Pande:** As regards the costs this is what the Joint sub-committee says:

"The Joint sub-committee wish to point out that apart from the fee of Rs. 240 any costs incurred by an appellant in attending or being represented before the Appeal Board will require to be borne by the appellant."

So the appellants themselves will have to bear the cost and not the Government, as the House may think.

Now, as regards the number of appeals to be heard, I think the information given is not complete or up to the mark. I am told that about one hundred appeals from the Kangra Valley are still pending, and they have not received any reply. I have received another letter from the Rambagh tea estate in Dehra Dun in which the writer says:

"I am being denied export rights from the Licensing Committee for the last four years although I have been applying every year. The garden has been manufacturing tea for the last 40 years including the basic years 1929-32. I have been keeping regular accounts and crop figures but the Licensing Committee does not hear all this and is rejecting my appeal simply because I cannot produce accounts for those basic years. Now I request you to take up the case of this garden also when the Tea Control Bill comes into the Assembly. For the small gardens there is no one to represent us and our difficulties are great."

That is what they write, and I think about one hundred appeals are still to be heard here. So there is enough work for the Court and the

expenses will be borne by them and they cannot go to Delhi or to Calcutta or to other places for it is very expensive. So my suggestion is that there will be one session of about two or three months. One session should be held in Calcutta, another in Madras and another in Kangra. For these three sessions for about three months only an arbitration court may be required and I think there are other suggestions also. At least there should be a reference to the High Court or there should be an arbitration board or they should be free to appeal to the Governor General if they like or to the High Court or to any other Court in whom they have confidence. Sir, I support the motion.

**Mr. Kuladhar Chaliha** (Assam Valley: Non-Muhammadan): Sir, I beg leave to withdraw the motion.

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

**Mr. K. Santhanam** (Tanjore *cum* Trichinopoly: Non-Muhammadan Rural): Sir, I beg to move:

"That in sub-clause (2) of clause 7 of the Bill before the words 'the Central Government' the word 'either' and after the said words the words 'or the High Court of the Province within which the tea estate is situated' be inserted."

I understand this is acceptable to all sections of the House. Sir, I move.

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

"That in sub-clause (2) of clause 7 of the Bill before the words 'the Central Government' the word 'either' and after the said words the words 'or the High Court of the Province within which the tea estate is situated' be inserted."

**Mr. H. Dow** (Commerce Secretary): Sir, I am prepared to accept that on behalf of Government.

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

"That in sub-clause (2) of clause 7 of the Bill before the words 'the Central Government' the word 'either' and after the said words the words 'or the High Court of the Province within which the tea estate is situated' be inserted."

The motion was adopted.

**Mr. M. Ananthasayanam Ayyangar** (Madras Ceded Districts and Chittoor: Non-Muhammadan Rural): Sir, I beg to move:

"That to sub-clause (2) of clause 7 of the Bill the following proviso be added:

'Provided that an appeal preferred to the Central Government or the High Court shall debar an appeal against the same order to the other'."

This is to make it clear that an aggrieved party shall not have two appeals against the same order, one to the Central Government and the other to the High Court.

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

"That to sub-clause (2) of clause 7 of the Bill the following proviso be added:

'Provided that an appeal preferred to the Central Government or the High Court shall debar an appeal against the same order to the other'."

**Mr. H. Dow**: Sir, I am prepared to accept the substance of that but I propose an alteration in wording, so that the proviso will read:

"Provided that an appeal shall not lie against the same order both to the Central Government and a High Court."

**Mr. M. Ananthasayanam Ayyangar:** Sir, I have no objection.

**Mr. Bhulabhai J. Desai** (Bombay Northern Division: Non-Muham-madan Rural): Sir, I think the form of the original proviso is the better one. What it says is that an appeal once preferred to one or other of the authorities bars an appeals to the other.

**Mr. H. Dow:** I thought the last three words went rather awkwardly. It was to avoid that that I made the suggestion.

**Mr. M. Ananthasayanam Ayyangar:** I took it from the Criminal Procedure Code where an appeal to the Collector. . . .

**Mr. President** (The Honourable Sir Abdur Rahim): Has the Honourable Member got the language of the Criminal Procedure Code?

**Mr. Bhulabhai J. Desai:** There is no difficulty here. It simply says that an appeal to one shall bar an appeal against the same order to the other.

**Mr. H. Dow:** Sir, on a matter of this kind I am not prepared to back my opinion against that of the Leader of the Opposition, supported by the Criminal Procedure Code.

**Mr. M. Ananthasayanam Ayyangar:** For the word "debar" in the original amendment the word "bar" may be substituted.

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

"That to sub-clause (2) of clause 7 of the Bill the following proviso be added:

'Provided that an appeal preferred to the Central Government or the High Court shall bar an appeal against the same order to the other'."

The motion was adopted.

**Mr. M. Ananthasayanam Ayyangar:** Sir, I move:

"That after sub-clause (3) of clause 7 of the Bill the following new sub-clause be added:

'(4) Every registered owner of a tea estate shall be entitled to inspect the records of the Committee and on payment of the prescribed fee shall also be entitled to obtain copies of all proceedings or orders of the Committee'."

Many estates during past years had made applications to the Committee for registration or for being allowed quota, but many of the smaller estates were denied any quota. No doubt in the amended Bill as it has emerged from the Select Committee it has been prescribed that every tea estate shall be entitled to a quota provided the application is made to the Governor General in Council within one year, and it is forwarded by the Governor General in Council to the Committee, except in cases where those tea estates had already obtained or had been allowed a quota. To that extent no doubt the difficulty is obviated; but there are many matters which an ordinary tea estate owner would like to see from the records of the Committee, as for instance, whether the quotas have been allotted properly, whether the allocation has been properly done or not, whether he is entitled to something more—these will be available only in the records

of the Committee. He is one of the contributories to the Committee and he is the person who is directly interested in seeing that the Committee, which has been organised and brought into existence by the collective representation of all these members, maintains records properly and that its proceedings are done with impartiality. I need only quote the analogy of the shareholders of a company who have a right under the Indian Companies Act to look into the proceedings for the purpose of an inspection. Of course, when it comes to the question of getting copies, it should not be done merely for the asking, because it involves expenditure; for copies they must pay; and rules may be framed under the rule-making power vested in the Governor General; so also in this Bill rules may be framed prescribing particular fees at so much for so many words—six or four annas for 360 words or so. On the analogy I have mentioned, every tea estate owner who is primarily interested in obtaining his quota is interested in the Committee's proceedings and must be entitled to look into the records of the Committee. Sir, I move.

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

"That after sub-clause (3) of clause 7 of the Bill the following new sub-clause be added:

"(4) Every registered owner of a tea estate shall be entitled to inspect the records of the Committee and on payment of the prescribed fee shall also be entitled to obtain copies of any proceedings or orders of the Committee'."

**Mr. P. J. Griffiths** (Assam: European): Sir, I fully agree that any registered owner ought to be entitled to see those portions of the Committee's records which are of direct interest to him, but I cannot agree that one registered owner should be entitled to see to an unlimited extent the records relating to some other owner. Suppose, for example, I am an owner and I have a quota of 5,000 lbs. Up to the middle of the year I may have used up 2,000 lbs. of the quota and have 3,000 lbs. still in hand. I do not feel myself that anybody else ought to be entitled to come along and find out exactly how much of the quota I have still in hand unused: that is purely a matter between me and the Committee. I would, therefore, suggest to the Honourable the Mover that he should withdraw his amendment and, instead, that he might request the Government to issue executive instructions to the Licensing Committee to the effect that every person should be allowed to see those portions of the record which concern his own particular case. I would suggest to him that he should rather consider that course of action instead of pressing his amendment.

**Mr. M. Ananthasayanam Ayyangar**: What about copies?

**Mr. P. J. Griffiths**: I have no objection to copies at all.

**Mr. K. Santhanam**: Sir, I am unable to accept the argument of the Honourable Member that a registered holder has got a right to inspect only his own records, because the whole plan is a co-operative plan. What is done by one member affects every other member. If one member is given a larger quota, it affects the quotas of other members and every member becomes responsible for the better administration of the entire



[Mr. K. Santhanam.]

quota system; and, therefore, I do not see why this Licensing Committee which is asked to act under definite rules and instructions should object to anybody inspecting the records. I say even a member of the public should be entitled, because it is the public which is giving these powers under the law. Just as the records of a sub-registrar's office, or of any Court, are open, this Committee also must be prepared for public inspection: I do not see why anybody should waste his time in going and inspecting these records: it is only if there is fraud that anyone need be afraid of inspection. I suggest that this amendment should be accepted without any difficulty whatsoever and I do not see how it will interfere with the work of the Committee.

**Mr. H. Dow:** Sir, the last speaker spoke in favour of the general public being allowed to inspect the records. . . .

**Mr. K. Santhanam:** I did not support it, but I only used it as an argument for saying that there should be inspection.

**Mr. H. Dow:** But if he will look at the wording of the amendment, he will find it is limited to registered owners. The main objection Government have to accepting an amendment of this kind is on account of its generality, which has been pointed out by Mr. Griffiths. There is also a minor objection, that it speaks of a "registered owner"; and although I understand the term, and it is used by the Committee and is understood by them, there is no reference to a "registered owner" anywhere in this Act. It would entail other consequential alterations. I am quite ready, if it will suit the Honourable Member and if he will withdraw this amendment, to give an undertaking that Government will issue, under section 23 of the Act, instructions to the Committee that any registered owner is to be allowed to see such parts of the records as concerns him. This undertaking will not be construed in any narrow sense, as only meaning matters relating to his own quota, but it will naturally include any matters of a general kind which affect him. There are, as I think the Honourable Member will realise, a certain number of matters dealt with by the Committee which do not interest, or should not legitimately interest every individual owner. But with reference to such things as do concern him, I have no objection to let him see the records and to provide him copies of the records on the prescribed payment. If that assurance will content the Honourable Member I would suggest that he might withdraw his amendment.

**Mr. M. Ananthasayanam Ayyangar:** Sir, may I suggest to the Honourable Member in charge of the Bill if he will consider the amendment in the following form:—

"(4) Subject to rules framed under this Act, every owner of a tea estate to whom a quota is allotted shall be entitled to inspect the records" etc., (as in the printed amendment).

**Mr. H. Dow:** Sir, I should have no objection to accept the amendment with that alteration.

**Mr. M. Ananthasayanam Ayyangar:** Sir, I move it.

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

"That after sub-clause (3) of clause 7 of the Bill the following new sub-clause be added:

'(4) Subject to rules framed under this Act, every owner of a tea estate to whom a quota is allotted shall be entitled to inspect the records of the Committee and on payment of the prescribed fee shall also be entitled to obtain copies of any proceedings or orders of the Committee'."

**Dr. Sir Ziauddin Ahmad** (United Provinces Southern Divisions: Muhammadan Rural): May I just say a few words? We are not a Select Committee and the rules do not provide that the whole House may be resolved into Select Committee as it is done in Parliament. We have got a definite amendment before us. . . .

**Mr. President** (The Honourable Sir Abdur Rahim): That is a point of order; and I hold that an amendment like this is perfectly in order.

**Dr. Sir Ziauddin Ahmad:** Sir, we have already got an amendment—a definite amendment before us on the paper. . . .

**Mr. President** (The Honourable Sir Abdur Rahim): I have given my ruling. It is a point of order, I take it, that the Honourable Member is raising. On an amendment like this, the words proposed are perfectly in order.

**Dr. Sir Ziauddin Ahmad:** But, Sir, it has been replaced by a new amendment, and that cannot be allowed. . . .

**Mr. President** (The Honourable Sir Abdur Rahim): I have already given my ruling. It takes the place of No. 28. The Honourable Member can speak either for or against it.

The question is:

"That after sub-clause (3) of clause 7 of the Bill the following new sub-clause be added:

'(4) Subject to rules framed under this Act, every owner of a tea estate to whom a quota is allotted shall be entitled to inspect the records of the Committee and on payment of the prescribed fee shall also be entitled to obtain copies of any proceedings or orders of the Committee'."

The motion was adopted.

**Mr. President** (The Honourable Sir Abdur Rahim): The question is: "That clause 7, as amended, stand part of the Bill."

The motion was adopted.

Clause 7, as amended, was added to the Bill.

**Mr. Brojendra Narayan Chaudhury** (Surma Valley *cum* Shillong: Non-Muhammadan): Sir, I move:

"That to sub-clause (1) of clause 8 of the Bill the words 'and shall also publish a summary of the accounts along with the annual report' be added at the end."

[Mr. Brojendra Narayan Chaudhury.]

Sir, in the Select Committee we have in this clause provided for publication of the Annual Report, and the object of this amendment is to give utility to the report by publishing a summary of the accounts, and I feel that if this amendment is accepted the Report will be more illuminating. I hope the Government will accept it.

**Mr. H. Dow:** I accept the amendment, Sir. \*

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

"That to sub-clause (1) of clause 8 of the Bill the words 'and shall also publish a summary of the accounts along with the annual report' be added at the end."

The motion was adopted.

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

"That clause 8, as amended, stand part of the Bill."

The motion was adopted.

Clause 8, as amended, was added to the Bill.

Clause 9 was added to the Bill.

**Maulvi Abdur Rasheed Chaudhury** (Assam: Muhammadan): Sir, I move:

"That sub-clause (b) of clause 10 of the Bill be omitted and the subsequent sub-clauses be re-lettered accordingly."

I hope the Government will accept this amendment as it is only consequential.

**Mr. H. Dow:** This is a consequential amendment, Sir, and I accept it.

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

"That sub-clause (b) of clause 10 of the Bill be omitted and the subsequent sub-clauses be re-lettered accordingly."

The motion was adopted.

**Mr. M. Ananthasayanam Ayyangar:** Sir, I move:

"That to sub-clause (c) of clause 10 of the Bill the following be added at the end: 'and fixing scales of pay for its establishment'."

Rules can be framed by the Central Government providing for establishment and maintenance, and by this amendment I want that they should also fix a schedule of grades of salaries for its establishment.

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

"That to sub-clause (c) of clause 10 of the Bill the following be added at the end: 'and fixing scales of pay for its establishment'."

**Mr. H. Dow:** I would like to point out, first of all, that sub-clause (f) of clause 6 of the Bill, which we have already passed, provides for the regulation of the grant of pay to officers of the Committee. Secondly, as

regards the fixing of the scales of pay, I am not prepared to accept it. I imagine the Committee would not find that a scale of pay was in all cases necessary. There may be many officers remunerated by fixed salaries. This amendment would seem to imply that every officer employed under the Committee must be given a scale of pay, and I don't think that the amendment ought to be passed.

**Mr. M. Ananthasayanam Ayyangar:** Sir, if really this is covered by sub-clause (f) of clause 6 which we have already passed, this is redundant, but as sub-clause (f) reads I thought that it referred to conditions of service and not to salaries. If that is also covered, then this amendment is not necessary.

**Mr. President** (The Honourable Sir Abdur Rahim): The Honourable Member is making another speech.

**Mr. M. Ananthasayanam Ayyangar:** No, Sir.

**Mr. K. Santhanam:** Sir, I support the amendment moved by my friend, Mr. Ayyangar. The Central Government shall have the right to fix the pay of establishment of the Licensing Committee. If no provision is made here, it will mean that the Committee itself will be free to fix such salaries as it pleases. What we want is that the Central Government itself should fix the scales, so that this House might be aware of them.

**Mr. H. Dow:** As the Honourable Member should be aware, under subsection (2) of section 6 even the bye-laws require the previous sanction of the Central Government, and therefore, the point he is now making hardly arises.

**Mr. K. Santhanam:** Yes, I agree.

**Mr. M. Ananthasayanam Ayyangar:** I beg leave of the House to withdraw my amendment.

**Mr. President** (The Honourable Sir Abdur Rahim): Has the Honourable Member the leave of the House to withdraw his amendment?

**Several Honourable Members:** Yes.

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

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

"That clause 10, as amended, stand part of the Bill."

The motion was adopted.

Clause 10, as amended, was added to the Bill.

**Maulvi Abdur Rasheed Chaudhury:** I move, Sir:

"That sub-clause (b) of clause 11 of the Bill be omitted and the subsequent sub-clauses be re-lettered accordingly."

[Maulvi Abdur Rasheed Chaudhury.]

The object of this amendment is to secure uniformity of practice. The Joint Sub-Committee said:

"Such teas when exported from India are, at present, outside the scope of the scheme. In the case of Ceylon ships' stores and teas exported by parcel post are required to be licensed and are debited to the quota. In the Netherlands East Indies exports by parcel post have to be licensed but not ships' stores.

The Joint Sub-Committee recommend that an attempt should be made to secure uniformity of practice in the matter and they suggest that teas exported as ships' stores and teas exported by parcel post should require to be licensed in all cases."

I think it is not a controversial point and I hope the Government will accept it.

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

"That sub-clause (b) of clause 11 of the Bill be omitted and the subsequent sub-clauses be re-lettered accordingly."

**Mr. H. Dow:** This is an amendment which Government must oppose, mainly on grounds of administrative inconvenience. The effect of leaving the clause in is a certain slight increase in the quota which is allotted to India, and if the amendment moved by my Honourable friend is carried, it would mean a slight additional amount of restriction; but it is on the ground of administrative inconvenience that Government oppose this. It would mean that every ounce of tea, carried by a ship going on the shortest journey in the coastal trade, would have to be taken account of. This would involve a tremendous amount of detailed work thrown on customs officers with very little practical result. In so far as there was any practical result, it would mean decreasing the quota which India obtains under this Agreement. I, therefore, oppose the amendment.

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

"That sub-clause (b) of clause 11 of the Bill be omitted and the subsequent sub-clauses be re-lettered accordingly."

The motion was negatived.

Clause 11 was added to the Bill.

Clauses 12 to 22, both inclusive, were added to the Bill.

**Mr. Brojendra Narayan Chaudhury:** I beg to move:

"That after clause 22 of the Bill the following new clause be inserted:

"22A. (1) The four members of the international Committee allotted to the Tea Growers of India under the international agreement shall be nominated in the following manner:

- (a) two members shall be nominated by the Indian Tea Association, Calcutta;
- (b) one member shall be nominated by the United Planters' Association of Southern India; and
- (c) one member shall be nominated by the representatives of the Indian Tea Growers on the Licensing Committee, acting together.

(2) If any authority or body fails to make the nomination mentioned in this section within a reasonable time or if a member of the international Committee representing the Tea Growers of India dies, resigns or becomes incapable of acting, the provisions of sub-sections (1) and (2) of section 4 of this Act, so far as may be, shall apply."

**Mr. F. E. James** (Madras: European): I am afraid I must rise to a point of order at this stage. I want to suggest to you that this amendment is entirely outside the scope of the Bill. The amendment seeks to alter the constitution of the International Committee. The International Committee is not a Committee which is set up by the Government of India, nor is it one which is set up by the Government of India with other Governments. It is a Committee set up in pursuance of an international agreement which has been arrived at between the producers or the tea growers of the various countries concerned, and the only body that can alter the constitution of the International Committee is, I submit, the International Committee itself. It is not within the power of this Legislature to alter the composition of the International Committee. If I might draw your attention to the Preamble to this Bill, you will see that it reads:

"Whereas it is expedient, for the purpose of implementing the agreement which the Central Government has entered into with the Governments of Ceylon and the Netherlands Indies to give effect to the provisions of the International Agreement made between associations representing the tea growers of India, Ceylon and the Netherlands Indies, to provide for, etc., etc."

That Agreement is an agreement which was arrived at and which is now being implemented, but part of the terms of that Agreement, or rather part of the annexure to the agreement provides for the composition of the International Committee.

**Mr. President** (The Honourable Sir Abdur Rahim): Have I got that among the papers here?

**Mr. F. E. James:** I have got a copy of the International Agreement, which is between the producers concerned, and in it there is a definition of the Committee as "the International Committee". In the Annexure to that Agreement there is a description of the composition of the International Committee itself. I submit that it is not possible for us in this House to alter the composition of such a Committee.

**Mr. President** (The Honourable Sir Abdur Rahim): Does it lay down how the Committee is to be constituted?

**Mr. F. E. James:** It is laid down in the Annexure to this Agreement how the Committee is to be constituted. The constitution of this Committee finally rests with the associations which represent the tea growing interests in the countries concerned. I submit, therefore, that not only is this particular amendment outside the scope of this Bill, but that it is not within the competence of this Legislature to alter the composition of a Committee which has been arrived at internationally in this manner.

**Mr. President** (The Honourable Sir Abdur Rahim): What is the reference that the Honourable Member gave?

**Mr. F. E. James:** I think you will find it on page 6 of the document which you hold in your hand. Annexure A contains a description of the composition of the International Committee.

**Mr. Akhil Chandra Datta** (Chittagong and Rajshahi Divisions: Non-Muhammadian Rural): Who are to appoint the members. It does not affect the composition.

**Mr. F. E. James:** May I draw your attention to one more point. If you will look in Annexe A, on page 9, the last section, section 15 refers to the alterations in the composition.

**Mr. President** (The Honourable Sir Abdur Rahim): Would you mind reading it?

**Mr. F. E. James:** It reads:

"None of the foregoing provisions of this Annexe shall be revoked or amended except with the unanimous vote of the Committee and with the approval of the Governments of the producing countries."

My point is this, that no one can alter the composition of this Committee except the Committee itself, subject ultimately to the approval of the Governments concerned.

**Mr. Brojendra Narayan Chaudhury:** I rely on the same document as that relied on by Mr. James. I draw your attention to the Preamble. This Bill is for the purpose of implementing the Agreement. The Agreement here, though it is a formal agreement between the three Governments, is really identical with the agreement entered into by the trade; and in the annexure to that agreement in article 1(a) we find that four members are to represent India on the International Committee. This agreement does not say how the four members shall be divided between different Indian interests, European and Indian, Northern India and Southern India, and my amendment seeks to allot four members between the different groups.

**Mr. H. Dow:** Sir, I can perhaps help the House to see the facts more clearly. The difficulty, I think, has arisen from the fact that there are two agreements both of which are being loosely referred to as the International Agreement. This document is an agreement between the tea interests of various countries. It is not the work of a Committee which is set up by or under the International Agreement of Governments under which we are legislating now.

**Mr. President** (The Honourable Sir Abdur Rahim): You are referring to the agreement of the 18th November, 1933?

**Mr. H. Dow:** Yes, Sir. This legislation is being undertaken as the result of an International Agreement between the three Governments to implement certain things in this agreement: but this agreement itself is simply an agreement between private interests, in which Governments are not represented. It seems clear to me that one Government cannot legislate to alter the constitution of this particular committee.

**Mr. Akhil Chandra Datta:** Does it alter the constitution?

**Mr. H. Dow:** Clause 15 in Annexe A makes it clear that the constitution of this committee can be altered only by the committee itself.

**Mr. President** (The Honourable Sir Abdur Rahim): Do you mean how the members are to be appointed to the committee?

**Mr. H. Dow:** It is not an agreement in which the Government is at all concerned?

**Mr. President** (The Honourable Sir Abdur Rahim): This agreement provides for a certain number of members of the committee representing different growers of a particular country, that is, India, Ceylon and the Netherlands. Clause 15 in Annexe A says: None of the foregoing provisions of this Annexe shall be revoked or amended except by the unanimous vote of the committee and with the approval of the Governments of the producing countries, but I understand the argument on the other side is that amendment No. 36 does not purport to add to the members of the committee but it only wants to lay down the procedure as to how that committee is to be constituted. I do not see that it is necessarily in conflict.

**Mr. H. Dow:** I would point out that clause (c) of the amendment says: one member shall be nominated by the representatives of the Indian Tea Growers on the Licensing Committee. This has nothing to do with any of the parties to the agreement. In this agreement, there are only two associations concerned with India; one of them is the Indian Tea Association, and the other is the United Planters' Association. The agreement is simply an agreement between these various private associations, and I do not see how we can provide for the insertion in an agreement between private associations of a representative of another association which has nothing to do with this agreement.

**Mr. Brojendra Narayan Chaudhury:** Mr. Dow has admitted before in this House that this is an agreement between the trade and that every word of it has been accepted by the three Governments by means of correspondence. I challenge the Honourable Member to produce the agreement between the three countries.

**Mr. President** (The Honourable Sir Abdur Rahim): Which are the different associations which have entered into an agreement?

**Mr. F. E. James:** May I be allowed to point out, Sir, that if you look at the first page of the Agreement, you will find that the agreement is between the India Tea Association, London, and the South Indian Tea Association in London, etc. So far as the Indian producers are concerned, the agreement is between the Indian Tea Association, London, and the South Indian Tea Association in London, and as far as the producers of Ceylon are concerned, it is the Ceylon Association, and so on. . . .

**Mr. T. S. Avinashilingam Chettiar** (Salem and Coimbatore *cum* North Arcot: Non-Muhammadan Rural): Those people represented thereon these particular Associations, but the tea growers of India are those who were represented.

**Mr. President** (The Honourable Sir Abdur Rahim): I am afraid this amendment must be ruled out as being not in order. The Bill provides for the constitution of the Committee as contemplated in the



[Mr. President.]

agreement between certain Associations representing the Indian Tea Growers, the Ceylon Tea Growers and the Tea Growers of the Netherlands East Indies. What is urged in support of the amendment is that it is perfectly open to this House to provide for the manner in which the four Members to act on the Committee are to be nominated. But, as pointed out on behalf of the Government, sub-clause (c) of the amendment provides for one member being nominated by the representatives of the Indian Tea Growers on the Licensing Committee, acting together. Now, as regards "the Indian Tea Growers", the first question is if they have an Association. Even if they have one that again is not an Association which is a party to this agreement, and I must, therefore, hold that, since the Bill is for the purpose of implementing the agreement which has been arrived at between the parties mentioned therein, the amendment is not in order.

**Mr. M. Ananthasayanam Ayyangar:** On a point of order, Sir, I submit that the Bill itself is out of order.

**Mr. President** (The Honourable Sir Abdur Rahim): The Honourable Member can argue that afterwards.

**Mr. M. Ananthasayanam Ayyangar:** If you will allow me to point out, Sir, the point is that the Federal Legislature can pass laws only to implement international agreements entered into by the Federal Government; it is not as if with respect to any agreement entered into by a trade or industry, we are here competent to pass legislation to implement that. The agreement must be entered into by the Government of this country.

**Mr. President** (The Honourable Sir Abdur Rahim): Do you mean to say that this Legislature is not competent to pass such a law to regulate the export of tea? This is for the purpose of regulating the export of tea.

**Mr. M. Ananthasayanam Ayyangar:** The Central Government. I submit, has got the right only if there is an international agreement. This is an agreement only entered into by the trade on one part, and the Preamble of the Bill is to implement the agreement which the Central Government has entered into with certain parties, and which has fixed so much quota for us. Therefore, unless there is an agreement entered into by the Government of this country, this cannot be done. I am referring to section 104 of the Act.

**Mr. H. Dow:** Sir, I submit that the Honourable Member is trying to raise a point of order on which you have already given your ruling.

**Voices:** No, no.

**Mr. President** (The Honourable Sir Abdur Rahim): It ought to have been raised at the consideration stage.

**Mr. M. Ananthasayanam Ayyangar:** The Honourable Member in charge of the Government said that this was an agreement entered into by the Government itself. Then my friend, Mr. Santhanam, put a short notice question as to when the agreement was entered into by the Government. . . . .

**Mr. President** (The Honourable Sir Abdur Rahim): The Chair wants to know how the Bill is out of order.

**Mr. M. Ananthasayanam Ayyangar**: For this reason, so far as the fixing of quota, and the distribution of areas in the provinces in which tea can be planted are concerned, that is agriculture and land, which are absolutely provincial subjects.

**Mr. President** (The Honourable Sir Abdur Rahim): What is the Honourable Member referring to?

**Mr. M. Ananthasayanam Ayyangar**: Chapters III and IV of the Bill. I am also referring to section 106 of the Act, which says:

"The Federal Legislature shall not by reason only of the entry in the Federal Legislative List relating to the implementing of treaties and agreements with other countries have power to make any law for any Province except with the previous consent of the Governor, or for a Federated State except with the previous consent of the Ruler thereof."

Then referring to section 108,—

"If it appears to the Legislatures of two or more Provinces to be desirable that any of the matters enumerated in the Provincial Legislative List should be regulated in those Provinces by Act of the Federal Legislature, and if resolutions to that effect are passed by all the Chambers of those Provincial Legislatures, it shall be lawful for the Federal Legislature to pass an Act for regulating the matter accordingly . . ."

Now, the matter which I refer to is the subject-matter of Chapter III—control over the extension of tea cultivation in areas in the provinces

**Mr. President** (The Honourable Sir Abdur Rahim): You say that the consent required has not been obtained?

**Mr. M. Ananthasayanam Ayyangar**: Resolutions have not been passed in the Provincial Legislatures: each Provincial Legislature must move for a resolution so as to have uniform legislation. I am referring to section 108.

**Mr. President** (The Honourable Sir Abdur Rahim): That is a different matter.

**Mr. F. E. James**: I understand, Sir, that this point was raised on a previous occasion and there must be some reference to it in the Debates.

**The Honourable Sir Nripendra Sircar** (Law Member): There is a ruling already.

**Mr. M. Ananthasayanam Ayyangar**: No, Sir. It was only on the express statement on behalf of the Government that this was an agreement entered into by the Government itself, and it is only then that this Legislature has got the jurisdiction. Now, my friend says that it is an agreement entered into between the interests . . .

**Mr. H. Dow**: I did not say anything of the sort.

**Mr. M. Ananthasayanam Ayyangar**: Then he answered it by means of a short notice question. I request you now to refer to the Provincial List wherein you will find Schedule No. 7, items 20 and 21.

**Mr. H. Dow:** The Honourable Member has not yet grasped the facts. There are two agreements. There is an agreement between the Governments concerned, which is referred to in the Preamble to this Bill, and there is also an agreement, which we have been discussing, which is an agreement between various private bodies representing tea interests.

**Mr. M. Ananthasayanam Ayyangar:** Is it different from this agreement?

**Mr. H. Dow:** We are implementing the Government agreement.

**Mr. M. Ananthasayanam Ayyangar:** Sir, if it is an agreement which is entered into between different interests, we have no jurisdiction. On the other hand, if it has been complemented or ratified by the Government, then it gets merged into the main agreement on behalf of Government.

**Mr. President** (The Honourable Sir Abdur Rahim): I should like to know from the Leader of the House what happened before.

**The Honourable Sir Nripendra Sircar:** Sir, this exact point was taken up before when you were not in the Chair. Sir Cowasji Jehangir was then in the Chair and he gave a ruling and the matter is now closed. Whether that ruling is right or is wrong, it has been decided. My own view is that that ruling was quite right.

**Mr. President** (The Honourable Sir Abdur Rahim): A point of order has been raised at this stage involving the question whether this Legislature is competent to entertain this proposal for legislation. I understand that this very question was raised when Sir Cowasji Jehangir was in the Chair and he ruled that it was competent for this Legislature to entertain the Bill. I understand that the Bill was consented to by the Governors concerned and therefore no objection under section 106 can possibly be valid because it says that if it is one of the matters dealt with in the Provincial List, the Federal Legislature will have no power to make any law for the province except with the previous consent of the Governor. Then, section 103 of the Government of India Act is also referred to. But this Bill is based on an international agreement arrived at not only between certain tea growing Associations of India, Ceylon and the Netherland Indies but also, I understand between certain Governments. It is perfectly open to the Legislature to refuse to pass a Bill like this but I do not see how can there be any valid objection to a legislation of this character under section 103. Further, no objection, at any rate, was ever taken and, I understand, no Provincial Government has taken any objection, I understand that there is an endorsement on the Bill which shows that the consent of the Provincial Governments was obtained.

**Mr. M. Asaf Ali** (Delhi: General): It is not a question of consent: it is a question of a Resolution being passed by the Provincial Legislature under section 103.

**Mr. President** (The Honourable Sir Abdur Rahim): The Honourable Members can get the House to reject the Bill later on or have the Act

declared invalid by the Federal Court if it is passed. I hold that the Legislation proposed is rightly entertained by this Legislature.

**Prof. N. G. Ranga** (Guntur *cum* Nellore: Non-Muhammadan Rural): I raise another point of order to show that this Bill is out of order.

**Mr. President** (The Honourable Sir Abdur Rahim): I have held that the Bill is in order.

**Prof. N. G. Ranga**: Sir, this Bill is out of order because under section 103 of the Government of India Act the consent of the Provincial Legislatures should be expressed by Resolutions . . . . .

**Mr. President** (The Honourable Sir Abdur Rahim): I have already referred to section 103 and I have held that it does not apply.

Now, we must go on with the amendments. The question is:

"That clause 23 stand part of the Bill."

The motion was adopted.

Clause 23 was added to the Bill.

**Mr. President** (The Honourable Sir Abdur Rahim): Clause 24.

**Dr. P. N. Banerjea** (Calcutta Suburbs: Non-Muhammadan Urban): Sir, I move:

"That to clause 24 of the Bill the following be added at the end :

'except the High Court under the provisions of sub-section (2) of section 7 of this Act'."

This is a consequential amendment and I hope it will be accepted.

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

"That to clause 24 of the Bill the following be added at the end :

'except the High Court under the provisions of sub-section (2) of section 7 of this Act'."

**Mr. H. Dow**: I accept the amendment.

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

"That to clause 24 of the Bill the following be added at the end :

'except the High Court under the provisions of sub-section (2) of section 7 of this Act'."

The motion was adopted.

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

"That clause 24, as amended, stand part of the Bill."

The motion was adopted.

Clause 24, as amended, was added to the Bill.

Clause 25 was added to the Bill.

**Mr. President** (The Honourable Sir Abdur Rahim): Clause 26.

**Mr. N. M. Joshi** (Nominated Non-Official): May I ask for your ruling? I want to oppose the whole of this clause 26, I have got an amendment. But I first want to get rid of this clause by opposing it. If I succeed in my object, then the amendment will not be moved at all.

**Mr. President** (The Honourable Sir Abdur Rahim): The Honourable Member can speak against the clause later on. I will first dispose of the amendments.

**Pandit Nilakantha Das** (Orissa Division: Non-Muhammadan): Sir, I beg to move:

"That in the proviso to clause 26 of the Bill after the words 'Provided that this section shall' the following be inserted:

'not apply to any area planted with tea for experimental purposes by or with the permission of any Provincial Government; but it shall'."

Sir, this is a simple question. First of all it is not understood ordinarily by outsiders why plantation has been stopped practically for Indian consumption of tea. If tea is now grown in two or three provinces in India, there are other provinces where there may be lands suitable for planting tea. Provincial Governments in their attempt to develop agriculture and industry might try to make experiments in their own provinces for the growth of tea. I think it is right and proper that their experimental attempts should not be prevented by this Legislation. I know that specially in Orissa and the North-West Frontier Province, there may be lands fit for growing tea. In Orissa there is the Koraput range and in the North-West Frontier Province there are the hill sides which are fit for cultivation of tea. At least the Government of those two Provinces ought to be allowed to make an experiment within the period of this Act. I move.

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

"That in the proviso to clause 26 of the Bill after the words 'Provided that this section shall' the following be inserted:

'not apply to any area planted with tea for experimental purposes by or with the permission of any Provincial Government; but it shall'."

**Mr. H. Dow**: Sir, I oppose this amendment. The Honourable Member is perhaps forgetting that this, after all, is a Tea Restriction scheme. Possibly he has been misled by the fact that there is a body called the Indian Tea Market Expansion Board. If the object of this Bill were to expand the tea industry in India, there would be a great deal to be said for his amendment. As it is, the total amount by which the area under tea can be expanded during the whole of the five years of this Agreement is limited to 4,000 acres. If a considerable quantity of these 4,000 acres is going to be allowed to one province such as Orissa, and I would ask you to observe that under this amendment it would be open to a Local Government to use up the whole 4,000 acres in one province by simply declaring that this was for experimental purpose, then there would be no possibility of any expansion of the area elsewhere.

Again, the Honourable Member's amendment is brought under the wrong clause. Clause 26 does not deal with the manner in which the

permissible amount of expansion of tea can be distributed between the various provinces. The proper clause for moving such an amendment would have been clause 27, But, as I have pointed out, Government must oppose this amendment because it would only lead to considerable injustice being inflicted on other provinces.

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

“That in the proviso to clause 26 of the Bill after the words ‘Provided that this section shall’ the following be inserted:—

‘not apply to any area planted with tea for experimental purposes by or with the permission of any Provincial Government; but it shall’.”

The motion was negatived.

**Mr. Kuladhar Chaliha:** Sir, I beg to move:—

“That in the proviso to clause 26 of the Bill for the figures ‘1938’ wherever they occur the figures ‘1933’ be substituted.”

Sir, the object of this amendment is this. Many an Indian tea estate was allowed to uproot their tea plants in 1938 and to replant them afterwards, yet owing to financial difficulties and other reasons, they did not find it convenient to replant the uprooted areas, because, they could not find the necessary funds. By this clause, if we restrict the areas planted with tea on the 31st March, 1938, and no further, and if they are not allowed to replant the uprooted areas without the permission of the Licensing Committee, it will cause real hardship to Indian growers. If an Indian tea grower goes to the Licensing Committee it would be very difficult for him to get the necessary permission and probably he will have to go through the usual rigmarole processes and in ninety-nine cases out of hundred, his application will be rejected. As such it would be very unfair to the small planters if the figures ‘1938’ are allowed to stand in the clause. The whole object of this Bill is not to extend the area of cultivation of tea beyond what was planted in 1933. As the House is aware many tea planters uprooted the tea plants with the object of replanting sometime afterwards when better finances were forthcoming, but their hopes were not fulfilled. Should you on that account restrict the replanting and add to the discomfort, inconvenience and injury of the Indian tea growers? If the figures ‘1938’ are retained real hardship will be caused to them. I hope the Government will support the amendment.

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

“That in the proviso to clause 26 of the Bill for the figures ‘1938’ wherever they occur the figures ‘1933’ be substituted.”

**Mr. P. J. Griffiths:** Sir, I must oppose this amendment, not because I regard it as of any practical consequence, but merely because it cuts across what has been laid down in that agreement between the international sections of the industry which we are trying to implement in this House. According to the international agreement between the Associations concerned, everything is based upon the position in 1938. I do not propose to discuss at the moment whether there is much difference

[Mr. P. J. Griffiths.]

between the position in 1938 and the position in 1933. If there is, in fact, no substantial difference between the position in 1933 and the position in 1938, I can see no possible object in the amendment now moved by my Honourable friend. If on the other hand, there is some substantial difference between the areas planted in 1933 and those planted now, then by accepting his amendment we shall be getting a share for ourselves greater than we are entitled to in the terms of this agreement between the different sections of the industry and should clearly be infringing the spirit of that agreement. On these grounds I must oppose the motion.

**Mr. Kuladhar Chaliha:** Sir, on a point of information, may I ask the Honourable Member whether we are having greater or less area than in 1933?

**Mr. P. J. Griffiths:** It is greater, but it is governed by the provisions of the 1938 agreement and not the 1933 agreement.

**Mr. Kuladhar Chaliha:** Then what will happen to those areas which were uprooted?

**Mr. President** (The Honourable Sir Abdur Rahim): That is a matter of argument.

**Manvi Abdur Rasheed Chaudhury:** Sir, I support this motion. In section 35 of the first Control Act there is a provision that so long as that Act will remain in force, no one shall claim tea in any land which was not planted beyond the 31st day of March, 1933. That is the basis on which we are proceeding. There are many estates which uprooted the trees in 1933 but for want of finances could not plant those areas. Now, if those areas are to be left out of the garden, the garden will suffer in many ways. First of all, the total area as reported in 1933 will have to be changed and the garden crop basis will diminish. So I think the basis on which the last Tea Control Bill started should stand and they should be allowed to replant the trees which were uprooted in 1933 and they should not suffer in point of area. That is the reason why I support the motion. It will be a great injustice if those small estates which uprooted their portion in 1933 on the strength of legislation are now debarred from planting those areas. I support the motion.

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

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The Assembly re-assembled after Lunch at Half Past Two of the Clock, Mr. President (The Honourable Sir Abdur Rahim) in the Chair.

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

"That in the proviso to clause 26 of the Bill for the figures '1938' wherever they occur the figures '1933' be substituted."

The Assembly divided:

AYES—39.

Abdul Qaiyum, Mr.  
 Abdur Rasheed Chaudhury, Maulvi.  
 Aney, Mr. M. S.  
 Asaf Ali, Mr. M.  
 Ayyangar, Mr. M. Ananthasayanam.  
 Bajoria, Babu Baijnath.  
 Banerjee, Dr. P. N.  
 Chaliha, Mr. Kuladhar.  
 Chunder, Mr. N. C.  
 Chattopadhyaya, Mr. Amarendra  
 Nath.  
 Chaudhury, Mr. Brojendra Narayan.  
 Chettiar, Mr. T. S. Avinashilingam.  
 Datta, Mr. Akhil Chandra.  
 Desai, Mr. Bhulabhai J.  
 Deshmukh, Mr. Govind V.  
 Gadgil, Mr. N. V.  
 Ghulam Bhik Nairang, Syed.  
 Gupta, Mr. K. S.  
 Jedhe, Mr. K. M.

Joshi, Mr. N. M.  
 Kailash Behari Lal, Babu.  
 Malaviya, Pandit Krishna Kant.  
 Mangal Singh, Sardar.  
 Misra, Pandit Shambhu Dayal.  
 Mudaliar, Mr. C. N. Muthuranga.  
 Pande, Mr. Badri Dutt.  
 Parma Nand, Bhai.  
 Ramayan Prasad, Mr.  
 Ranga, Prof. N. G.  
 Rao, Mr. Thirumala.  
 Santhanam, Mr. K.  
 Sham Lal, Mr.  
 Siddique Ali Khan, Khan Sahib  
 Nawab.  
 Sikandar Ali Choudhury, Maulvi.  
 Singh, Mr. Gauri Shankar.  
 Sinha, Mr. Satya Narayan.  
 Som, Mr. Suryya Kumar.  
 Subedar, Mr. Manu.  
 Varma, Mr. B. B.

NOES—38.

Abdul Hamid, Khan Bahadur Sir.  
 Ahmad Nawaz Khan, Major Nawab  
 Sir.  
 Aikman, Mr. A.  
 Ayyar, Mr. N. M.  
 Bajpai, Sir Girja Shankar.  
 Bewoor, Mr. G. V.  
 Boyle, Mr. J. D.  
 Buss, Mr. L. C.  
 Chanda, Mr. A. K.  
 Clow, Mr. A. G.  
 Conran-Smith, Mr. E.  
 Dalal, Dr. R. D.  
 Dalpat Singh, Sardar Bahadur,  
 Captain.  
 Dow, Mr. H.  
 Fazl-i-Ilahi, Khan Sahib Shaikh.  
 Gilbert, Mr. L. B.  
 Gill, Mr. H. A. C.  
 Griffiths, Mr. P. J.

Grigg, The Honourable Sir James.  
 James, Mr. F. E.  
 Kamaluddin Ahmed, Shamsul-Ulema.  
 Lloyd, Mr. A. H.  
 Mackeown, Mr. J. A.  
 Menon, Mr. P. A.  
 Metcalfe, Sir Aubrey.  
 Miller, Mr. C. C.  
 Mody, Sir H. P.  
 Rahman, Lieut.-Col. M. A.  
 Scott, Mr. J. Ramsay.  
 Sen, Rai Bahadur N. C.  
 Sircar, The Honourable Sir  
 Nripendra.  
 Slade, Mr. M.  
 Smith, Lieut.-Col. H. C.  
 Spence, Mr. G. H.  
 Staig, Mr. B. M.  
 Stewart, The Honourable Sir Thomas.  
 Sundaram, Mr. V. S.  
 Walker, Mr. G. D.

The motion was adopted.

**Maulvi Abdur Rasheed Chaudhury:** Sir, I move:

"That in part (b) of the proviso to clause 26 of the Bill for the figures '1936' the figures '1931' be substituted and all the words occurring after the word 'uprooted' be omitted."

This is merely a consequential amendment on account of the previous amendment having been adopted.

**Mr. H. Dow:** Sir, I am prepared to accept this amendment. It is a consequential amendment on the amendment which has just been carried.

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

"That in part (b) of the proviso to clause 26 of the Bill for the figures '1936' the figures '1931' be substituted and all the words occurring after the word 'uprooted' be omitted."

The motion was adopted.



**Mr. N. M. Joshi:** I am not moving this amendment,\* Sir, but I am going to oppose the whole clause after the amendments are put.

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

"That clause 26, as amended, stand part of the Bill."

**Mr. N. M. Joshi:** Sir, I rise to oppose the passing of clause 26. This clause prohibits the planting of tea on fresh lands, and I am not in favour of the Government of India passing legislation prohibiting cultivators in this country from cultivating tea or any other thing which they like to cultivate. I can understand the Government of India passing legislation for controlling the export of tea, because when we export our tea it comes into competition with the tea of other countries. If other countries do not require more tea than can be supplied profitably, I have no objection to the Government of India placing a control on tea which is exported. But, Sir, I am opposed to the control and prohibition of the production of tea in this country. We are not producing enough tea even for the people of this country. At present the tea which is available for consumption in this country is about one quarter of a pound per individual. Nobody can say that that one quarter of a pound is over-consumption of tea. Sir, people in this country require more tea to be produced. It is true that the people who have invested their money in the industry say that they cannot sell any more tea in this country, and the reason why they cannot sell any more tea in this country is quite obvious to my mind. Tea is sold at such high rates that the poor people of this country cannot drink tea at those high prices. It is also necessary, if the production of tea is to be controlled, to prove that the production of tea cannot be increased without the tea industry being made unprofitable. The Government of India have made no inquiry at all into this question. There are, of course, figures supplied by the planters. It is to their interest to show that they cannot make profits, but the Government of India must, in the interests of the consumers of this country, make an inquiry. Whenever an industry has gone to the Government of India for protection, they have always insisted upon an inquiry being made to ascertain the actual financial condition of the industry, and whether the industry is making a profit or not. In the case of the tea industry you cannot say that it is not making a profit. The average rate of profit in this industry is about 13 per cent. Who can say that it is not making a profit?

Then, Sir, the industry has to make out a case that the production is carried on on efficient lines. Nobody has shown that the industry is being conducted on efficient lines. . . .

**Mr. F. E. James:** Nobody has shown that it is not.

**Mr. N. M. Joshi:** It is not the business of the Legislature to show that the industry is conducted on efficient lines; it is the business of the people who come to the Legislature to show that they are conducting

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\*"That to clause 26 of the Bill the following further proviso be added:

'Provided further that nothing in this clause or in the other clauses in this Chapter shall apply to the planting of tea intended for consumption in India'."

the industry on efficient lines. The Government of India have insisted upon this, that whenever an industry asked for protection, it must make out a case before a body of expert people. The industry has not made out any such case. The real position in this country is, the middlemen are making the largest amount of profit. It is said that planters generally get four to five annas a pound, but if you go to the market you cannot get ordinary tea for anything less than eight annas a pound. Certainly, the distribution should not cost so much from the producers to the retailers. If ordinarily the middlemen have been making a reasonable profit tea could be sold in the Indian market for five annas a pound or even less. The fact is that the middlemen are allowed to make very large profits. It is not to the interest of the big organized planters to control the profits of the middlemen because some of the producers are themselves middlemen. But, Sir, it is the business of the Legislature to see that the middlemen can only make reasonable profits. So long as the investors, the planters and their organisations can make profits they do not care to produce more tea. Their business is to make profits, not to supply tea to this country. If they can make profits by reducing and restricting the production of tea, they would prefer it, so much less trouble for them. If they make a profit of, say, a crore of rupees by producing only 500 million pounds of tea, why should they take the trouble of producing 700 million pounds of tea and make the same profit? It is not to their interests at all. The investors, planters and their organisations are put to make profit in whatever way they can. Their main interest is not to supply tea to the country. They, therefore, come to the Legislature and ask for restriction on the production of tea so that they can easily make profits, but it is for the Legislature to see whether the restriction is necessary or not, because the restriction of tea hits many interests in this country which are more important to the country than the interests of the planters themselves. The number of planters, the number of people who invest their money in this industry is a very small one compared to the number of people who drink tea, even compared to the number of people who work on the plantations. Why should the Legislature sacrifice the interests of the people who drink tea and of the people who work on the tea plantations, in order that the planters may make easy profits? I am not against their making profits; by all means let them make a reasonable profit. Let them make a reasonable profit in such a way that the interests of the consumers will not suffer, that the interests of the people who work on the plantations will not suffer.

**Mr. M. Ghiasuddin** (Punjab: Landholders): What is your idea of a reasonable profit?

**Mr. N. M. Joshi:** By reasonable profit, I mean, let the investors not make more than one or two per cent. beyond what they can get from Government securities; we can decide that point by investigation.

But, Sir, I think this control has been against the interests of the workers also. My Honourable friend, Mr. Gadgil, the other day gave figures showing that on account of this control, since 1933, the wages of workers on the tea plantations have gone down, in some cases they lose two annas, and in some cases they lose more than one anna. This control clearly is not in the interests of the workers. They have suffered on account of this control; the consumers have suffered on account of this control, because they could have got tea more cheaply if there had been no control. Then why should we agree to this control,

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and agree to it without any investigation? Let the planters make out a case before an expert body that they cannot produce tea more cheaply than they are doing, that the profits made by the middlemen are reasonable, then they can come to the Legislature and the Legislature may agree. It may be said that they have got some body which makes propaganda for more sale of tea. Unfortunately, I do not know what that body is doing. My own feeling is that, so long as they can make profits quite easily on account of the control, that Committee which practically consists of the same people will not make serious effort for the sale of tea. Those who make propaganda are the same people who produce tea; those who are middlemen are practically the same people as produce tea. They have made a combine and that combine is working against the interests of the people who drink tea and also against those who work on the plantations. I, therefore, hope that the Assembly will not accept this clause.

**Mr. K. Santhanam:** I want to oppose this clause on two grounds. One is that both the Government Benches and the European Group who are the sponsors of this measure are never tired of lecturing to us on free trade. They say that so far as Indian interests are concerned there must be *laissez faire*, but when their vested interests are concerned, they come down to us and say, "No *laissez faire*, no free trade; we should have crop planning; we should have limitation; we should have control." I want the Government to give us an assurance that the same principle will be adopted in the case of cotton, in the case of sugar and other agricultural commodities in this country. Where our poor peasants are concerned, they do not want any crop planning, they are willing to let things go to the dogs and ask us to compete with the world. But when it comes to tea they say, "We have invested hundreds of millions, let us limit the area, and let us have good profits. Let the consumer pay in order that the investor may have good profits".

The second point I want to urge is that on the 1st April, 1937, the new Provincial Governments have come into existence. Agriculture and crop planning are essentially provincial subjects. Today the Central Government is usurping the powers of the Provincial Governments in these subjects. I am not taking any point of order, or legitimacy or any other constitutional point, but I am dealing with a substantial matter. This Legislature, which is hardly representative, which is out of date, is called upon to interfere with the powers of the Provincial Governments. If this matter had been left to the free will of the Provincial Governments, they might have adopted this control subject to limitations. They may say, "There are lots of poor growers, there are lots of small cultivators. We are going to give them scope to expand, or right of unlimited expansion, that every man who has five acres will be allowed to expand to ten acres and so on. But we do not want to encourage planters with 1,000 or 2,000 or 5,000 acres. We want our small cultivators to prosper". We are taking away the powers of the popular ministries of the responsible Governments to do that. It is laid down that for five years altogether no tea cultivation shall be expanded or it shall be expanded by only half a per cent., and even that half per cent. shall be expanded only at the sweet will of the Licensing Committee which is preponderatingly a committee of big planters. I have no quarrel with the tea industry. I admit that it is one of the

big industries. At the same time, both those who are in charge of that industry and the Government of India should see that it is progressively nationalised. It may be that the Europeans have got 88 per cent. today and Indians only 12 per cent. But unless an arrangement is come to by which from 12 per cent. we can go up to 50 or 60 per cent. in the next ten or 15 years, every help given to the tea industry would, in the long run, amount to the bolstering up of foreign vested interests, would amount to a campaign against the freedom of this country. On these two grounds I oppose this clause.

I doubt very much whether the consent of the Governors which is alluded to in the Statement of Objects and Reasons was given after the Congress Ministries came into power. I should like to have an assurance on that subject; probably this consent was obtained when the interim Ministries were in being. I do not know, and I would like to have an assurance from my Honourable friend, Mr. Dow. According to my calculation there was not sufficient time for the Congress Ministries to consider it. I wrote to one of the Ministers of the Madras Government who said that it was not in his jurisdiction. So, I have not been able to get certain information. If the consent has not been obtained from the Congress Ministries, I would suggest to the Government that they should again seek their consent: otherwise, I give a reasonable warning they might go in for trouble. The Congress Ministries might contest the legitimacy of this whole proceeding and if they take it to the Federal Court the whole Bill will go to pieces. As my Honourable friend, Mr. Sri Prakasa, points out, some new clauses have been interpolated in this Bill and they would not have got the consent of the Provincial Governments for these new clauses. I shall leave such matters to be decided between the Provincial Governments, the Central Government and the Federal Court, but my objection is more substantial. Unless the Government of India are willing to say, "We have given up this policy of *laissez faire* for Indian interests also. We shall not say that they should face the world of free competition",—unless they are willing to adopt the same principles for other Indian commodities, namely, crop planning, regulation of export, and so on, which more vitally affect our poor peasants, and unless the European planters hand over their estates in an increasing measure to the Indian planters,—I am afraid, I cannot support this clause. It is in that way that they can get stability in this country. If they want to tighten the hold on the tea estates, I am afraid, they are going in for trouble. With these few words, I oppose this clause.

**Mr. Suryya Kumar Som** (Dacca Division: Non-Muhammadian Rural): This section 26 introduces a most dangerous and vicious principle. By quite opposite argument Government have up to this time refused to take any action in regard to the cultivation of jute in Bengal. For the last 20 years Bengal peasants were producing jute and got a price which did not even pay for the cost of production and for the last few years in Bengal, we have been trying to induce the Government to enact a law to regulate the production and to fix the lowest price but Government has come always with high commercial philosophy that it is interfering with free trade, commerce and all such things, but here we find the position is quite the reverse. Here the cultivator is the European and the producers of jute in Bengal are poor peasants. Therefore, you come to the help of the European and a different philosophy has been developed. I would ask my European

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friends if they have ever thought of the Bengal peasants. You stand against the control and production of jute and this year the Bengal Ministry is tottering on that very question of restriction of production and the fixing of price. Yet, the whole European group and the Governor compel the Ministry not to proceed in that way and here in this Assembly where all the provinces are represented, I find a fine principle has been enunciated in this section 26 that no more tea should be grown in India. What has happened here is that Indian planters have been told that unless they accepted this principle which is a proposal of the International Agreement the whole agreement will be given up and the Bill will not be proceeded with. So, they were compelled to accept the principle on the point of bayonet and not to oppose it.

I am very glad that my friend, Mr. Joshi, has tabled an amendment which seeks to protect the small cultivators from the clutches of this law. In Commilla, Assam and in the Kangra Valley there are petty cultivators who are like the jute growers in Bengal. They cultivate two, three or six bighas of land, which enables them to earn some extra money by which they can manage their rents, purchase of cloth and other necessities. So they use it as a kind of cottage industry. These teas are not prepared in the scientific way and it does not compete with the tea produced in the gardens. These are most ordinary teas sold in the village market for the use of the villagers. It is just like the salt which is produced in the sea side. There is a large class of poor cultivators who dry the tea in the sun and take it to the market. They sell it to the poor people. Often times the gardens also purchase from them and they apply their scientific processes and improve the quality of tea. Those are the persons who will be saved if this amendment of Mr. Joshi is carried.

**Mr. H. Dow:** On a point of order. The Honourable Member seems to be addressing the House on an amendment which has not been moved. Mr. Joshi's amendment has not been moved.

**Mr. Suryya Kumar Som:** That may be so, but I oppose the whole clause 26. It involves a dangerous principle. If we accept this principle, I don't know how far its tentacles will spread. I appeal to the House to throw out the whole section.

**Mr. P. J. Griffiths:** I can quite sympathise with the very natural dislike of my Honourable friends of the placing of restrictions upon cultivation of any kind in this country, but I can only suggest that that dislike has not been based upon any careful study of the figures of production and export as they exist in this country today. My Honourable friends have shown great anxiety for the right to inspect the records of the Indian Tea Licencing Committee. I can commend to them a most thorough inspection of those records from which they will discover that the production of tea in India today is somewhere about 520 million pounds. A further inspection of those records will show them a still more startling fact as to the exports of tea from India. The export today amounts to about 340 million pounds. You have thus a margin of 180 million pounds between what India can produce and what India can export. As against a margin of 180 million pounds your figures of consumption of tea in this country at present amount to slightly less than 90 million pounds. Your available tea for sale in this country is already about twice the total possible consumption and

that in spite of the fact that tea is being sold in this country today at a price somewhat less than the actual cost of production to the tea estate. Thanks to your present restriction scheme, the whole burden of restriction is thrown upon the foreigner and in this country we have the advantage of buying tea from tea gardens at 4 to 5 annas a pound, although it costs six annas a pound to produce it. That is the state of affairs even where there is as much tea for sale available in this country as can possibly be sold. (*An Honourable Member*: "What about jute?") We are not talking about jute now. We are talking about tea.

Under these circumstances what possible gain could there be in throwing open to cultivation wide new areas and increasing your figure of 180 million pounds perhaps to three hundred million pounds?

But there is a very much more serious aspect of the matter than that. We are today trying to carry out an agreement which has been arrived at by the industries of India, Java and Ceylon and with regard to which we in this country are alive to our full sense of good luck. If we abandoned this and Java had found itself willing to enter into this particular agreement—possibly, (*An Honourable Member*: "Oh!")—my Honourable friend says "oh",—instead of saying "oh", if my Honourable friend would spend a little time in studying the figures as to the cost of production in the countries concerned, his "oh" might change to a note of lamentation. He might find that at this day the cost of production of tea in Java is considerably less than the cost of production in India. If you abandon your control scheme, Java will very easily under-sell us in the world's markets for the simple reason that its cost of production is less than ours.

Now, the International Agreement which we are trying to implement lays down two things. It lays down that the quantity of tea exported from the signatory countries shall be rationed and it also lays down that the extensions of cultivation in those countries shall similarly be rationed. If you give up one part of the agreement, you give up both. Do not let Honourable Members live under a delusion. Do not let them think that Java and Ceylon are so simple that they will sign an agreement with us and will then allow us to tear up a half of that agreement, and do you expect them to be bound by the other half? If today you take out this clause from this Bill, you destroy the International Agreement and there is not the least doubt that Java will regard that agreement as not binding on it,—they will proceed to sell their tea at a rate cheaper than we can hope to sell our tea and they will have no hesitation whatsoever in under-cutting us. Who in India is likely to be benefited by stimulating Java to embark on a process of doing us down by selling tea more cheaply than we can? If the Honourable Member's amendment means that there should be no agreement at all, if that is the thing they desire, I have nothing further to say. But if they feel that, to protect ourselves against competition from Java and from Ceylon, some kind of agreement is necessary, they must accept the logical consequence of that and they must stand by the main points of the agreement. I appeal to Honourable Members not to try, for the sake of securing a point in this House, to tear up an agreement upon which the prosperity, nay, the employment of eight hundred thousand labourers in this country at this day depends.

**Prof. N. G. Ranga:** Sir, I am rather surprised at the eloquent but misplaced advocacy of my Honourable friend, Mr. Griffiths, in support of this clause 26. Sir, if he seems to think that people in Java and Ceylon are

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as foolish as those in India, I am afraid, he is mistaken. If really it is to the interest of Java and Ceylon planters to under-sell Indian tea, I do not know why they have been so foolish and stupid as to embark on this International Agreement and cut down their own production of tea and accommodate these Indian planters. If they can produce it at a very much cheaper cost and if they can dump their tea upon the world's market by their cheaper production of tea, I do not know what on earth has prevented them from adopting that course. If it is because of their fear of any sort of competition with Indian planters, then what has prevented them? Is it the British Government? Well, they have not got that much control over them as over this country. Then it must be some other cause and that is their own fear that they will not be able to under-sell Indian tea. Secondly, my Honourable friend wants us to believe that India will not be able, or India is not able to consume all the 180 million pounds of tea available in India. But he seems to have made some mistake in certain figures. He has not given us the actual production of tea; he has only given us figures for the potential production. . . .

**Mr. P. J. Griffiths:** The figures relate to the amount of tea produced in India between 1929 and 1932—before the restriction came in.

**Prof. N. G. Ranga:** Was it 520 million after restriction? I do not know what the Honourable Member was referring to. What is India producing? If he has got later information, I do not know what it is. Anyhow, it is only the potential productive capacity. The full production of tea is not being carried out. If that is not being produced, I want that to be produced, but I find that this particular clause is going against that. It prevents any further production of tea in any area other than the one where it has been grown all this time. He seems to think that India is not capable of consuming the ninety million pounds of tea that we produce. I should certainly say, however, that India would be quite in a position to consume all that if only genuine efforts are made in this country to popularize the consumption of tea. Who is opposing the consumption of tea except my Honourable friends, Sir Zafrullah Khan and others? Most of the people are in favour of the expansion of the consumption of tea because it provides a very cheap and healthy beverage for the ordinary people. But it is not made sufficiently cheap and that is my contention. He says we are selling this tea at a very much lower price than the price we charge to the rest of the world. I do not know how far he is correct. I wish to be convinced, but I cannot be convinced by any juggling with figures such as my Honourable friend has indulged in. I can tell him this that in India today millions of pounds of foreign tea are being consumed. Tea is being exported from this country to other countries, but this is again being imported into this country in a refined form in nicely packed tins,—for instance, china tea, and so forth. Rowntrees, and so many other people producing tea which tea is being imported here . . . .

**Mr. F. E. James:** My Honourable friend is making a slight confusion between chocolates and tea.

**Prof. N. G. Ranga:** I only wish that chocolates also could be sold just as freely here as tea is being sold, but tea in a refined form and packed in nice tins is being today imported into this country and being consumed here . . . .

**Mr. P. J. Griffiths:** From which country?

**Prof. N. G. Ranga:** From England and from other countries. Well, Sir, it may be that my Honourable friends have got so much interest even in these firms that are importing tea into this country that they are taking up this attitude. Anyhow this imported tea is being consumed in this country, and to that extent I make a present of it to my Honourable friends, *viz.*, the idea that they should prohibit the importation of such refined tea packed in nice tins.

Secondly, he says—who will be benefited in India if this clause were to be defeated and the expansion of the area under tea were to be thrown open? Well, all those people who are today prevented from raising it,—all those provinces in which it is impossible for anybody to raise it. Why is it that they should be prevented from raising it? You should not object if they are able to make as good profits by their own crops, as you are able to make through your cultivation of tea. You should be able to convince them that even if they are debarred from growing this tea in any province, they are enabled to maintain themselves on as good a standard of living as my Honourable friends and their relatives are able to maintain themselves. They are not able to show that. On the other hand, it is not only these highly paid people like my Honourable friend, Mr. Griffiths, but also several others in England who are being paid very remunerative salaries. All these people are able to draw these salaries and all these profits out of agriculture. Has anyone come across any ordinary Indian peasant who is able to draw as much as Rs. 2,000 per mensem as his income, not even as his income but as his salary? Not one. And here are these tea planters who are able to make huge profits. I find that there are some friends on my own side who are so much obsessed with their own small plantations as to go and join hands with these wonderful people who have got 88½ per cent. interest in the whole industry and then they ask us: Do support this industry. That is the most unfortunate part of the whole thing. One Indian gets a job and he wants us to support the whole of this industry. One man gets only 1 per cent. out of this industry and he wants us to support the whole of this industry irrespective of the fact whether that industry is really benefiting India or any other country but India. (Interruption by Mr. P. J. Griffiths.) I am glad my Honourable friend, Mr. Griffiths, has remembered at least that there are 800,000 Indian labourers employed in this tea industry. I have a charge to make against this industry. If it is able to pay as much as 13 per cent. of profits every year, it is because it has thrived on the blood and bones of the Indian workers.

**Mr. President** (The Honourable Sir Abdur Rahim): The Honourable Member is making a third reading speech.

**Prof. N. G. Ranga:** For ages and ages these Indian labourers have slaved for these people, and what is it they have done for them? What is it they are doing even today? Are they paying at least half as much wages as it is possible for them to get at other places?

**Mr. President** (The Honourable Sir Abdur Rahim): The Honourable Member should confine his remarks to clause 26.



**Prof. N. G. Ranga:** I maintain that these people cannot really claim that for the sake of labour we should agree with them in passing this particular clause. On the other hand, if we were to protect the workers, we should certainly tell these people that we are not going to pass this clause because we want these labourers to remain in their small holdings and make their profits.

Then, I come to another point. When the Government of India Bill was on the anvil, much was made out of Indian Legislature's anxiety to discriminate against the foreign capital and foreign capitalists and that is why so many commercial safeguards are to be found in the Government of India Act. Then they were so much anxious that we should not interfere with them and I fail to see why they should now come to us and ask us for special protection. Why are they reposing so much trust in us now? It is because they have got this Government on their side. Why should they not wait till the Federation comes and then come to this House? Then, they have given a very good proof of what India thinks of these vested interests. But they say it is only for five years. It may be for five years but there are the peasants in the Bombay Presidency who are suffering because the prices of their cotton have gone down. What has this Government done to them? Has it proposed any . . . .

**Mr. President** (The Honourable Sir Abdur Rahim): I think the Honourable Member had better leave the cotton alone. This Bill has nothing to do with cotton.

**Prof. N. G. Ranga:** I want the Honourable Member in charge of this Bill to give us an assurance that he is prepared—and the same thing was asked by my Honourable friend, Mr. Santhanam,—to bestow the same amount of care towards the welfare of those people who grow their crops as he thought it his duty to give so much of his time and the time of the House over this particular Bill. Then, Sir, why have they come to this decision that no other peasant should be allowed to raise any more tea? Who has authorised them to do so? Has there been any sort of a Committee to go into this whole affair? Has anybody made any sort of impartial and scientific investigation and shown to the satisfaction of the Government that there is a need for the protection of this industry because this industry is not able to make sufficient profits? Somebody has asked: What do you mean by "sufficient profits"? I agree with my Honourable friend, Mr. Joshi, when he said that it need be at best 2 per cent. and at worst 1 per cent. more than what the Government is prepared to pay in the open market for raising its own loans. In that case, the profit can only be 5 per cent. But this industry is making as much profit as 15 per cent. and I do not see any reason why other peasants should be prevented from raising their own tea. Sir, most of our peasants are not able to make their both ends meet and yet they are not given this opportunity of raising their own tea. On the other hand, we are asked to go out of our way and tell these people: Although there is this industry by pursuing which you will be able to make good profits, yet you shan't do this because our Government is on the side of these European planters and a few Indian planters. Therefore, for the sake of their profits, you must be prevented from earning your livelihood. Is that right, is that correct, is that just, I ask?

Then, Sir, usually whenever a large claim is made it is only fair for the Government to try to order an impartial inquiry. Have they appointed any Committee in the present case? Have they made any official inquiry to satisfy themselves that this industry is really badly in need of this legislation and whether by doing this they will not be creating an invidious distinction against any other industry? If they have done so, where is that report? I do not know who has prepared that report. It may have been prepared by a man of the type of Mr. Griffiths who has the interests of this industry very much at heart. Sir, the great need of this country is planned economy and planned crop cultivation. We have been asking for it for a long time. There was a crop planning Conference in 1934 but this thing was not then properly discussed. There was no decision arrived at at that Conference at that time. Has there been any other Conference since then? If the Indian cultivators are to be asked to agree to a clause like this, then they should be satisfied and assured that every possible opportunity is given to them to examine the reasonableness of a claim like this and it is only fair to the Indian tea planters that they should be given this particular right as against all others. Have they been given such an opportunity? No attempt has been made to show that this particular proposal is made because of the conviction of the Government of India that a proper crop economy has been developed and as a result of which this much right should be given to the crop planters. Has any such attempt been made? Therefore, I say that it is unreasonable on the part of this Government to come here and ask the House to agree to this clause.

Then, Sir, there is the other point. What attempts have these people made to expand the market for tea grown in this country? They ask me to look at this Tea Expansion Board. They get mostly English and partly Indian officers. They always say: "We are trying to do what we can to push up the sale of tea in this country". But is that enough? Remember the prohibition is coming in in as many as seven provinces in a short period of three or at the most five years when millions and millions of people will want more and more tea. You have that market before you and along with it the rosy prospects for this industry. What is it that these people want to do now? They do not want to extend the cultivation at all. But they want to be able to produce another 90 million lbs. of tea and sell it at the present rate, if not higher rate and pocket the profits for themselves. They do not want anybody else to share in the profits. (Interruption.) Yes, I know in Russia there is crop control. I only wish that my Honourable friend would go and convince his own Premier, Sir Sikandar Hayat Khan, to bring about crop control for his own crops and thus benefit the cultivators there. He will not do that. He comes here and tells us, do you agree to monopoly by these Europeans and the exploitation of India by Europeans. I am not at all afraid of these Europeans. As long as these people are able to carry on their monopolistic interest in this country and they do not even follow the advice given by the External Capital Committee in which it was stated that all those concerns which are thriving on foreign capital should try and take in as many Indian directors, as many Indian shareholders and as many partners as possible, they cannot get any quarter whatsoever from this part of the House. When prohibition is being introduced . . . . .

**Mr. President** (The Honourable Sir Abdur Rahim): The Honourable Member has already harped on that point.

**Prof. N. G. Ranga:** When the market for tea is being expanded, it is only fair that Indian cultivators should expect to get their proper share of the benefits that would accrue as a result of increased demand of tea. They are being denied that particular share because of this particular clause.

Here is an amendment moved by my Honourable friend, Pandit Nilakantha Das. I do not question the wisdom of the decision arrived at by the House a short while ago. By the decision which the House arrived at, it has prevented effectively any Provincial Government, like Orissa and North-West Frontier Province, from even making an attempt to cultivate tea and see whether the cultivation of tea will be profitable in that particular province and whether it can be spread at all in that province. Even if this particular industry and the planters interested in it were to be able to thrive only by preventing even experiments being made by responsible Provincial Governments in the country, then, Sir, I say that this industry has absolutely no claim for obtaining the assistance and the co-operation and the protection from this House. Therefore, I oppose the clause.

**Mr. H. Dow:** Sir, the Honourable Member who spoke last can always be relied on to produce an amusing interlude, and I am rather unhappy to feel that it is my duty on this occasion to bring the House back to a very serious issue that now faces it. If this clause is rejected, it certainly means the end of the International Agreement. Under the International Agreement, Ceylon and Java have agreed not only to restrict their exports, but to restrict their cultivation. It is not reasonable to suppose that they would still hold to that agreement if this country rejects one of the principal parts of it. My Honourable friend, Mr. Griffiths, has already given you the figures of production; he has told you that the potential production of tea in this country is 520 millions of lbs. My Honourable friend, Prof. Ranga, referred to the word "potential", and seemed to think that the word indicated that although the potential production of tea was 520 million lbs., the real production might be something very much less. Earlier in these debates, we heard a good deal about the small tea producer, and the necessity for treating him more generously. But on what is the case of the small tea producer almost invariably based? It is that the crop bases, which were fixed with reference to the figures of 1929 to 1932, are too low, and that nowadays he is producing not less, but more, tea. Taking, however, the figure at only 520 million lbs., the export allotment is 340 million lbs., leaving available for consumption in India 180 million lbs. The highest figure of consumption so far reached is only 90 million lbs., and the House is aware, and everybody in the tea trade or connected with it is aware, that the price at which this tea is being sold in India is under the cost of production.

It has been suggested that even if you tear up this agreement, you will not get over-production in the other countries, or tea coming into India. If you will look at past figures of the trade, you will realise that it is not long ago since large quantities of foreign tea were imported into India. So, I do want Honourable Members, on both sides of this House, to realise that they are up against a serious issue. If they are going to reject this clause altogether, they are taking the risk of plunging the industry back to where it was in 1932, when, with the unanimous consent almost of this House,

it was realised that a restriction scheme had to be introduced in order to save not only the capitalist in the industry, but those 800,000 labourers whose interests Prof. Ranga has so much at heart.

There is one minor point I wish to answer. My Honourable friend, Mr. Santhanam, asked whether consultation with the Provincial Governments took place after, or before, the present Congress Governments came in. It took place before: it also took place after; and on both occasions, we have received the permission of the Governments to undertake this piece of legislation, Chapter III of which more concerns, as the House is aware, the Provincial Governments than the Central Government.

I hope, therefore, this House will realise that they are now facing a very serious issue, in spite of the humorous speech which we have had from Prof. Ranga.

**Dr. P. N. Banerjee:** Is the Honourable Member entitled to cast any reflection on a Member of the House by referring to his speech in the way he does.

**Mr. H. Dow:** God forbid that in this House the attribution of a sense of humour should be considered a reflection.

**Mr. President** (The Honourable Sir Abdur Rahim): That is no reflection.

The question is:

"That clause 26, as amended, stand part of the Bill."

The motion was adopted.

Clause 26, as amended, was added to the Bill.

**Mr. Akhil Chandra Datta:** Sir, I beg to move:

"That to sub-clause (2) of clause 27 of the Bill the following be added at the end:

'provided that the Indian State of Tripura may be deemed to be part of the province of Bengal for the purposes of this section by the Committee with the approval of the Governments of the State and the Province'."

The intention of this amendment is this. Clause 27 is under Chapter III which regulates control over the extension of tea cultivation. Clause 26 lays down that there can be no new extension of tea cultivation without written permission granted by or on behalf of the Committee. That written permission is provided for in clause 27 which lays down the maximum permissible extension in sub-clause (1), namely, one-half of one per cent. of the total area of the whole of India. Then sub-clause (2) provides that one-half of one per cent. shall be distributed between the different provinces. My amendment aims at this that so far as the Tripura State is concerned, it may be deemed to be part of Bengal under this clause 27. This does not touch the other provinces at all. The question may be raised that it may affect the province of Bengal. To that question my answer is this. The total allotment to Bengal out of this half per cent. during the last regulation period was 990 acres. It appears that in Bengal out of these 990 acres applications were made by several estates. Although the applications were allowed in full, still only 149 acres could be allotted, because these allotments are made on certain principles, with the result that out of 990 acres allotted to the province of Bengal as many as 841

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acres were held in reserve and could not be disposed of. My amendment only proposes that the Tripura State, where almost all the gardens are new and undeveloped, may be deemed to be a part of Bengal so that the undisposed of portion of the allotment or some portion of it may go to the Tripura State. It does not touch anybody; it does not touch other provinces and it does not in any way affect Bengal.

Sir, I move.

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

"That to sub-clause (2) of clause 27 of the Bill the following be added at the end:

'provided that the Indian State of Tripura may be deemed to be part of the province of Bengal for the purposes of this section by the Committee with the approval of the Governments of the State and the Province.'

**Mr. P. J. Griffiths:** Sir, as far as the Indian Tea Licensing Committee or the Indian Tea Association are concerned, we have no hesitation whatever in accepting the principle contained in this amendment.

**Mr. K. Santhanam:** Sir, can we legislate for Indian States even conditionally? I think it is out of order.

**Mr. H. Dow:** Sir, on behalf of Government I should like to say that they have no objection whatever to the principle which is embodied in this amendment; but I do think that it is objectionable to incorporate into legislation of this kind a matter which depends on an agreement between the Government of a province and the Government of one of the Indian States. I would suggest to the Honourable Member that if he is satisfied with the assurance, which I am prepared to give, that Government will raise no objection to an arrangement of this nature if the Provincial Government and the State of Tripura are able to agree, then perhaps he will see his way to withdraw this amendment.

**Mr. Akhil Chandra Datta:** Sir, in view of the assurances given by Mr. Griffiths on behalf of the Licensing Committee and by Mr. Dow on behalf of Government, I ask for leave of the House to withdraw the amendment.

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

**Mr. Akhil Chandra Datta:** Sir, I beg to move:

"That after sub-clause (3) of clause 27 of the Bill the following new sub-clause be added:

'(4) The Committee shall grant permission for replanting new areas to the tea estates in accordance with rules to be prescribed upto a total area in each province as may be determined under sub-clause (3) provided that permission shall be granted to extend an existing area planted with tea only to a tea estate of which the total existing area planted with tea does not exceed 300 acres where the estate is owned by a limited liability company or 150 acres where it is owned by any individual proprietor or proprietors.'

In moving this amendment I shall only say this that I am not introducing any new principle. It is based on an old principle which has been acted upon all these five years,—the first part of the regulation.

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

"That after sub-clause (3) of clause 27 of the Bill the following new sub-clause be added:

- (4) The Committee shall grant permission for replanting new areas to the tea estates in accordance with rules to be prescribed upto a total area in each province as may be determined under sub-clause (3) provided that permission shall be granted to extend an existing area planted with tea only to a tea estate of which the total existing area planted with tea does not exceed 300 acres where the estate is owned by a limited liability company or 150 acres where it is owned by any individual proprietor or proprietors."

**Mr. P. J. Griffiths:** Sir, I am quite prepared to support this amendment; for, it in fact embodies a principle which is already being carried out under the current scheme. The Tea Licensing Committee is already granting extensions to estates of companies with less than 300 acres or of private proprietors with less than 150 acres. We have no hesitation in supporting this amendment, but I should like to suggest one small change in the shape of a further proviso at the end of the proposed sub-clause, namely:—

"Provided further that the Committee shall also be empowered to grant extensions for the Tocklai and Nellakotta experimental stations."

These are stations where research work is already being carried on in regard to the production of tea, and it may so happen that small extensions will be needed there. I understand that this is likely to be accepted by the Honourable the Mover.

**Mr. Akhil Chandra Datta:** Sir, I am prepared to accept this.

**Maulvi Abdur Rasheed Chaudhury:** Sir, I am opposing the original amendment as well as the amendment proposed to it. My point is that in the existing Tea Control Bill no such provision appears, and in the instruction given by the London Sub-Committee they have simply mentioned that permission for extension should be given to imperilled estates only. The Honourable the Mover of the original amendment wants to confine such estates only to those which have been mentioned by him, that is by "imperilled" he wants in the case of a company, an estate with 300 acres and in the case of an individual tea garden, an estate of 150 acres. I do not like that that should meet with the wishes of the House. In the existing Act, which estate is imperilled and which is not, was left to the Committee to decide, and in the last five years the Committee managed their affairs in such a way that nobody had any complaints to make about their working. So, the Mover of the amendment has not made out a case for inserting this new clause. I would leave it as before to the Committee to decide which estate is imperilled and which is not. I am supported in my view because the London Sub-Committee also left it to the Committee. I do not like to bind the hands of the Licensing Committee by limiting them to the two kinds of estates mentioned by the Mover. I want to leave it to the discretion of the Licensing Committee to find out which estate is imperilled and which is not, and I would not put any control over their discretion. So, I oppose this amendment.

**Mr. Kuladhar Chaliha:** Sir, this amendment does nothing more than embody the rule which the Indian Licensing Committee has had under the

[Mr. Kuladhar Chaliha.]

previous Act. I shall read from the rule itself, which defines what is an "imperilled estate". If Mr. Abdur Rasheed Chaudhury had read it there would have been no trouble at all.

"Under Clause 6 of the International Agreement between India, Ceylon and the Dutch East Indies 'existing tea areas must not be extended during the said period of five years except in special cases where the existence of an estate would otherwise be imperilled'. An economic unit (which means the area planted with tea which it is possible to work without loss) shall be considered to be 150 acres in the case of an estate owned by a proprietor or proprietors, or 300 acres in the case of an estate or estates—which shall be reckoned as one unit—owned by a limited liability company. No permission to plant tea can be given to a proprietor or proprietors of an estate or to a limited liability company owning an estate or estates where the existing area planted with tea exceeds the said economic unit figures respectively."

So, the Indian Licensing Committee followed exactly the procedure which we are trying to provide here and we are not doing anything further. I do not think, therefore, that Mr. Rasheed Chaudhury is right in opposing this amendment. In the fitness of things and for the consideration of the small tea growers I think we should allow this rule to go into the Statute-book, so that automatically small tea growers can cultivate up to the limit of 150 acres. Probably this will meet with the objection of Mr. Rasheed Chaudhury. The small tea growers will be glad to hear of this provision and they can extend up to 150 acres if they like. I trust Mr. Rasheed Chaudhury will not oppose and that the House will accept this as it needs no further discussion.

**Mr. H. Dow:** Sir, Government are prepared to accept this amendment, with the addition made by Mr. Griffiths.

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

"That after sub-clause (3) of clause 27 of the Bill the following new sub-clause be added:

"(4) The Committee shall grant permission for replanting new areas to the tea estates in accordance with rules to be prescribed upto a total area in each province as may be determined under sub-clause (3) provided that permission shall be granted to extend an existing area planted with tea only to a tea estate of which the total existing area planted with tea does not exceed 300 acres where the estate is owned by a limited liability company or 150 acres where it is owned by any individual proprietor or proprietors:

Provided further that the Committee shall also be empowered to grant extensions for the Tocklai and Nellakotta experimental stations'."

The motion was adopted.

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

"That clause 27, as amended, stand part of the Bill."

The motion was adopted.

Clause 27, as amended, was added to the Bill.

Clause 28 was added to the Bill.

Clause 29 was added to the Bill.

**Maulvi Abdur Rasheed Chaudhury:** Sir, I move:

"That in sub-clause (1) of clause 30 of the Bill the words 'with the previous permission of the Committee' be omitted."

I understand that this amendment will be accepted by the Government and so I do not like to make any speech. Sir, I move.

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

"That in sub-clause (1) of clause 30 of the Bill the words 'with the previous permission of the Committee' be omitted."

**Mr. H. Dow:** Sir, Government are prepared to accept the amendment.

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

"That in sub-clause (1) of clause 30 of the Bill the words 'with the previous permission of the Committee' be omitted."

The motion was adopted.

**Mr. H. Dow:** Sir, before you put the clause, I would like to draw attention to a printing error in the first line of sub-clause (4) of this clause: sub-section (2) should be sub-section (3): it is a mere printing error.

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

"That clause 30, as amended, stand part of the Bill."

The motion was adopted.

Clause 30, as amended, was added to the Bill.

Clauses 31, 32, 33, 34 and 35 were added to the Bill.

**Mr. Kuladhar Chaliha:** Sir, I move:

"That in sub-clause (2) of clause 36 of the Bill the words 'for nurseries or causes any land to be so used, without the previous permission of the Committee' be omitted."

This is a consequential amendment to the amendment which we have already passed.

**Mr. H. Dow:** Sir, Government accept it. It is merely a consequential amendment.

**Mr. K. Santhanam:** Sir, You should also insert the word "or" after the last word "Committee".

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

"That in sub-clause (2) of clause 36 of the Bill the words 'for nurseries or causes any land to be so used, without the previous permission of the Committee or' be omitted."

The motion was adopted.

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

"That clause 36, as amended, stand part of the Bill."

The motion was adopted.

Clause 36, as amended, was added to the Bill.

Clauses 37, 38 and 39 were added to the Bill.



**Mr. Akhil Chandra Datta:** Sir, I move:

"That at the end of the Schedule to the Bill the following be added:

'(4) allowances for small units as may be determined in the prescribed manner'."

Sir, special allowances have been provided for young areas in sub-clause (2) of the Schedule and also for low producing areas in sub-clause (3). I submit that on the same principle allowances should be made for small units in the rules framed in this behalf by the Act. After all, we cannot have the same law for the big and small estates. A unit after all must be an economic unit. If it is a very small unit, it cannot be an economic unit at all, and, therefore, I propose this amendment.

**Mr. P. J. Griffiths:** Sir, I want to appeal to my Honourable friend, Mr. Akhil Chandra Datta, to withdraw this amendment merely on the ground that it is based on a principle which is not in consonance with the general principles underlying the Tea Control Scheme. Various kinds of allowances have been framed under the existing scheme and are in fact contemplated under the new scheme, and all those allowances are based on one principle. They are based on the principle that where the tea restriction scheme involves any particular hardship to a particular estate, some attempt should be made to remedy and to remove that hardship. The test is not whether an estate is a small unit, but whether an estate is in fact undergoing some particular hardship by reason of the tea restriction scheme. Some months ago I had the advantage of touring through a certain part of the country in which there are a great many estates cultivated by small owners. Their average area was somewhere about an acre. Most of those estates never grew tea for export; they have never had a factory near at hand to which they could sell out tea for export. Many of them have gone even further and have stopped growing tea altogether. What they do is, instead of growing tea,—and it is a perfectly good thing,—they live by selling their export quotas. The average estate in the area which I have in mind is making about Rs. 90 an acre by the sale of export quotas. It is quite right and proper that these estates should make Rs. 90 an acre by the sale of export quotas, and as far as we are concerned, we are glad that the scheme has done something for the small man. But at the same time when you have people, who could never export tea, making Rs. 90 an acre merely because of this restriction scheme, it cannot be argued that those particular people are suffering hardship as a result of this scheme.

Then, my friend says let us have a different law for the big and the small estates. I quite agree. We already have a different law for the big and the small estates. Most of these small estates, merely because they cannot spend much money for improving cultivation, come within the category of low producing areas, and do get allowances in accordance with the provision put in by my friend in the Schedule. I want to urge upon my friend to consider that the test should be not how much tea an estate is producing altogether, but how much per acre it will produce and how its production, therefore, compares with its overhead charges. I am certain that he will recognise that this is the whole principle of the scheme; to do away not with hardships existing by reason of the nature of an estate but hardships introduced by the Tea Control Scheme. On these grounds, I appeal to my friend not to press this amendment which cuts at the very root of the principles from which the scheme has grown up.

**Mr. Brojendra Narayan Chaudhury:** Sir, I beg to support the amendment just moved by my friend, Mr. Datta. It is a fact that the activities of the Board will affect the profits of the producers of tea estates, big or small or tiny, as compared to the profits made before the Licensing Committee came into existence. But it is also a fact that big and small estates will be making some profits or bigger profits in place of the losses or small profits they had in the years preceding the control scheme. Therefore, our duty should be to devise the law in such a way that the amount of profits of big, small and tiny producers may increase in the same proportion. This principle has already been accepted in the Schedule. We have provided for allowances to low producing areas under part (c) of the Schedule. The big Darjeeling gardens will get extra allowances under this. They get the extra to equalise their profits with gardens in other districts. I am not quite sure of the justice of claims of Darjeeling gardens. Theirs is quality tea and lower prices for Darjeeling tea is not due to restriction of world market but to the fact that rich people who drink high priced Darjeeling tea have less to spend on tea now. As regards small producers, our principle should be this: that the unit is so small that the working expenses must be in a bigger proportion than in the case of gardens with bigger areas. Hence the normal profits should be proportionately less. It has been said that these small producers were not exporting tea before the scheme and therefore they should not be given any benefit under the scheme. By saying that, my Honourable friend, Mr. Griffiths, has made the strongest case for this amendment on behalf of the small producers. It is a fact that most, if not all, of the big gardens had, before restriction scheme, left undisturbed the Indian market to the small producers, the big concerns exporting all their teas. But when you restrict the export quota to about 60 per cent., the big gardens are now encroaching heavily on the Indian market by throwing the balance of 40 per cent. tea. Are you not doing harm to the small producer who is being ousted? So, I hope that my Honourable friend, Mr. Griffiths, would see the fallacy of his argument and see that he is really supporting our case. Therefore, he should support this amendment.

**Dr. Sir Ziauddin Ahmad:** In view of part (3) of the Schedule where it is provided:

"Allowances for low producing areas as may be determined in the prescribed manner."

I think that that includes also the object of the proposed amendment.

**Mr. Akhil Chandra Datta:** No. That is quite different.

**Dr. Sir Ziauddin Ahmad:** They also produce small quantities of tea. Therefore, by making provision under part (3) of the Schedule we have provided also for those areas which are small in magnitude. We are all in favour of supporting small areas, but in this particular case it appears to me that this amendment is not necessary because it is already covered otherwise.

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

"That at the end of the Schedule to the Bill the following be added:

'(4) allowances for small units as may be determined in the prescribed manner'."

The motion was negatived.

The Schedule was added to the Bill.

Clause 2 was added to the Bill.

**Mr. President** (The Honourable Sir Abdur Rahim): Clause 1.

**Mr. N. M. Joshi**: Sir, I beg to move:

'That in sub-clause (4) of clause 1 of the Bill for the figures '1943' the figures '1939' be substituted.'

**Mr. Akhil Chandra Datta**: On a point of order, Sir. I submit that this amendment is out of order. The whole scheme of the Bill is a five years plan and the period is from 1938 to 1943.

**Mr. President** (The Honourable Sir Abdur Rahim): Is that in the Preamble or in any clause that has been accepted? Or is it in the agreement itself that it should be five years?

**Mr. H. Dow**: The proviso to sub-clause (1) of clause 30, which we have passed, provides "that the total area utilised for nurseries in British India shall not upon the 31st day of March, 1943, exceed the area, etc."

**Mr. Akhil Chandra Datta**: There is sub-clause (4) of clause 1.

**Mr. President** (The Honourable Sir Abdur Rahim): That is what is sought to be amended.

**Mr. Akhil Chandra Datta**: May I refer you to Decision No. 116 at page 91 of Volume I of the Decisions from the Chair?

**Mr. President** (The Honourable Sir Abdur Rahim): What is proposed in this amendment is to reduce the period from five to one year. You cannot say that it is a point of order.

**Mr. Akhil Chandra Datta**: May I refer you to another Decision on page 24, No. 121?

**Mr. President** (The Honourable Sir Abdur Rahim): I do not think that the amendment sought to be moved by Mr. Joshi is out of order. Mr. Joshi will move his amendment.

**Mr. N. M. Joshi**: Sir, I move:

"That in sub-clause (4) of clause 1 of the Bill for the figures '1943' the figures '1939' be substituted."

The object of this amendment is to give one year's lease of life to this Bill. If during that period, the Government of India and the Legislature make inquiries and show to the satisfaction of the House that the Bill has worked properly and in the interest of the consumers of tea in this country and of the workers who are working on the plantations, the House can give permission to the Government to continue this Bill thereafter. The agreement on which this Bill is based was made in a very wrong manner. The production of tea and even the export of tea are necessary not only in the interests of the people who invest their money in the industry but of the whole population interested in the tea industry. I know that the Honourable the Finance Member who has honoured us by his presence on this occasion has told us several times that planned economy is a very dangerous thing. Therefore, when we introduce into a

Bill planned economy we ought to take his warning and make inquiries into the conditions of that industry. The warning must be taken to our heart. I, therefore, propose that this Bill should have a life of one year. This will give the Government time to make an inquiry into the condition of this industry.

**Sir Cowasji Jehangir** (Bombay City: Non-Muhammadan Urban): Does the Honourable Member realise that this Bill has been in force for the last five years?

**Mr. N. M. Joshi:** If there had been no Bill, the Act will expire very soon. We failed to make an inquiry three or four years ago, but that is no reason why we should not make an inquiry today. Since then the Honourable the Finance Member has come to India and has taught us the proper principles of economics. My object is that Government should have time to make an inquiry and see how the different interests have been adversely affected. Labour interests have been adversely affected. Wages have gone down since 1933. The number of people working in the plantations has gone down. No protection to any industry should be given blindfolded. Then there is another thing. We all know that the Provincial Governments have given consent to this measure, but generally speaking when the Government of India introduces and passes measures which are within the sphere of the Provincial Government the Provincial Legislature should also be consulted. I quite admit that this Bill is being based upon an international agreement and that it is not necessary to consult the Provincial Legislatures. That is a legal matter. That is a technical aspect, but from the point of view of substantial interests involved it is necessary that the Provincial Legislatures should be consulted. When we give the Government of India one year, they will certainly have sufficient time to consult the Provincial Legislatures. Let them say if this control on the industry is in the interests of all sections of the population. My amendment enables the Government of India to keep this Bill in existence for one year. During the course of the year we insist that the Government of India should produce a report and place it before the Assembly and show us that the interests of all sections are not adversely affected.

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

"That in sub-clause (4) of clause 1 of the Bill for the figures '1943' the figures '1939' be substituted."

There is another amendment\* of a somewhat similar nature in the name of Mr. Ayyangar. I do not know whether he wishes to move it. If he wants to do so, he can move it and the discussion can proceed on both the amendments.

**Mr. M. Ananthasayanam Ayyangar:** I do not propose to move it.

**Mr. M. S. Aney** (Berar: Non-Muhammadan): I would have certainly supported my friend's amendment but I find some difficulty in doing so, because his amendment will not serve the purpose he has got in mind.

\*"That in sub-clause (4) of clause 1 of the Bill, for the figures '1943' the figures '1941' be substituted."

**Mr. N. M. Joshi:** Why?

**Mr. M. S. Aney:** That is what I am doing to disclose now. In the first place, it is not true to say that we have got a legislation of this kind for the first time before this House. We passed this Bill five years ago, putting in all these restrictions.

**Mr. N. M. Joshi:** We made a mistake then.

**Mr. M. S. Aney:** If you were quite satisfied that the legislation passed five years ago was detrimental to the interests of certain classes whom you represent, I think you should have opposed the very consideration of the Bill. Instead of doing that, you think there is a possibility of some advantage accruing out of this Bill over a period of 12 months.

**Mr. N. M. Joshi:** I opposed the consideration of this Bill.

**Mr. President** (The Honourable Sir Abdur Rahim): That does not matter. The House passed that motion.

**Mr. M. S. Aney:** This amendment does not make it obligatory upon the Government to institute any inquiry at all. If he had introduced any provision anywhere in the Bill making it obligatory upon the Government of India to institute an inquiry, I would have understood it. After a period of 12 months, the Bill will expire and the restrictions will not be there unless a fresh Bill is brought by the Government. It is quite clear from the Report of the Select Committee that the working of a measure like this for the last five years has been found advantageous to the interests concerned and other persons who represent the industry. The various amendments introduced have also indicated that a measure like this is wanted.

**Mr. N. M. Joshi:** They do not represent the tea drinkers.

**Mr. M. S. Aney:** I believe that even the tea drinkers are interested in seeing that the Indian market is not flooded by foreign tea. Those who believe in the cult of Swadeshi will at least on that account accede to the principle underlying this Bill. So I do not see any propriety in restricting the period of the year forty-three to thirty-nine as suggested by my Honourable friend. Secondly, after all, it is a matter of agreement. If an understanding is made with other countries.

**Mr. N. M. Joshi:** By whom?

**Mr. M. S. Aney:** By whomsoever that are allowed to do so in the name of your country, rightly or wrongly.

**Mr. N. M. Joshi:** They made a mistake in those days.

**Mr. M. S. Aney:** That may be true, but this is not the way to protest against that mistake; you must find some other method for recording your protest. It is not fair that we should restrict the period and leave the other contracting parties in suspense as to the fate of the agreement. Either we must accept the thing as it is, so far as the main principles are

concerned, or we must refuse to be a party to the agreement if we think it is detrimental to our interests. The only course for us is to accept the main principle underlying that agreement, *viz.*, this is to continue for a period of five years and therefore the figure of forty-three should stand and not the figure of thirty-nine.

**Mr. H. Dow:** Sir, if my Honourable friend, Mr. Joshi's object were to encourage speculation, to spread disorganization and dismay throughout the industry, and to plunge the whole world market into confusion, meanwhile allowing our competitors time to organize for an attack on our own industry, then I could hardly imagine a better amendment. Sir, I acquit Mr. Joshi of any such desire. But I do not think it needs any elaboration from me to show that these results would follow. Therefore, Sir, I oppose the motion.

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

"That in sub-clause (4) of clause 1 of the Bill for the figures '1943' the figures '1939' be substituted."

The motion was negatived.

**Mr. H. Dow:** There is one small change, Sir, to be made in the Preamble,—the words "the Netherlands Indies" should be substituted by the words "the Netherlands India".

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

"That clause 1 stand part of the Bill."

The motion was adopted.

Clause 1 was added to the Bill.

The Title and Preamble were added to the Bill.

**Mr. H. Dow:** Sir, I move:

"That the Bill, as amended, be passed."

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

"That the Bill, as amended, be passed."

**Mr. N. M. Joshi:** Sir, I rise to oppose this motion. My opposition firstly is based on the way in which this International Agreement was brought about. This is not the first international agreement brought about by capitalists only. There was another agreement brought about by private parties called the "Mody-Lees Agreement". On that occasion I also opposed the agreement on the ground that the agreement was brought about only by people who invested their money in the industry. Now, the industry does not consist of people who merely invest their money; there are other interests affected,—for instance, the workers are affected and the consumers are affected. Therefore, if international agreements regarding the industry of a country are to be brought about, those agreements must be brought about in consultation with all the interests affected. Sir, on that ground among others I want to oppose this Bill. We have

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considered the several clauses of the Bill. I am not convinced that the Bill is in the interests of the country as a whole. I wanted an inquiry, but the Government of India refuse to make an enquiry into the various aspects of this question. Therefore, the only way open to me is to oppose this Bill.

**Mr. T. S. Avinashilingam Chettiar:** Sir, I have been a rather passive spectator. The proceedings on this Bill have thrown rather interesting sidelights on the attitude and mentality of the Government. My friend, Mr. Griffiths, spoke first and then my friend, Mr. Dow, spoke second, but I found from the beginning till the end of these speeches that they are almost the same words and the same phrases. Sir, there was another interesting thing. A point of order was raised by my Honourable friend, Mr. James, over the matter of an amendment which intended to give representation to the Indian tea-growers on the International Tea Committee. Admittedly, this Bill is not in connection with the agreement signed by the different tea interests. As regards the clauses of the agreement which the Government supported and over which letters have passed, that is the Agreement which the Government signed, has not been placed on the table of the House; we are simply to accept their assurance that certain letters have passed, and over these letters, which the Government have not chosen to put before this House, this Bill has been brought forward. I dare say that in those letters that have passed there is not any mention of the International Tea Committee over which representation has been asked for. May I know whether they have brought this Bill for the reason that Indian tea interests should be represented in the Committee, or that representatives of the United Planters Association should be given representation on the International Tea Committee? Admittedly the Government of India should not take action over a matter in which the representation of merely one side of the industry is to be made. I do not think they have yet gone so low as to say that they come forward with a Bill so as to secure representation for European interests; they should come forward and say "Indian interests are represented in this trade agreement, and as such we have come to implement this measure". But, what do we find? My friend, Mr. James, raised a point of order, and then my friend, Mr. Dow, comes forward and says, "what you say has nothing to do with the Bill because that clause which concerns representation on the International Tea Committee, is in an agreement which was come to . . . . .

**Mr. President** (The Honourable Sir Abdur Rahim): The Honourable Member is sailing very near the danger zone.

**Mr. T. S. Avinashilingam Chettiar:** I do not know how, Sir.

**Mr. President** (The Honourable Sir Abdur Rahim): The Honourable Member is very nearly questioning the ruling of the Chair.

**Mr. T. S. Avinashilingam Chettiar:** I cannot challenge your decision, Sir, but this much I must say that in the letters that have passed there is no mention of the International Tea Committee, and as the Government of India are the people who represent Indian interests in this country,

they must come forward and say, "there must be at least one representative for the Indian tea interests" and they should have supported the plea that there must be representation for the Indian tea growers on the Committee. I have been surprised, but I should not be surprised, considering the fact that after all the Government of India is maintained only to serve European interests. There was one thing my Honourable friend, Mr. Santhanam, suggested to which it was expected my friend, Mr. Dow, would refer in his reply and it was this. "Crop-planning" you have accepted with regard to tea. Now, will you give us an assurance that crop-planning as regards other things also will come in if that is in the interest of this country? There was no reply. My friend ignored that suggestion in his reply. We are now disillusioned in these matters. Of course, these are things which we are ordinarily aware of, but it has come out forcibly today. But I hope the Government will at least in the future represent Indian interests more than European interests.

**Mr. M. Ananthasayanam Ayyangar:** Sir, I do not wish to detain the House for long; I am interested in making only one or two suggestions. The Honourable Member in charge of the Bill gave us some assurances during the course of the debate. Though you have ruled it that it is foreign to the scope of this Bill to provide representation on the International Committee, I would like the Honourable Member in charge of the Bill to say that an Indian representative will be sent to the International Committee as early as possible. Now, we are not implementing this agreement on the basis that it is an agreement entered into by private parties and by two representatives of two Associations only. It is no doubt true that in such matters representatives of Associations and trade may be primarily concerned and they may know the business aspect of it and then they may bring it to the notice of the Government, and thereafter the Government brings to bear its decision upon this. Sir, we have passed the Bill and we are now on the third reading. But I would like to say this that it is but fair that we should send an Indian representative to this International Committee. You can certainly do it because whatever agreement is entered into it has been entered into on behalf of the Government of India as a whole. The primary movers may be the trade interests but the Government can see to it that the Indian interests are represented.

Then, as regards the other point, I would like to make it clear that the Honourable the Mover ought not to give an assurance that he would include the Tipperah estate also in the province of Bengal for the simple reason that the extension of the half per cent. of area under cultivation will go more to that province. Under the Bill, it is sought to be distributed according to the extent of cultivation in each province. If the Tipperah estate is included in Bengal it would mean that the province of Bengal would get something more than the other provinces. Take, for instance, the province of Madras. It is not intended that the States like Travancore and Mysore should also be included in the province of Madras so that it may have a larger share, and the smaller units which have an acreage of 150 and 300 would be benefited thereby. So, one State alone in the Northern India ought not to be included to the prejudice of all the other States in the Madras Presidency. They should, therefore, not take Tipperah into consideration regarding the area of tea cultivation. I hope the Honourable the Mover would reconsider his



[Mr. M. Ananthasayanam Ayyangar.]

assurance in the light of what I have submitted now. It has already been said that each State is free to extend its cultivation. It is not contrary to the International Agreement and the Bill that we are enacting today does not affect the interests of any State. Therefore, these restrictions apply only to the several provinces of British India and they do not apply to the States. There is no agreement that Tipperah would not extend its cultivation beyond what is given by way of quota. Therefore, the case of Tipperah would not be subject to the liabilities that are imposed upon the provinces which constitute British India. Therefore, I would like the Honourable the Mover to reconsider his assurance in the light of my submissions.

The third point that I wish to raise is a formal one. A formal amendment ought to have been moved to clause 23. Clause 23 relates to the rules to be made relating to various matters that are sought to be prescribed. During the course of the debate an amendment was introduced to section 7 as clause (4) whereby interest is allowed and copies of documents are given. That is a very formal matter. Unfortunately it has escaped our notice. I hope that would be set right in the other House.

**Dr. Sir Ziauddin Ahmad:** Sir, we have been pressing from this side of the House that the Government have not taken sufficient interest to raise the price level of the agricultural products. While discussing the various Bills, we have pressed several times that, though they are taking steps to raise the price level of the manufactured articles, no step has been taken to raise the price-level of the agricultural products. That is really the main question which we had been pressing from this side of the House. As far as this Committee is concerned, we say that the main object of this Committee is to raise the price level of tea in the interests of the tea producers and the labourers who work in these fields. Now, we know very well that the condition of tea market had gone down ever since the depression began in this country. In the year 1931-32 when the depression set in, most of these tea estates were in a deplorable condition. Only those tea estates which had hard cash and which could fall back upon ready money could save themselves in those days. Those who had invested their money in various other properties found it exceedingly hard to meet the expenses and they had to borrow on very uneconomic basis. Now, attempts were made by this Cess Committee to raise the price level of tea so that it may be sold on an economic basis. I have got with me the figures of the price of tea for the last few years and I find that in the year 1932-33 the price had gone down to 5 annas and 2 pies per lb. Then it rose to 8 annas and 1 pie and now it is 8 annas and 2 pies. That is to say, it has increased by 58 per cent. and this is really an achievement of this Committee. No doubt we have the interests of the small tea estates and the interests of small tea growers also at heart but at the same time we ought to look to the interests of the industry as a whole and this is the point of view which I would like to press upon the Government. Taking the interest of the industry as a whole, there is no doubt that the prosperity is now in sight. About four years ago the tea plantation ceased to be a profitable concern. They began to grow tea on an uneconomic basis, but now it is becoming profitable. The price has gone up by 58 per cent. and they are now doing much better business than the other industries. It is really a fallacy to calculate the prosperity of tea industry by the quantity that is grown.

because if you sell the quantity on an uneconomic basis, really speaking the industry does not gain. Our principal object should be and our chief test ought to be whether they are in a position to sell these articles on an economic basis. If they can sell it on an economic basis, then we can say that the whole industry is flourishing. In the case of tea since this control has come in, the whole tea industry is progressing in this country and the people are much better off than they were before. I quite admit that there is still room for further expansion and not only should they confine their attention to the export of tea but that they should make every effort—and I know they are making every effort—to increase the sale of tea in India itself. When the Bill was first introduced, I had the opportunity of referring to the matter that they were now making new experiments and were trying to find out the class of tea which may suit a particular kind of water. I hope that this experiment will continue and they will be able to publish some good results. I am perfectly certain that if they continue their efforts the sale will increase substantially in this country. I am glad to note in this connection that the Tea Cess Committee is spending 18 lakhs per annum on the propaganda work and is making every effort to increase the sale. I am quite certain that with these efforts, tea industry which has already begun to prosper, will become much more prosperous in the near future. With these words, I support the motion and I congratulate Mr. Dow and Mr. Griffiths for the interest they have taken in piloting this Bill.

**Some Honourable Members:** The question be now put.

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

“That the question be now put.”

The motion was adopted.

**Mr. H. Dow:** Sir, I do not propose to detain the House long at this late hour. The Honourable Member opposite, Mr. Avinashilingam Chettiar spoke, and the main burden, I gathered, of his complaint was that in piloting this Bill I had confined myself to talking on the subject of tea instead of going into digressions about coffee and about rubber. Well, I do not think, Sir, that that is a thing that I need apologise for. As regards the points made by Mr. Ayyangar, I am not quite sure I understand one of them. He seemed to ask me to reconsider the assurance which I gave with regard to the inclusion of Tipperah in Bengal for the purpose of a particular section. I presume that he is not inviting me to withdraw on the third reading an assurance which I made to the House on the second reading. If I understood him rightly, he wishes some similar kind of assurance with regard to the various States in Madras. At any rate, if that is not exactly what he wants, I assure him that if he will make clear his point outside the House, I will do what I can to meet him.

The other point that he made related to a change which the House agreed to in section 7. Mr. Ayyangar seemed to think that there was a lacuna in the Bill, and that we should not be able to give effect to the amendment. I would like to invite attention of the House to sub-clause (j) of clause 10 of the Bill, under which the Central Government

[Mr. H. Dow.]

have power by notification generally to carry out the provisions of this Chapter. That seems to me to be quite wide enough to cover the matter that Mr. Ayyaṅgar brought forward.

I do not think that there are any other points that I need deal with. I thank the House for the assistance which they have given me in carrying through what I am quite sure will be a very beneficial measure to the tea industry of this country.

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

"That the Bill, as amended, be passed."

The motion was adopted.

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### THE STAMP DUTIES UNIFICATION BILL.

**The Honourable Sir James Grigg** (Finance Member): Sir, I do not move the motion\* today.

The Assembly then adjourned till Eleven of the Clock on Wednesday, the 2nd March, 1938.

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\*"That the Bill to fix uniform rates for the levy of certain stamp duties throughout British India, to impose for a period of two years a stamp duty on cheques, and to formulate the principles in accordance with which the net proceeds of the said duties shall be distributed among the Provinces be taken into consideration."