

2nd April 1942

# THE LEGISLATIVE ASSEMBLY DEBATES

## Official Report

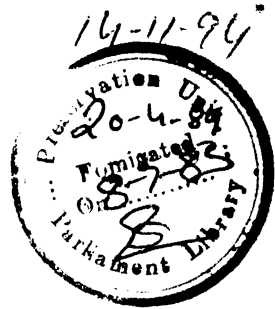
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Volume II, 1942

*(11th March to 2nd April, 1942)*

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## FIFTEENTH SESSION OF THE FIFTH LEGISLATIVE ASSEMBLY, 1942



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# LEGISLATIVE ASSEMBLY.

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Mr. N. M. JOSHI, M.L.A.

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# LEGISLATIVE ASSEMBLY

Thursday, 2nd April, 1942

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.

## STARRED QUESTIONS, AND ANSWERS.

### (a) ORAL ANSWERS.

#### DELHI PROSECUTIONS FOR SELLING MATCHES AT HIGHER THAN PRESCRIBED RATES.

**315. \*Maulvi Syed Murtuza Sahib Bahadur:** (a) Will the Honourable the Home Member please state if it is a fact that the Chief Commissioner, Delhi, had instructed the prosecution under Defence of India Act against certain persons or firms making profits by selling matches at rates higher than those prescribed by Government?

(b) Is it a fact that the Additional District Magistrate, Delhi, took cognizance of the offences?

(c) Is it a fact that the cases were subsequently withdrawn by the Chief Commissioner?

(d) If the replies to parts (a) to (c) above be in the affirmative, what are the reasons for withdrawing the cases?

(e) If the replies to parts (a) to (c) above be in the negative, what are the correct details?

**The Honourable Sir Reginald Maxwell:** The question should have been addressed to the Honourable the Commerce Member.

#### TREATMENT METED OUT TO POLITICAL PRISONERS IN DELHI JAIL.

**316. \*Qazi Muhammad Ahmad Kasmi:** (a) Will the Honourable the Home Member please state if it is or it is not a fact that the Ahrar Volunteers convicted under the Defence of India Rules were given hard labour such as "atta Chakki" in 1940 in the Delhi Jail?

(b) Is it or is it not a fact that Mr. Asaf Ali (a Member of this House) Lala Deshbandhu Gupta (Member of the Legislative Assembly, Punjab) and Mr. Faridul Haq Ansari, Barrister-at-Law, who were Political Prisoners used to be locked up in their cells in Delhi in December 1940, from evening till morning, and this practice is even now resorted to in the said Jail?

(c) Is it or is it not a fact that treatment of the type mentioned in parts (a) and (b) above is not meted out to political prisoners in the Punjab Jails? If so, what is the reason for this differentiation?

**The Honourable Sir Reginald Maxwell:** (a) Without the names and particulars of the prisoners whose cases the Honourable Member has in mind,

it is not possible to ascertain whether they were given grinding or any other form of hard labour.

(b) The three prisoners named were not kept in separate cells but were lodged both before and after their conviction in December, 1940, in the special ward reserved for A and B class prisoners. In December, 1940, C class prisoners were counted and locked in at sunset, but A and B class prisoners were not locked in till 9 P.M. and this is still the practice.

(c) The practices which I have described are in conformity with the departmental rules and orders of the Punjab Jail Department, which are followed in the administration of the jail in Delhi.

**Mr. Lalchand Navalrai:** May I know if the *atta chakki* labour is given to political prisoners?

**The Honourable Sir Reginald Maxwell:** It is given to C class prisoners,—it may be given,—I don't say it is given in all cases.

**Qazi Muhammad Ahmad Kazmi:** May I know if the allegation contained in part (c) is not correct, that these gentlemen are not closed in after sunset?

**The Honourable Sir Reginald Maxwell:** It is given to C class prisoners are not locked in until 9 P.M., and this is still the practice.

**Qazi Muhammad Ahmad Kazmi:** May I know whether these gentlemen about whom I have obtained information are treated as C class prisoners, because my information is that they are still treated as C class prisoners?

**The Honourable Sir Reginald Maxwell:** My information is that they were treated as A and B class prisoners.

**Qazi Muhammad Ahmad Kazmi:** And they were not closed in cells until 9 P.M.?

**The Honourable Sir Reginald Maxwell:** Not until 9 P.M.

#### TREATMENT METED OUT TO POLITICAL PRISONERS IN DELHI JAIL.

317. **\*Qazi Muhammad Ahmad Kazmi:** (a) Will the Honourable the Home Member please state if it is or it is not a fact that one Mr. Abdullah Faruqi, Editor of *Mahshar-i-Khyal*, Delhi, was convicted under the Defence of India Rules a second time in November, 1941, and the jail authorities wrote the word 'Habitual' on his card in the Jail?

(b) Is it or is it not a fact that a similar entry was made in the case of Munshi Ahmad Din in 1928 in a Punjab Jail and on his protest the entry was deleted and no such entry is made in the case of political prisoners in the Punjab Jails? If so, what is the reason for this differentiation by the Delhi Jail?

**The Honourable Sir Reginald Maxwell:** (a) Yes.

(b) The Government of India have no information regarding the Punjab case. The classification of Abdullah Faruqi as a habitual was made in the Delhi Jail under a misunderstanding of the rules. Under the Punjab Jails Manual a person convicted of an offence under the Defence of India Rules

is not liable to be classified as a habitual. While a mistake was admittedly made I may point out that it had no practical effect. The prisoner was B class and the treatment accorded to B class prisoners is the same, whether or not they are described as habituals.

**Qazi Muhammad Ahmad Kazmi:** But I suppose they will not be treated as habituals in future?

**The Honourable Sir Reginald Maxwell:** That is so.

**DEPARTMENTAL ACTION AGAINST ONE CRIMINAL INVESTIGATION DEPARTMENT  
SUB-INSPECTOR, SAID AHMAD.**

**318. \*Qazi Muhammad Ahmad Kazmi:** (a) Will the Honourable the Home Member please state if it is or it is not a fact that one Said Ahmad, Sub-Inspector, Criminal Investigation Department, Delhi, made a report against Ismail Chhori for an alleged speech under the Defence of India Rules and that Mr. Gautam, Magistrate, Delhi, disbelieving his report acquitted the said Ismail Chhori in February 1940?

(b) Is it or is it not a fact that the Sub-Inspector, Criminal Investigation Department, referred to in part (a) above, made another report for an alleged speech against Mr. Abdullah Faruqi, Editor, *Mahsher-i-Khyal*, under the Defence of India Rules, and that the District and Sessions Judge, Delhi, disbelieving the report acquitted the said Mr. Faruqi on the 6th January, 1942?

(c) Has any departmental action been taken against the Sub-Inspector Said Ahmad for these incorrect reports? If not, why not?

**The Honourable Sir Reginald Maxwell:** (a) No.

(b) The person named was convicted on the 29th November, 1941, but on appeal to the Additional Sessions Judge, Delhi, was given the benefit of the doubt and acquitted on the 6th January, 1942.

(c) No. There are no grounds for any such action.

**WOMEN EMPLOYEES IN THE DEFENCE DEPARTMENT AND THE GENERAL  
HEADQUARTERS.**

**319. \*Sardar Sant Singh:** (a) With reference to his reply to part (d) of my starred question No. 184, dated the 13th March, 1942, regarding the employment of female clerks in the General Headquarters offices, will the Defence Secretary please state the result of his enquiry and why Indian educated young men cannot be appointed instead?

(b) Will the Defence Secretary please state whether Indian educated young men are offered the same initial salary and same rate of promotion as has been given to the English and Anglo-Indian women employees? If not, why not?

(c) Are these women clerks liable to transfer outside Delhi, e.g., to distant places or to places where Indian educated young men are asked to go? If not, why not?

**Mr. O. K. Garoe:** With your permission, Sir, I would answer on behalf of the Defence Secretary.

(a) There has been no special enquiry as none was promised. It was after due consideration that Government decided to employ suitably qualified women as clerks, etc., in the various Branches of the Defence Department and the General Headquarters, and they will continue to do so. Educated Indian young men are also employed in these offices in addition to women.

(b) No, but I may point out that the scales are the same for Indian women employees as for European and Anglo-Indian women employees. Government consider that the circumstances governing the conditions of work and living of women employees are different and justify a different scale of pay.

(c) Women clerks who are employed in General Headquarters at Delhi are not liable to transfer outside Delhi as such liability to transfer is not one of the conditions of their service. The same applies to Indian educated young men employed in General Headquarters as clerks unless they belong to the Indian Army Corps of Clerks (Indian Wing), who are liable to transfer anywhere in India or outside.

**Sardar Sant Singh:** May I know, Sir, what was that due inquiry which resulted in fixing the scale of salary for women at a higher rate than that fixed for educated young men who are doing the same kind of duties as women clerks?

**Mr. O. K. Caroe:** I don't understand what the Honourable Member means by "due inquiry". The scale of pay to these women clerks was fixed at a different rate, but I do not know what due inquiry the Honourable Member refers to.

**Sardar Sant Singh:** Did I understand the Honourable Member aright when he replied to part (a) that after due inquiry the Defence Department reached some results. I think I heard him say that.

**Mr. O. K. Caroe:** After due consideration Government decided to employ suitably qualified women as clerks.

**Sardar Sant Singh:** May I know what were the considerations which weighed with the Government to give preference to women clerks over educated young men with higher qualifications than those possessed by these women clerks?

**Mr. O. K. Caroe:** The Honourable Member is assuming that they have greater qualifications, but, as he is aware, women have invaded the clerical field in more than one country in confidential appointments in offices.

**Sardar Sant Singh:** May I point out to the Honourable Member that women are employed because young men are not available, whereas more youngmen are available here than women. So I would like to know what are the considerations which weighed with the Government to give preference to women over young educated men. The Honourable Member will have to tell us why women clerks are given a higher salary . . . . .

**Mr. President** (The Honourable Sir Abdur Rahim): The Honourable Member is jumbling up a number of questions.

**Mr. O. K. Caroe:** The Honourable Member has asked about four questions, and I find it difficult to deal with all of them.

**Sardar Sant Singh:** May I know the considerations which induced the Defence Department to give a higher rate of pay to women clerks?

**Mr. O. K. Caroe:** One consideration was that men are required to leave Delhi for more dangerous work outside, and women are obviously well qualified for safer work at headquarters.

# RECRUITMENT OF STENOGRAPHERS IN THE GOVERNMENT OF INDIA SECRETARIAT.

**320. \*Sardar Sant Singh:** (a) Will the Honourable the Home Member kindly state when the examination for stenographers in the Government of India Secretariat was abolished, and why?

(b) How is recruitment now made to such posts? Is it left to the office or officers concerned to recruit whomsoever they like? If so, why?

(c) Is it a fact that highly placed officers when posted to the Government of India bring with them men of their own choice from Provincial Secretariats, or even subordinate district offices? If so, will the Honourable Member please state how many men from outside the Government of India staff have been appointed in the Secretariat as Personal Assistants or stenographers since, say, 1st April, 1939?

(d) Is the Honourable Member aware that this importation of outsiders is having a detrimental effect on the prospects of the Government of India Secretariat staff, specially the Third Division clerks who in the normal course are not to be promoted to First Division?

(e) Do Government propose to issue orders stopping the practice mentioned in part (c) above, or holding a test for all likely candidates and then appointing the best men? If not, why not?

**The Honourable Sir Reginald Maxwell:** (a) and (b). The system of recruitment by examination to the grade of stenographer was abolished in 1937 as it was found administratively inconvenient. It was considered that better results would be obtained by leaving recruitment to the discretion of the Heads of Departments and Offices.

(c) and (d). Appointments are usually made from among the Secretariat staff but suitable outsiders may also be appointed. The staff have no claim to promotion to the post of stenographer. The information asked for in the latter portion of part (c) is not immediately available nor in view of the position explained by me does it seem necessary to collect it.

(e) The present system is working satisfactorily and Government do not propose to issue orders for its alteration.

# MILITARY POLICE GUARD AT THE GENERAL HEADQUARTERS, DELHI.

**321. \*Sardar Sant Singh:** (a) With reference to his reply to my starred question No. 151, dated the 12th November, 1941, regarding the recruitment of police for guarding the General Headquarters offices at Delhi, will the Defence Secretary please state the difference in the duties performed by these men and those performed by ordinary *chowkidars*?

(b) Will the Defence Secretary please state whether the Home Department orders, regarding communal representation in services apply to recruitment to the Indian Army, Navy and ancillary forces?

(c) What are the reasons for appointing cent per cent. Muslims in this corps of military police?

(d) Is this force paid out of civil budget or military budget?

**Mr. O. K. Caroe:** (a) The duties of the General Headquarters Security Police are :

- (1) to guard all gates and man sentry posts in the Defended Area of General Headquarters and outlying offices;
- (2) to scrutinise all passes and permits, and to direct visitors to the reception gates;
- (3) to check the locking up of Defended Area gates and doors; and
- (4) to patrol the Defended Area of General Headquarters and outlying offices by night.

These duties which are of an onerous and responsible nature and call for the exercise of authority and discretion, are entirely outside the capabilities of ordinary chowkidars.

(b) No.

(c) The composition of the force is not cent per cent. Muslim at present.

(d) The force is paid out of Defence Services Estimates.

**Sardar Sant Singh:** What is the percentage of the various communities in the recruitment of this staff?

**Mr. O. K. Caroe:** There are now four platoons of Muslims and two of non-Muslims,—Hindus. Therefore, the percentage is 66 2/3rd and 33 1/3rd.

**Sardar Sant Singh:** May I know why the percentage fixed by the circular of July, 1934, has not been followed in this case?

**Mr. O. K. Caroe:** Because it does not apply to military formations, I understand.

**Sardar Sant Singh:** I am asking the reason why?

**Mr. O. K. Caroe:** I cannot answer that question.

#### REFUGEES FROM THE EASTERN WAR ZONE GIVEN CIVIL DEFENCE APPOINTMENTS.

322. **\*Mr. Govind V. Deshmukh:** (a) Will the Honourable Member for Civil Defence please state if any refugees from Hongkong, Malaya, Singapore or Burma have been given appointments in Civil Defence by Government?

(b) If so, will he please state the number of such persons appointed, the countries from which they come and the nature of the work they are entrusted with?

**The Honourable Sir Reginald Maxwell:** (a) No.

(b) Does not arise.



**RESTRICTIONS AT THE URS OF MAKHDUM SHAH SAHIB, NEAR SHAHPUR, QUTAB ROAD, DELHI.**

**323. \*Maulvi Syed Murtuza Sahib Bahadur:** (a) Will the Honourable the Home Member please state whether he is aware that on the occasion of the *Urs* of Makhdum Shah Sahib, near Shahpur, Qutab Road, Delhi, in the month of May 1941, certain restrictions were placed on the visitors attending the Durgah under Police surveillance?

(b) What were those restrictions and why was it considered necessary to impose them on the Muslim public?

(c) Does he propose to consider the advisability of refraining from imposing them in future or to minimise them to the least if their enforcement is at all necessary?

**The Honourable Sir Reginald Maxwell:** (a) The mosque and the tomb in question are protected monuments. It is understood that at the request of the Archaeological Department the police assisted the chaukidar of that Department in preventing visitors from residing in the building after 10 P.M. and cooking in the premises, in contravention of the Rules promulgated by the Chief Commissioner.

(b) and (c). The so-called restrictions were imposed solely for the purpose of protecting the building from damage and defacement. Government have no reason to think that they were in any way unreasonable or irksome.

**Syed Murtuza Sahib Bahadur:** In view of the fact that *Urs*, which means anniversary of the great saints, is performed as a religious duty, is it not the duty of the Government to see that no cooking, etc., takes place there, and that persons who visit those places to recite *Fatiha* are not prevented from doing their religious duty?

**The Honourable Sir Reginald Maxwell:** It is forbidden in the rules for the protection of these monuments to deface or damage the buildings in any way or to cook food or to make any unseemly noise in the building or compound or to remain in the premises after 10 P.M. These are the rules which have to be observed in connection with this monument.

**Maulvi Muhammad Abdul Ghani:** The question is whether offering *Fatiha*, a kind of religious prayer, comes under this rule?

**The Honourable Sir Reginald Maxwell:** No, Sir, there is no unnecessary restriction imposed. Only certain rules have to be observed in the interest of the proper protection of these buildings.

**Maulvi Muhammad Abdul Ghani:** How is it that the police interfered when offering *Fatiha*?

**The Honourable Sir Reginald Maxwell:** I do not understand that the police interfered with those who were offering prayers. They may have interfered to prevent people from residing in the premises.

**Maulvi Muhammad Abdul Ghani:** Will Government issue instructions not to restrict people from offering prayers or *Fatiha*?

**The Honourable Sir Reginald Maxwell:** I can assure the Honourable Member that the police will not take any action except what is necessary to enforce the rules.

### SHORT NOTICE QUESTIONS AND ANSWERS.

**Mr. President** (The Honourable Sir Abdur Rahim): Short Notice question. Mr. Chattopadhyaya.

#### ARREST AND DETENTION OF MR SATYA RANJAN BAKHSI OF CALCUTTA UNDER THE DEFENCE OF INDIA RULES.

**Mr. Amarendra Nath Chattopadhyaya:** (a) Will the Honourable the Home Member be pleased to state if, under the orders of the Government of India, Mr. Satya Ranjan Bakhshi of Calcutta has been arrested under the Defence of India Act and has been interned somewhere in Delhi?

(b) Is the Honourable Member aware of the fact that Mr. Bakhshi had recently been released from prison on grounds of serious illness?

(c) Will the Honourable Member be pleased to state the present state of his health?

(d) Will the Honourable Member be pleased to state if he is under treatment of any efficient physician of Calcutta?

(e) Will the Honourable Member be pleased to send him to any colder climate to save him from the heat of Delhi to which he is not accustomed?

(f) Will the Honourable Member be pleased to state if his papers will be placed before any tribunal for examination and orders?

(g) Will the Honourable Member be pleased to state if he will be pleased to permit any friend of Mr. Bakhshi to interview him in his present domicile? If so, will he fix time and date for such interview?

**The Honourable Sir Reginald Maxwell:** (a) Yes.

(b) Mr. Satya Ranjan Bakhshi was released from prison by the Bengal Government in September, 1940, on medical grounds.

(c) Mr. Bakhshi's health was found on examination on the 25th March, 1942, to be satisfactory.

(d) No; but there are quite competent doctors in Delhi, and all security prisoners are medically examined at least once a week.

(e) It is not proposed to remove Mr. Bakhshi from Delhi at present.

(f) Mr. Bakhshi has only recently been detained and his case will not be due for review for some time to come.

(g) Any close relative of Mr. Bakhshi who desires to do so may apply for an interview in the ordinary way, and the application will be granted if it comes within the number allowed under the Rules.

#### TREATMENT OF INDIAN EVACUEES FROM BURMA.

**Sir F. E. James:** (a) Will the Honourable Member for Indians Overseas be pleased to state if his attention has been called to the allegations made against the Agent of the Government of India in Burma regarding the treatment of Indian evacuees which were given wide circulation in the press on the 19th March, 1942?

(b). If so, whether enquiries have elicited any foundation for these statements?

**The Honourable Mr. M. S. Aney:** (a) Yes.

(b) The allegation was made on the 18th March in the Council of State, that Mr. R. H. Hutchings, Agent of the Government of India in Burma, showed racial discrimination and used force on some of the Indian evacuees when they wanted to leave Rangoon by steamer. The Secretary of the Department of Indians Overseas stated that this was the first occasion on which such an allegation had been brought to the notice of Government. He said that now it had been made in a public place he must demand from the Honourable Member, who made it, the evidence upon which his statement was based so that its value could be examined. He subsequently wrote to the Honourable Member asking for the evidence and in particular for the date of the alleged occurrence, the name of the ship and the names of at least some of the persons involved. The only reply received so far is to the effect that the information was given to him by a gentleman who heard it from another gentleman who was told of it by a relative who claimed to be an eye-witness. The gentleman whose relative claimed to have witnessed the occurrence has promised to write to that relative for a statement. No such statement has yet been forwarded to Government. Meanwhile, the Agent of the Government of India has completely denied the allegation and has stated that he cannot even connect it with any incident that came to his knowledge. No foundation for the allegation has, therefore, been produced to the Government of India.

**Sir F. E. James:** Has the Honourable Member invited the Honourable gentleman who made the allegation under the shelter of privilege of another place to apologise for the allegation he made?

**The Honourable Mr. M. S. Aney:** Not so far. It is brought to his notice that if he has any further information to give, we would be prepared to receive it, but we have not called upon him to apologise.

**Sir F. E. James:** In view of the fact that the press gave prominent publicity to the allegations which were reported, will my Honourable friend invite the press to give similar publicity to his answer?

**The Honourable Mr. M. S. Aney:** Yes.

#### STATEMENTS LAID ON THE TABLE.

*Information promised in reply to part (a) of unstarred question No. 55 asked by Pandit Nilakantha Das on the 25th February, 1941.*

#### CATERING CONTRACTS ON EAST INDIAN AND NORTH WESTERN RAILWAYS. HELD BY BALLABHDAS ESHWARDAS.

As regards catering for Muslims on the East Indian Railway; Messrs. Ballabhdas Eshwardas hold the contract for the Muslim Refreshment Room at Burdwan and for Muslim Tea Stalls on certain Sections in the Howrah Division only.

Information promised in reply to part (b) of starred question No. 56 asked by Qazi Muhammad Ahmad Kasmi on the 18th February, 1942.

**DUTIES OF THE PRINCIPAL INFORMATION OFFICER, ETC., AND COST OF ISSUE OF THE INDIAN INFORMATION SERIES AND OTHER PUBLICATIONS.**

Statement showing the cost of paper, printing and blocks of Indian Information Bharatiya Samachar and Markazi Ittalaat during the nine months ending December 31, 1941.

	Paper.	Printing.	Blocks.	Total.
	Rs.	Rs.	Rs. a. p.	Rs. a. p.
Indian Information	38,993	24,755	8,964 7 3	72,712 7 3
Bharatiya Samachar	12,457	9,773		22,230 0 0
Markazi Ittalaat				
<b>Total</b>	<b>51,450</b>	<b>34,528</b>	<b>8,964 7 3</b>	<b>94,942 7 3</b>

NOTE 1.—The cost of paper excludes the cost of wrappers used for despatching the copies of the journals as it is not possible to ascertain this with any degree of accuracy after this lapse of time.

NOTE 2.—Separate figures of expenditure for Bharatiya Samachar and Markazi Ittalaat are not available.

NOTE 3.—No expenditure on blocks was incurred for Bharatiya Samachar and Markazi Ittalaat as blocks prepared for Indian Information were used in the journals.

Information promised in reply to starred question No. 60 asked by Mr. H. M. Abdullah on the 19th February, 1942.

**SUPERSESSION OF MUSLIM CLERKS IN COMMERCIAL BRANCH, HEADQUARTERS OFFICE, NORTH WESTERN RAILWAY.**

(a) Yes, but the transfer was not a punishment.

(b) Yes. The consent of the staff is not necessary for such transfers, nor was it made for the reason suggested. Government are informed that the Muslim clerk was not in such a position as to warrant his expecting promotion.

(c) The Hindu clerk was after expiry of the period of his reduction, permitted to officiate in a higher grade in accordance with the rules followed in such matters. It is a fact that the request of the Muslim clerk for retransfer was refused and that he was informed that he should look for promotion in the Miscellaneous section.

(d) No. Government understand that the claims of the Muslim clerk referred to in (b) and another Muslim clerk were considered and both expressed their inability to perform the duties of the post to which the Hindu clerk who was junior to them was appointed.

(e) No appeal of the nature referred to in the first part was received by the Railway; as regards the second part, no action is necessary as there is no evidence of any injustice.

Information promised in reply to starred question No. 149 asked by Mr. Muhammad Nauman on the 6th March, 1942.

**CURTAILMENT OF HOLIDAYS IN LUCKNOW DIVISION, EAST INDIAN RAILWAY.**

(a) Yes, but Divisional Superintendents have been given the discretion to substitute local holidays for any of these.

(b) No.

(c) No.

(d) Alvida is not a holiday under the Negotiable Instruments Act but it is understood that a holiday was observed on account of Alvida on the Lucknow Division.

*Information promised in reply to unstarred question No. 36 asked by Mr. Muhammad Ashar Ali on the 6th March, 1942.*

#### RE-EMPLOYED STAFF ON EAST INDIAN RAILWAY.

Further examination has shown that the collection of the required information in respect of non-gazetted staff will involve an undue expenditure of time and labour.

*Information promised in reply to unstarred question No. 43 asked by Mr. Muhammad Nauman on the 6th March, 1942.*

#### CONVERTED INTERMEDIATE GRADE POSTS IN LUCKNOW AND MORADABAD DIVISIONS.

(a) Government is informed that 38 posts were upgraded in the Lucknow and Moradabad divisions of the East Indian Railway; they thus became posts filled by promotion.

(b) 9 in the Lucknow Division and 29 in the Moradabad Division.

(c) It is understood some of these posts have not yet been filled. Of 23 posts filled of which I have information 3 are Muslims.

*Information promised in reply to starred question No. 163 asked by Sir Abdul Halim Ghuznavi on the 10th March, 1942.*

#### CENTRAL COMMISSIONERS OF INCOME-TAX IN BOMBAY AND CALCUTTA.

(a) to (e): The attached statement contains the information required.

(f) Since the amount of revenue involved in pending cases can only be ascertained after their examination is completed and even an approximate estimate would require a detailed examination of each case, it is not possible to furnish this information.

*Information regarding cases transferred to the Commissioners of Income-tax (Central), Bombay and Calcutta in respect of the period from the date of creation of the posts to the 30th November, 1941.*

	Bombay.	Calcutta.
(a) Number of assessment cases transferred to the Central Commissioners of Income-tax . . . . .	654*	503
(b) Out of the cases referred to in (a) above—		
(i) Number of cases of Indian assesses . . . . .	651	503
(ii) Number of cases of European assesses . . . . .	3	Nil
(c) Out of the cases referred to in (b) (i) above—		
(i) Number of cases of partnership firms . . . . .	101	86
(ii) Number of cases of limited liability companies . . . . .	9	66
(iii) Number of cases of individuals . . . . .	464	312
(iv) Number of cases of joint families . . . . .	42	39
(v) Number of other cases . . . . .	35	Nil

\*Excludes cases of persons in the service of the Income-tax Deptts. in Bombay, Sind and Baluchistan which have also been assigned to the C. I. T. (Central) Bombay.

Bombay Calcutta.

(d) Out of the cases referred to in (b) (i) above—

(i) Number of fresh assessment cases, i.e., cases in which at the time of transfer, only original assessments were involved	504	473
(ii) Number of cases reopened after assessments were completed, i.e., cases in which at the time of transfer, section 34 proceedings were pending in respect of some assessments	147	30
(e) (i) Number of assessments involved up to 30-11-41 in the cases referred to at (a) above	2,903	950
(ii) Number of assessments completed up to 30-11-41	1,325	34
(iii) Number of assessments pending on 30-11-41	1,578	916
(iv) Average length of time taken for each assessment*	About 12·75 working days.	About a month.

The average length of time taken for each assessment given above has been calculated with reference to the total number of assessments completed, the period of disposal and the number of I. T. Os. employed. The average time so computed will not however give a correct idea since the time taken varies widely from one assessment to another and depends on various factors such as nature and complexity of the case, the co-operation rendered by the assessee etc. The average for Calcutta has been inflated by the time taken for preliminary arrangements which has not been excluded.

*Information promised in reply to starred question No. 256 asked by Maulvi Syed Murtuza Sahib Bahadur on the 24th March, 1942.*

#### EXAMINATIONS FOR TICKET CHECKING STAFF ON EAST INDIAN RAILWAY.

(a) Yes; Travelling Ticket Examiners and Ticket Collectors have to take such an examination.

(b) Yes, to ensure that they have an up-to-date knowledge of their duties and responsibilities.

(c) Staff in other branches also are subjected to periodical tests but the details vary.

#### MOTION FOR ADJOURNMENT.

##### ALLEGED MISCONDUCT OF EUROPEAN SOLDIERS AT SARNATH.

**Mr. President** (The Honourable Sir Abdur Rahim): I have received notice of a motion to adjourn the business of the Assembly from Mr. Kailash Behari Lal who wishes to discuss a definite matter of urgent importance, namely, the conduct of tommies in injuring eleven students at Sarnath, Patna District, on the 19th instant, with military trucks and explosives, when two of them died. I suppose by "tommies" the Honourable Member means soldiers?

**Babu Kailash Behari Lal** (Bhagalpur, Purnea and the Sonthal Parganas: Non-Muhammadan): Yes, Sir.

**Mr. President** (The Honourable Sir Abdur Rahim): This is supposed to have happened on the 19th March?

**Babu Kailash Behari Lal**: Yes. I got a telegram yesterday. It passed through several hands perhaps, but it was delivered to me yesterday afternoon. Then I inquired into the matter. I found that some other Members also have received similar information, but the position is that no paper has published this incident so far. The fact has been made known through some rumours, the source of which I cannot disclose, and the incident has actually occurred. But the publicity was suppressed even in the local newspapers of Bihar, and, therefore, it did not appear in the press.

**Mr. President** (The Honourable Sir Abdur Rahim): So you mean that it is not mentioned in any of the papers at all. Is there any objection to this motion being allowed?

**The Honourable Mr. M. S. Aney** (Leader of the House): Government have absolutely no information about this matter so far, and we do not hope to get any information by the time this motion is taken up.

**Mr. President** (The Honourable Sir Abdur Rahim): Does the Honourable Member understand the position? It is the last day of the Session and the occurrence took place on the 19th instant, and I take it that if the allegations are correct that two persons were killed, some judicial enquiry must have been held and action taken. Does the Honourable Member know anything about that?

**Babu Kailash Behari Lal**: No, Sir. I do not know about that. Mr. Nauman has come from Patna and he . . . .

**Mr. President** (The Honourable Sir Abdur Rahim): The Honourable Member has no information himself and the Government have no information either, and under the circumstances I do not see how the matter can be discussed.

**Babu Kailash Behari Lal**: Sir, may I suggest, as the Honourable the Leader of the House has said, that the Government may try to get information in the matter by the time this motion is taken up.

**Mr. President** (The Honourable Sir Abdur Rahim): No, the Government Member said that there was not sufficient time to get the information. Under the circumstances I do not see that any good purpose will be served by moving any motion in the matter. The proper course for the Honourable Member would be to get more information, and if he is able to get any definite information on the subject, he should communicate it to the Member of the Government concerned, and see that it is properly considered.

**Babu Kailash Behari Lal**: May I at least get an assurance from the Government that they will enquire into the matter?

**The Honourable Mr. M. S. Aney:** If the Honourable Member would supply the necessary information, we shall certainly look into the matter.

**Babu Kailash Bahari Lal:** So far as my present information goes, even the publication of news has been suppressed by the Local Government.

**Mr. President** (The Honourable Sir Abdur Rahim): If the Honourable Member has received such information, why not forward it to the Government.

**Babu Kailash Bahari Lal:** I have got a telegram which I will hand over to the Member concerned. Similar telegrams have been received by my Honourable friends, Mr. Joshi and Qazi Muhammad Ahmad Kagmi.

**Mr. President** (The Honourable Sir Abdur Rahim): Very well, then communicate all that to the Leader of the House. The motion, under the circumstances, is disallowed.

# HOME DEPARTMENT DECLARATION OF EXEMPTION ISSUED UNDER THE REGISTRATION OF FOREIGNERS ACT.

**The Honourable Sir Reginald Maxwell** (Home Member): Sir, I lay on the table a copy of the Home Department Declaration of Exemption No. 1/11/42-Political (E.), dated the 26th March, 1942, issued under the Registration of Foreigners Act 1939.

"No. 1/11/42-Political (E)."

GOVERNMENT OF INDIA.

HOME DEPARTMENT.

*New Delhi, the 26th March, 1942.*

## DECLARATION OF EXEMPTION:

In exercise of the powers conferred by section 5 of the Registration of Foreigners Act, 1939 (XVI of 1939), the Central Government is pleased to declare that the provisions of the Registration of Foreigners Rules, 1939, except Rule 8, shall not apply to, or in relation to, Mrs. Doris W. Jepson, an official attached to the Headquarters, United States of America Tenth Air Force, Delhi.

V. SHANKAR,

*Deputy Secretary to the Government of India."*



# THE DELHI MUSLIM WAKFS BILL.

## NOMINATION OF MEMBERS TO THE JOINT COMMITTEE.

**Maulvi Muhammad Abdul Ghani** (Tirhut Division: Muhammadan):  
Sir, I beg to move:

"That the following Members of the Legislative Assembly be nominated to serve on the Joint Committee to consider and report on the Bill to provide for the better administration of Muslim Wakfs in the Province of Delhi:

- (1) The Honourable Sir Sultan Ahmed,
- (2) Syed Ghulam Bhik Nairang,
- (3) Sir Syed Raza Ali,
- (4) Sir Muhammad Yamin Khan,
- (5) Nawabzada Muhammad Liaqat Ali Khan,
- (6) Maulvi Syed Murtuza Sahib Bahadur,
- (7) Kunwar Hajee Ismaiel Ali Khan,
- (8) Mr. Husenbhai Abdullabhai Laljee, and
- (9) the Mover."

Sir, my Honourable friend, Sir George Spence, has removed my apprehension in this connection, which was that the motion in connection with the formation of the Joint Select Committee will not be complete in this Session. However, so far as that apprehension is concerned, it has been removed, and I hope he will see that the Select Committee will sit and examine it so that the measure may come up before the House during the next Session. With these few words, I move this motion.

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

"That the following Members of the Legislative Assembly be nominated to serve on the Joint Committee to consider and report on the Bill to provide for the better administration of Muslim Wakfs in the Province of Delhi:

- (1) The Honourable Sir Sultan Ahmed,
- (2) Syed Ghulam Bhik Nairang,
- (3) Sir Syed Raza Ali,
- (4) Sir Muhammad Yamin Khan,
- (5) Nawabzada Muhammad Liaqat Ali Khan,
- (6) Maulvi Syed Murtuza Sahib Bahadur,
- (7) Kunwar Hajee Ismaiel Ali Khan,
- (8) Mr. Husenbhai Abdullabhai Laljee, and
- (9) the Mover."

**Mr. Husenbhai Abdullabhai Laljee** (Bombay Central Division: Muhammadan Rural): Sir, I have got fullest sympathy with the Resolution, but my only appeal is that I should like that in my place Maulana Zafar Ali Khan may be appointed, as he has studied the matter thoroughly. I make that suggestion to the Mover, and I hope he will accept it.

**Maulvi Muhammad Abdul Ghani**: Sir, I have no objection.

**Mr. President** (The Honourable Sir Abdur Rahim): I do not know whether Maulana Zafar Ali is agreeable to that. But I must point out that before any Honourable Member proposes any names of any Member

[Mr. President.]

he must ascertain beforehand whether he is agreeable to serve on it. Mr. Husenbhai Laljee should have been consulted beforehand.

The question is:

"That the following Members of the Legislative Assembly be nominated to serve on the Joint Committee to consider and report on the Bill to provide for the better administration of Muslim Wakfs in the Province of Delhi:

- (1) The Honourable Sir Sultan Ahmed,
- (2) Syed Ghulam Bhik Nairang,
- (3) Sir Syed Raza Ali,
- (4) Sir Muhammad Yamin Khan,
- (5) Nawabzada Muhammad Liaqat Ali Khan,
- (6) Maulvi Syed Murtuza Sahib Bahadur.
- (7) Kunwar Hajee Ismaiel Ali Khan,
- (8) Maulana Zafar Ali Khan, and
- (9) the Mover."

The motion was adopted.

### THE INDIAN MEDICAL COUNCIL (AMENDMENT) BILL.

**Qazi Muhammad Ahmad Kasmi** (Meerut Division. Muhammadan Rural): Sir, I beg to move:

"That the Bill further to amend the Indian Medical Council Act, 1933, be circulated for the purpose of eliciting opinion thereon by the 15th September, 1942."

Sir, since the Indian Medical Council Act of 1933 came into force, there has been great discontent among a large section of medical men known as L. M. Ps. In so far as I understand, the Government have also appreciated this. I was expecting that the Government themselves would bring forward a measure to remedy the grievance but as they did not do so, I have introduced this Bill. I understand that the Government will consider it, and they are agreeable to circulate it for eliciting opinion, so I need not say anything more at present. Sir, I move.

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

"That the Bill further to amend the Indian Medical Council Act, 1933, be circulated for the purpose of eliciting opinion thereon by the 15th September, 1942."

**Mr. Lalchand Navarai** (Sind: Non-Muhammadan Rural): Sir, I rise to lend my support to this Bill. This matter has been hanging fire for a very long time. When the Indian Medical Council Act was passed there was a demand by this House that licentiates should be included within its scope. But it has not been done uptil now, and there is absolutely no reason why that should not be done. Since that Act has been passed, the course for these licentiates for qualifying themselves has been increased. Formerly, after they passed the first year college examination they had to remain for three years in the medical schools and pass out from there. Subsequently it became four years, now it is five years. I find no reason why they should not stand on the same level as the M.B.B.S.'s who also, after passing the Intermediate examination, have to remain for six years only in the medical colleges. I submit that so far as licentiates are concerned, they are very competent men, some of

them more popular and more competent than even M.B.B.S.'s, and I do not know why they should not be given the same right of being included in the Council. I know of several licentiates who have shown more competency in their practice and are more popular than others. I have received representations from the licentiates in Sind and they have passed a resolution to say that there is no reason why they should be excluded. I hope that the Government will consider the matter sympathetically unless it be that the General Medical Council thinks that these people should not stand on the same level as the M.B.B.S.'s. I do not think that there is any reason for perpetuating this injustice. The time has now come when these men are equally qualified, and do equally good work and are holding very important medical posts in the Government service, that this distinction should be removed. I hope that when the Bill returns after circulation Government will take a very sympathetic view of the case and that the House will pass the Bill.

**The Honourable Mr. N. R. Sarker** (Member for Education, Health and Lands): Government have no objection to the present motion.

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

"That the Bill further to amend the Indian Medical Council Act, 1933, be circulated for the purpose of eliciting opinion thereon by the 15th September, 1942."

The motion was adopted.

## THE SUGAR INDUSTRY (PROTECTION) REPEALING BILL.

**Dr. Sir Ziauddin Ahmad** (United Provinces Southern Divisions: Muhammadan Rural): Sir, I beg to move:

"That the Bill to repeal the Sugar Industry (Protection) Act, 1932, be referred to a Select Committee consisting of the Honourable the Law Member, the Honourable the Commerce Member, Babu Baijnath Bajoria, Mr. J. Ramsay Scott, Dr. P. N. Banerjee, Bhai Parma Nand, Seth Haji Sir Abdool Haroon, Mr. Muhammad Nauman, and the Mover, and that the number of members whose presence shall be necessary to constitute a meeting of the Committee shall be five."

Sir, this Sugar Protection Bill has got a very unfortunate history. It is the history of propaganda, of profiteering, cheating and mismanagement.

**The Honourable Sir Homi Mody** (Supply Member): Is that all!

**Dr. Sir Ziauddin Ahmad**: No, wait . . . .

**Mr. President** (The Honourable Sir Abdur Rahim): The Honourable Member has not given the names of the members of the Select Committee. He ought to have handed in the names at the Secretary's table.

**Dr. Sir Ziauddin Ahmad**: I have handed over the names, Sir. I shall just briefly refer to the history of this particular industry.

**Mr. Lalchand Navalrai** (Sind: Non-Muhammadan Rural): On a point of order, Sir. Unless and until the names are given, the Honourable Member cannot move the motion.

**Mr. President** (The Honourable Sir Abdur Rahim): He has mentioned the names and he has handed over the list.

**Mr. Lalchand Navai:** But not to us.

**Dr. Sir Ziauddin Ahmad:** I have asked the permission of those Members whose names I have mentioned for the Select Committee.

**Mr. Lalchand Navai:** You never asked my permission.

**Dr. Sir Ziauddin Ahmad:** Your name is not there. I just want to draw the attention of the House to the report of the Fiscal Commission. They explicitly laid down that protection should be given on the results of an enquiry by Tariff Board. In the year 1931 the Government appointed a Tariff Board to find out whether protection should or should not be given to the sugar industry. This Tariff Board acted according to the recommendations of the Fiscal Commission. The Tariff Board recommended that we should give protection at the rate of Rs. 7-4-0 per cwt. for a period of seven years, and later on it should be reduced to Rs. 6-4-0 after seven years' trial. The second Finance Bill of 1931 unfortunately raised the customs duty without any consideration whatsoever, by 25 per cent, and the result was that the protection of Rs. 7-4-0 which had been very carefully calculated by the Tariff Board was suddenly raised to Rs. 9-1-0, and I have always thought that this act of the Legislature was against the recommendations of the Fiscal Commission,—that is to raise the quantum of protection without sufficient enquiry. The Tariff Board recommended that the price of sugarcane should be fixed at six annas, but after the second Finance Bill of 1931 a large number of sugar factories came into existence and they began to make large profits, and the profits varied between 50 and 100 per cent. I think even the Honourable Sir Homi Mody will consider that it is a profiteering concern which makes a profit of 50 and 100 per cent. In the year 1933, two years later, the Government realised the mistake and tried to overcome it by putting an excise duty of Rs. 2 per cwt. Those of us who were in this House at that time remember the kind of propaganda that the sugar industrialists carried on against the imposition of an excise duty of Rs. 2 on sugar. We have been hearing a great deal about Dr. Goebbels's propaganda who can talk on nothing and build a castle without any material. But I think the sugar manufacturers beat him hollow in the year 1933.

Lord Crewe even said that you can have propaganda if you have something which you can develop and magnify, but you cannot have propaganda on nothing. But the sugar manufacturers performed this miracle and did create a propaganda on nothing, and I was perfectly right, therefore, when I said that they are not only profiteering concerns but they were great propagandists, and that this was an industry of profiteering and propaganda.

**An Honourable Member:** What was that propaganda?

**Dr. Sir Ziauddin Ahmad:** The nature of the propaganda? The nature of the propaganda was this. They tried to make us believe that they were very poor people, they were living from hand to mouth, they were just losing the whole of their capital, that the industry could not stand on its own legs, and they attempted to canvass the Members of the Assembly through stomach. The next thing which they did was this. The price of sugarcane which the Tariff Board had fixed at 5½ or 6 annas was reduced by the sugar manufacturers to 2½ annas. In actual practice

they paid only 2½ annas to the sugarcane growers delivered at the factory, not delivered in the fields but delivered at the factory and very often they kept them waiting for several days, so that the juice was dried up and the thing was sold at a cheaper rate than fuel. That is cheating. Now, these are the methods which they adopted in order to have fat and profits. I could give you another example of their propaganda. What the sugar manufacturers did was that they attempted to rope in the cottage industry as well, that is the sugar made by the khandsari system. The original Bill of the Government laid before us in 1933 did not propose to have any excise duty on khandsari sugar but the propaganda of the sugar manufacturers succeeded in inducing the Government to change their mind and to put an excise duty of eight annas a maund even on the khandsari sugar, which was really the direct result of the propaganda of the sugar manufacturers. This question was again examined in 1938 after seven years when the Government appointed another Tariff Board to examine the whole thing. Now, this Tariff Board after calculating the visible and invisible expenditure of production said that the cost of production including visible and invisible expenditure is Rs. 6-18-10-1 per maund and they recommended that the protection required was Rs. 7-4-0 per hundredweight or Rs. 5-5-0 per maund and they gave them a little gratis and increased the protection from Rs. 9-1-0 to Rs. 9-4-0. The price of sugarcane was fixed at 5 annas 6 pies per maund. Now, at the time the Bill was under consideration the price of sugar was Rs. 8 per maund delivered at the factories, and at that time we thought that the price was reasonable and we agreed to the extension of the term of protection. That is, the price should be Rs. 8 per maund. Now, the thing continued, though not satisfactorily but without serious objection, till 1938. Now, later on, the Congress Governments came in power in the United Provinces and Bihar which were really the centres of the sugar industry. Now, the action which they took was in direct contravention to the recommendation of the Tariff Board and it resulted in destroying this industry in these two provinces and breaking the monopoly of the United Provinces and Bihar by shifting the industry to other provinces. Now, the first thing which the sugar people did which was directly in contravention to the Tariff Board was this, and I charge the Commerce Department also, not my friend who was not here at that time, to connive at it, that they formed a syndicate of the sugar manufacturers to regulate the sale price of sugar. It was in direct opposition to the recommendation of the Tariff Board.

My friend would remember that the Assembly warned the Government of India that they should see that there ought to be no combine in the case of a protected article. They have fixed one price after elaborate calculation and given them some protection after careful study. Now, when the Syndicate was formed, they regulated the price. They had a combine to carry on the trade and this combine was in direct contravention of the recommendations of the Fiscal Commission and the Government of India slept over the matter. They did not take up this question. It was the duty of the Commerce Department in the year 1938 to stand up and boldly say that there should be no combine and if there is a combine the protection will be withdrawn. They were timid against the propaganda and they did not meet the propaganda of the sugar manufacturers and they proved themselves to be the most effective propagandists. Afterwards, they fixed the price of sugar. Now, our Provincial Governments headed by the Congress Governments passed a rule under their

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rule-making power that every manufacturer must compulsorily be a member of the Sugar Syndicate. That is, the membership became obligatory and compulsory, so that everybody must join the Syndicate and the Syndicate will fix price at which the sugar must be sold. So, they were entirely at the mercy of the syndicate. Now, when the Provincial Governments realised that here is a powerful syndicate and the Government of India is sleeping over the matter and doing nothing in this particular direction, they chalked out a way for themselves. What they did was they invented a novel formula. They said that the sugar manufacturers have thus usurped a right to disregard altogether the sale price recommended by the Tariff Board. They invented a formula by means of which the price of sugarcane was not fixed in annas and pies but it was fixed in relation to the sale price fixed by the syndicate. If the syndicate fixed that the sale price will be so much, then they said that the price of sugarcane should be so much. I have got some figures here. If it was Rs. 10-3-9, then the price of sugarcane was 7 annas 9 pies, while really speaking the price of sugarcane was  $5\frac{1}{2}$  annas. If the price rose up by the action of the syndicate to 11/4/1, then the price of sugarcane should rise to Rs. 10 a maund. So they had a formula by means of which the price of sugarcane was made to depend upon the price of sugar. This was done by the Provincial Governments and, when we came to raise the excise duty in 1940, I pointed out on the floor of the House that if you raise the excise duty by one rupee naturally the price of sugar will also go up. Then the price of sugarcane will also be fixed accordingly and by raising the price of sugarcane the price of sugar will go up. This vicious circle continues and I think the question has not yet been solved.

In addition to these two difficulties the formation of the syndicate and the fixation of the price in contravention of the recommendations of the Tariff Board in 1931 and 1938, the Provincial Government took one more step. It put an additional cess on the sugar and collected about 77 lakhs per annum from this cess. This was also an additional tax which they raised. Now, the condition of sugar became so bad on account of this dual control and on account of the inaction of the Government of India that the industry became in a very bad position. They had a large stock of unsold sugar and they did not know what to do with it. They were even willing to sell it at a very cheap price. My friend, the Commerce Member, came into the field and he really helped to save the situation to a certain extent. Though the temporary difficulty was overcome by the action of the present Commerce Member, the fundamental points still remained, and now we are in a difficult position. We have got a protection which is imposed on the principles laid down by the Fiscal Commission and by means of which the price of sugar is fixed. Now, another body has come into existence, Sugar syndicate; it artificially increased the price of sugar. Then the Provincial Governments came into action. Then, they put a cess duty and also raised the price of sugarcane. Tariff Board recommendations thus ended. So, I do not see what is the meaning of the protection. You have not given effect to the recommendations of the Tariff Board Report. I think the whole scheme outlined by the Fiscal Commission and described in detail by the Tariff Boards of 1931 and 1938 is not working at all and the present condition is very chaotic. What more you want in the proof of mismanagement?

By the present Finance Bill we have increased the quantum of production of the sugarcane by 25 per cent. without any consideration as to how it will materialise. We have not yet finished the Session and we cannot visualise how it will affect the industry. The only reply given was that it does not matter what quantum of production you fix as long as sugar is not coming from outside. If this is the argument they advance, then it is better that we should abolish this Act altogether. This is the point on which I stand and on account of which I have come to move this particular motion.

Now, by the Finance Bill of 1942 we have raised the quantum of production by 20 per cent. without giving any reason, without any justification and without any inquiry whatsoever. You have brushed aside the Fiscal Commission report; you have torn the Tariff Board reports of 1931 and 1938; and you have set aside the Fiscal Committee report. Now, the protection has been raised by 20 per cent. If you have got such an arbitrary power to raise the protection and your reply with regard to this fixation is that sugar is not coming to this country, then the logical consequence of this is to abolish the protection altogether. Your Syndicate plays with it, your Provincial Governments play with it and you remain silent and practically do nothing. That being the case, what is the use of keeping this protection. Why not repeal it altogether? You will remember that we are now paying a very large sum of money for the upkeep of the sugar industry. If this protection had disappeared and if the normal conditions had been restored, then we would have been able to get sugar at Rs. 3 or Rs. 4 per maund. But at present we are paying in the Delhi market one rupee for  $2\frac{1}{2}$  seers of sugar. It is all due to the fact that the duty has been raised. Sir, these laws are intended to be followed and not to be broken. If the Government of India itself comes forward to break the laws and principles, why not abolish that law so that you may not be guilty of breaking the law yourself. You always punish people for breaking the laws and the only punishment that we can impose on the Government of India for breaking laws is to relieve them from this law altogether. That is the reason why I am suggesting such a simple measure,—please repeal this particular law so that you may not be guilty of breaking the laws of which you have been uniformly guilty for the last four or five years.

Only the other day I asked some question from my Honourable friend, the Commerce Member. On that occasion, he did not reply to those questions because I had not given the usual ten days' notice and he was not willing to give a reply to a short notice question. I hope he will be able to answer them now.

**Mr. President** (The Honourable Sir Abdur Rahim): The Honourable Member cannot put those questions now.

**Dr. Sir Ziauddin Ahmad:** Very well, Sir, I shall not repeat those questions. My chief argument now is that I have now come forward to relieve you from the charge that you may not be guilty of breaking the laws which you have been breaking so long. You are not following the law at all. You have not been following the spirit of the protection on which the whole protection was based. If your argument is that the present time is not suitable for acting on this measure, then repeal this Act. When suitable time comes, then come forward with a new enactment according to

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the conditions that may then exist. You have got the power to do so; you have got the majority in the House and you can do it. At the present time, I think, I am doing a great service to my friend, the Commerce Member, when I say that he should be relieved from the charge of breaking the laws which he has accepted to follow. Sir, I move.

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

"That the Bill to repeal the Sugar Industry (Protection) Act, 1932, be referred to a Select Committee consisting of the Honourable the Law Member, the Honourable Diwan Bahadur Sir A. Ramaswami Mudaliar, Babu Baijnath Bajoria, Mr. J. Ramsay Scott, Dr. P. N. Banerjee, Bhai Parma Nand, Seth Haji Sir Abdool Haroon, Mr. Muhammad Nauman and the Mover and that the number of members whose presence shall be necessary to constitute a meeting of the Committee shall be five."

I find there is another motion in the name of Maulvi Muhammad Abdul Ghani. Does he want to move it?

**Maulvi Muhammad Abdul Ghani** (Tirhut Division: Muhammadan): Yes, Sir. I move:

"That the Bill be circulated for the purpose of eliciting opinion thereon by the 31st July, 1942."

Sir, I have moved this motion, because I want to be fair to both sides,—the manufacturers, the consumers and the Government. I want that all of them should have their say, because the protection has only recently been extended up to 1944. Besides, the Session is going to be finished today, and I do not think the Select Committee will be able to do their work.

Sir, I do not wish to go into the details which have already been mentioned by the Honourable the Mover, Dr. Sir Ziauddin Ahmad. I will only add that since 1932, when the protection was first given to the sugar industry, ten years have elapsed, and up till now we have not been able to find that the sugar industry is trying to stand on its own legs. If they will go on this way, it will be difficult for the country to continue this protection. If protection is removed, I do not think the sugar industry in India will be able to compete with foreign countries. At present, no doubt, there is no necessity for any kind of legislation. Sugar is at present being sold, wholesale rate, at Rs. 12-8-0 a maund. But the cane-growers have been given only at the rate of six annas a maund for cane. They should have been given at the rate of twelve annas a maund for cane. The fate of the poor cane-growers is pitiable indeed.

**The Honourable Diwan Bahadur Sir A. Ramaswami Mudaliar**  
12 Noon. (Commerce Member): Does the Honourable Member contend that twelve annas per maund is a reasonable price which the cane-grower should get for his sugarcane?

**Maulvi Muhammad Abdul Ghani**: Especially when sugar is being sold at Rs. 12-8-0 a maund, it is a reasonable price to give 12 annas for cane.

**The Honourable Diwan Bahadur Sir A. Ramaswami Mudaliar**: I should like to understand the point. I am sorry to interrupt the Honourable Member. Does the Honourable Member say that twelve annas per



maund for sugarcane is a reasonable price in itself, or does he suggest that in view of the price of sugar being at Rs. 12-8-0, the price of cane should be at twelve annas per maund?

**Maulvi Muhammad Abdul Ghani:** In view of the price of sugar, I suggest that the price of cane should be twelve annas per maund, not otherwise. In view of the high price of sugar, only one class of people are being benefited. It is but right that the original person, namely, the cane-grower should get a little share out of that huge profit. In order to benefit them, the Government of India started a fund, called the sugar excise fund, and placed six lakhs at the disposal of the fund in order to secure a fair price for the cane-growers. After that, they added seven lakhs more. Do you know the result? The result was that, later on, it was decided to spend this money on the Sugar Technological Institute, Cawnpore. It was decided that the Sugar Technologist of Cawnpore shall have a first call on that sugar excise fund which was originally started to help the cane-growers. Instead of helping the cane-growers, the money was utilised for some other purpose. As I already submitted, it is only one class of people who are being benefited, particularly by the protection given to them. Sir, with these few observations, I move for the circulation of the Bill for the purpose of eliciting public opinion. I think, in the light of opinions received, we can proceed with the further stages of the Bill.

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

"That the Bill be circulated for the purpose of eliciting opinion thereon by the 31st July, 1942."

**Mr. Husenbhai Abdullahhai Laljee** (Bombay Central Division: Muhammadan Rural): Sir, I must congratulate the learned Doctor on the manner in which he tried to tell us that his whole case was that he wanted to save the Honourable Member for Commerce from being guilty of breaking the law. Those who have been here long enough and those who have heard the speeches made by the Honourable Member cannot agree to this fact; but we all know that he wants to remove protection. I should have liked my Honourable friend to say frankly and openly that he was from the very beginning against protection, that he is against protection now, and that he does not want any more protection to be given to sugar. I do not know whether at this time and in this period, he still considers that it is right that in our country foreign stuff should come into the tune of crores of rupees and that money should go out of the country.

**Dr. Sir Ziauddin Ahmad:** Foreign sugar is not coming. That is the point.

**Mr. Husenbhai Abdullahhai Laljee:** Yes, it is not coming now. But during the long period that has elapsed, crores and crores of rupees were drained away from this country in the shape of foreign sugar. Sugar is a dire necessity for life and if Government take steps to save this for the country, then my Honourable friend comes up and wants to scrap the principle of protection. This war may last for a year or two and during this period no foreign sugar will come, but on this account we cannot allow the protection to go. I need not say that the world at large has

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laid down the policy, every civilised Government has laid down the policy of protection. Above all, this war has shown us the dire necessity of having protection for articles like sugar. What would have been our condition today, if there was no indigenous sugar in this country and if we were to be dependent on foreign sugar? What is our condition today? We cannot only supply for internal consumption, but thank God we can supply to the outside world as well. This great change in the economic position of India with regard to sugar must have convinced my Honourable friend, Dr. Sir Ziauddin Ahmad, what he was saying was not right and that this was not the proper time to bring forward a measure like the one he has brought forward. At the present moment, we are so much in need of sugar all round that our condition would have been miserable, if sugar was not there. We ought to welcome the action taken by the Government in keeping up the protection to sugar, and we should be grateful if the Government assure us that they will be keeping up the protection.

With regard to sugar industry, I must say that I congratulate the Government, both at the Centre and in the Provinces, for the counterpart which they have done so far as the interests of the growers is concerned. Every figure that has been quoted has showed that the manufacturers have complained while the sugarcane growers have also said that they have not got the better of it. Whatever it may be, it must be conceded that there was fair dealing, if not more on the side of the agriculturist, at least it was not more on the side of manufacturers that is a fact. I ask my Honourable friend to show me one example where both the manufacturers and the growers have complained that they do not get a fair price. It must, therefore, be conceded that prices are fair on both sides.

If you look into the position of sugar industry, only recently which saved us crores of rupees of ours going out that they were threatened with extinction because of the fact that they were not allowed to export. I have complained consecutively during three budget Sessions about this position and have pointed out that I have never heard of the policy laid down by any Government prohibiting the surplus export of any article from a country. We have overcome all these international obstructions and difficulties. But still my Honourable friend comes forward and says, we do not want protection for that article although a mighty handicap was put upon this article in the shape of banning of export to foreign countries. This is a very serious matter to be considered. It must be remembered that all great wars are fought as I have often said, for export trade. Now that this industry has survived and there is no international pressure, I do not see any reason why Government do not concede to it the legitimate right of exporting. Now has come the time when our Government will, I hope, ask us to export for the needs of our neighbours. And I do not blame them because, after all, if we export now we will find some markets and we can show to the world at large that up to now we were kept back from producing sugar and sending it outside the country, which was wrong, unjust and unfair; further, we are now producing sugar for our own use and we have enough to give them at the time of scarcity and necessity. I again repeat that all this talk about customs duty should not be considered at all. We know very well that Government would never like to put that customs duty. That levying of custom duty is in different hands altogether; protection is in different hands altogether. We know the constitution of the Treasury Benches. While some are doing their

best to help commerce and industry, the financial point of view some of them adopt is only to look to the rupees, annas and pies for expenses and without any consideration as to what will be the ultimate good of the people. The customs duties are the concern of the Finance Members and they seldom care as to what endeavours they must make to meet the public demand, and then it must not be forgotten that 20 or 25 per cent. now put on is for the war purposes.

**Seth Haji Sir Abdoola Haroon** (Sind: Muhammadan Rural): On the top of the protection duty you want to raise that duty also.

**Mr. Huseinbhai Abdullabhai Laljee**: My Honourable friend, Sir Ziauddin, made a very strong point that the protective duty was there and that customs duty was on the top of it. He also asked whether we are at all going to get any sugar from outside. Therefore it is quite clear that it is not on the top because no sugar is going to come and for what very little that will come that will be very very little. He himself said no sugar is going to come and still the Finance Member would have it. But that is not going to affect the point. The time will come, and Sir Abdoola Haroon knows it, we are now in position and are going to export. Where is the question, therefore, of that custom duty? It has been provided, I admit, but I do not know for what purpose, perhaps to please Sir Ziauddin that he will get cheap sugar or more money forgetting that really he will get more income-tax, more super-tax and more duty on poor men's kerosene oil and also some more postage. We know in the old days when in the last war we wanted hides and skins a large number of people asked all sorts of questions to give them some protection. The protection that was given was that more customs duty was put! And as soon as the war ended the customs duty fizzled out and nothing was left, the hides and skins industry went to the dogs, and now you want hides and skins. The same thing would happen to sugar if there would not be any protection. Sir, I speak in the interest of both agriculturists and industrialists and above all in the interest of this poor country for keeping money in my own country. Therefore, I oppose both the motions for Select Committee and for circulation. By circulating this we shall only be creating in the minds of the public at large that we are not at all yet seriously considering the important question of exploitation or of driving away capital from our own country which we so much need and further that we are guilty of not being able to realise that one of the bare needs of the people is sugar and we are open to consider such things above all in these times, when we should do everything to produce more sugar and foodstuff now in the country at all costs.

**Babu Baijnath Bajoria** (Marwari Association: Indian Commerce): Sir, I am a sugar consumer, and having a larger family than Sir Ziauddin, I am a greater consumer than he is. I am neither a sugar manufacturer nor a dealer in sugar. I will have to deal with this Bill from the point of view of both the consumer and the trade in general. First of all, before going into the details, I would ask the great mathematician, Sir Ziauddin, as to what the motion for reference to Select Committee means. When he wants to repeal the Sugar Protection Act what is the Select Committee going to do? If the principle is accepted here that that Act should be repealed, it will be repealed, and what will the Select Committee do?

**Dr. Sir Ziauddin Ahmad:** They may decide upon an extension of the time limit.

**Babu Baijnath Bajoria:** So when he saw the impossibility of his own motion he set up his lieutenant Maulvi Abdul Ghani to move the circulation motion. But has there been any demand for the repeal of this Sugar Protection Act by any consumers' interests, except from the fertile brain of the great mathematician? So, Sir, I am opposed to both of these motions, and I will give my reasons. Sir Ziauddin has charged this industry with making false propaganda, with cheating and with mismanagement. With regard to the first charge, I will say unhesitatingly that this motion of Sir Ziauddin is propaganda in itself.

**Dr. Sir Ziauddin Ahmad:** In favour of whom? The consumer?

**Babu Baijnath Bajoria:** As I have already said, I will show that this protective duty on sugar has had a very beneficial effect on the consumer. Of all the protective duties levied, I make bold to say that it is the sugar industry alone that has had a romantic progress and development. From a great sugar importing country we have become self-sufficient as regards the production of sugar and we have now even some surplus for export. What would have been our position now, when we have no sugar coming from abroad, if there had not been such a well developed sugar industry in this country? Perhaps we would have had to go without any sugar.

As regards the syndicate Sir Ziauddin very conveniently forgot to disclose to the House how it came into existence. It was rather at the insistence of the United Provinces and Bihar Governments . . . .

**Seth Haji Sir Abdoola Haroon:** No, they were approached by the mill-owners to form a syndicate.

**Babu Baijnath Bajoria:** There was difference among the manufacturers; some wanted a syndicate and others did not and they did not come to any terms. Those who were in favour of a syndicate approached the United Provinces and Bihar Governments and placed their facts before them; and it was at the insistence and inspiration of those two Governments that the syndicate came into existence. And one of the conditions was that all the sugar manufacturers, whether they were willing to come into the syndicate or not, should become members of the syndicate.

Sir, as regards the charge that it was the Sugar manufacturers who combined themselves and formed this Syndicate with the object of increasing the price of sugar and exploiting the consumer, there is no foundation whatsoever in it. At that time when the Syndicate was formed, my Honourable friend is aware that the price of sugar had gone down tremendously and the sugar manufacturers were running their mills at a great loss.

**Seth Haji Sir Abdoola Haroon:** Please see the dividends declared by sugar mills during the last two or three years.

**Babu Baijnath Bajoria:** The Syndicate was formed before that. I am speaking about the time when the Syndicate was formed. At that time there was a great surplus of sugar stocks in the country which could not be disposed of . . . .

**Dr. Sir Ziauddin Ahmad:** As a result of the action of the Syndicate.

**Babu Baijnath Bajoria:** No. The Syndicate was formed to create a pool and dispose of those stocks.

Sir, I have got my own views on the subject which are based on hard facts. There has been a loss on import duty by this protection no doubt, but it has been counter-balanced to a great extent by the excise duty and by the Income-tax and Super-tax realisations from the manufacturers and traders dealing in sugar. Sir, about this 20 per cent. increase which has been made in the Finance Bill for 1942, I will say that it has just the adverse result on the sugar manufacturers, because along with the customs duty the excise duty on sugar has also gone up.

**The Honourable Diwan Bahadur Sir A. Ramaswami Mudaliar:** No.

**Babu Baijnath Bajoria:** Sir, I stand corrected; I wont proceed with this point, but as there is no import of sugar, so the increase will not effect the sugar consumers.

**Dr. Sir Ziauddin Ahmad:** If sugar is not coming into this country, the whole protection Bill is useless.

**Babu Baijnath Bajoria:** My Honourable friend, Dr. Ziauddin, has made several references about the price of cane. He said that the manufacturers pay 0-2-6 delivered at factories. I think that is not correct. During the Congress regime, the price of cane was fixed as high as annas 8 and in one year at 10 annas also, so that the charge that the cane-growers were not fairly treated does not bear out. Sir, in my humble opinion the Sugar industry has justified the confidence which has been reposed in it by the grant of this protection and unless and until a fresh Tariff Board is appointed to investigate what quantum of protection should be given to this industry in the future, it would be very unjust to do away with the protective duties altogether. Sir, I oppose this motion.

**Seth Haji Sir Abdoola Haroon:** Sir, my Honourable friend, Dr. Ziauddin, has brought forward a Bill to repeal the Sugar Industry (Protection) Act, 1932, whereas my Honourable friends, Mr. Husenbhai Laljee and Babu Baijnath Bajoria, have spoken against it. I do not want to go into the history of sugar protection or the Syndicate or the Sugar Committee appointed by the Bihar and the United Provinces Governments, but I will only give you the present position of the sugar industry and sugar price. Sir, in December last, the Sugar Syndicate and the Sugar Committee fixed the price of sugarcane at 0-5-0. In November, however, the sugar manufacturers started arguing that because of the rise in price of fuel, oil, sulphur and hundred other things, and because of their scarcity, the price of sugar should be increased. So the Sugar Syndicate and the Sugar Committee discussed this between themselves and decided that on the basis of 0-5-0 for cane, the price of sugar must be Rs. 9-7-0 and 9-8-0 for D24 quality.

**Dr. Sir Ziauddin Ahmad:** Rs. 9-4-0.

**Seth Haji Sir Abdoola Haroon:** Up till the first week of December, the market remained steady, but from the 7th of December, when war

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broke out in the Far East, the sugar market commenced to rise, because the sugar manufacturers and some speculators and stockists started holding up the sugar. The market, therefore, gradually went up to Rs. 11-8-0. Now, mind you, the Sugar Syndicate had fixed the price at Rs. 9-8-0, but the price charged by the manufacturers up till March has been Rs. 11-8-0 and Rs. 11-12-0 per maund f. o. r. mills. As the war progressed, and Java fell into Japanese hands, the manufacturers became sure that sugar could not be imported now, and so they continued raising the price. There was, however, some sort of rumour that Government were taking steps to bring sugar prices under control. I think other Honourable Members must have heard it too. As a result of this the market remained a little steady until last week, when they seem to have discovered that nothing was going to happen. The Government are unable to control. Meetings were called by them, and the result was that, within the last three days, market has gone up by about 0-8-0 annas. I must tell the House that in my view—I may be wrong—if the Government do not take steps to control the price of sugar, I think the price will go up to Rs. 20.

**Mr. Husenbhai Abdullabhai Laljee:** There is going to be a control, I believe. If not, we will insist upon it.

**Babu Baijnath Bajoria:** But how will this motion of Dr. Ziauddin help you in that matter?

**Seth Haji Sir Abdoola Haroon:** I am coming to that point. I do not know whether Government are going to control the price or not. . . .

**Mr. Lalchand Navalrai:** Why not ask the Government.

**Seth Haji Sir Abdoola Haroon:** The Government are not bound to give this information.

**Mr. Lalchand Navalrai:** I will put that question. Sir, is there going to be a control or not? (Laughter.)

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

**Seth Haji Sir Abdoola Haroon:** See what this Syndicate has done during the last two years on the basis that there was plenty of stocks in the country. They reduced the crop last year to 7,50,000 tons instead of 11 lakhs tons, and this year it is 5,75,000 tons. For what? To raise their prices and get more and more profit. Sir, I think this is not the time when the capitalist or the industrialist should think of higher and higher profit. This is the time when we should come forward and support our countrymen in getting reduced prices.

**Mr. Lalchand Navalrai:** Have you a sugar mill?

**Seth Haji Sir Abdoola Haroon:** I have no sugar mill, but that is not the question at issue now.

**Mr. Lalchand Navalrai:** Now you are a free man.

**Seth Haji Sir Abdoola Haroon:** Free man, independent—or whatever you may call it. But my Honourable friend should not consider whether I have a sugar mill or not; he should consider the interests of the farmers and the cultivators. You have to consider that. Last year they fixed five annas as the price of cane. When the market went up, the Sugar Syndicate and the Sugar Committee met together and thought that people might kick up a big row that the manufacturers were getting so much profit. Therefore, they said, for every three annas increase in the price of sugar they would give one pie extra for sugarcane. According to that, sugar price would have to go up to Rs. 10-8-0 or Rs. 11, then the cultivator will get six annas. After taking into consideration a dividend of 10 per cent. and the cost of sugar manufacture the sugar prices have been fixed by both Committees at Rs. 9-8-0, whereas today sugar is selling at Rs. 12-8-0. Is it logical that an industry protected by Government should at this critical time make so such profit? I hope Mr. Husenbhai Laljee and Mr. Bajoria will agree with me. I now come to the question which Mr. Bajoria has put. What is the use of this Bill? I want to inform the House that Dr. Sir Ziauddin Ahmad is very helpless, because he tried his utmost to put short notice questions, but he did not get a reply. He did not know in what way he should bring this question before the House.

**Babu Baijnath Bajoria:** And this is the way!

**Seth Haji Sir Abdoola Haroon:** I am here not to argue whether at present we should allow protection or not. If this Bill goes to Select Committee, Government can in the meantime collect information in regard to all things that have cropped up during the last six or seven years in this industry. Therefore, I oppose my Honourable friend, Maulvi Abdul Ghani's motion for circulation. I do not know what sort of opinions we shall get on circulation. Generally we forward these Bills to some sugar industry or sugar association or sugar merchant. The Collectors do not know anything themselves and they generally follow the opinion of the sugar industrialists. So, I suggest to Government to support this motion and allow the Select Committee at least to meet. Of course, there is no possibility of throwing out these protective duties. I agree that it should not happen because we are bound. . . .

**Babu Baijnath Bajoria:** Then oppose this motion.

**Seth Haji Sir Abdoola Haroon:** But you must consider the present position of the sugar industry. One thing more. There is a rumour in the bazar that the Government want to control, and I do not know how far it is correct. Whether Government want to control or not, I do not know myself. But I appeal to the Government that sugar must be controlled, and immediately. Otherwise, many difficulties will be created in the way of the Government, and the times are such that not only wheat, but many other commodities, will have to be controlled by Government with a strong hand. There may be some objection on the score, what will happen to the middle man, what about the merchant, what about brokers and many other people? But, in my opinion, this is not the time to consider all those things; we have to see how to stop revolution in the country. If wheat is not controlled properly, I am afraid,

[Seth Haji Sir Abdoola Haroon.]

a sort of revolution may arise in this country, and it is our duty to avoid that possibility if possible. With these few words, I support Dr. Sir Ziauddin Ahmad's motion.

**The Honourable Diwan Bahadur Sir A. Ramaswami Mudaliar:** I have listened to the debate and I can perhaps satisfy myself by simply stating that the speeches on one side have cancelled the speeches on the other. As my Honourable friend, Babu Baijnath Bajoria, has rightly pointed out, a repealing Bill at any rate cannot go before a Select Committee because nobody can possibly see what advantage a Select Committee reference can have on a motion of this kind. But I do not want to leave the discussion at this stage, especially as I know my Honourable, learned and gallant friend, Dr. Sir Ziauddin Ahmad, has made himself conspicuous by a consistent agitation over the question of sugar prices. I have on another occasion, Sir, welcomed representation from the consuming interests and I said it was a relief to me to find occasionally the voice of the consumer heard in this House. At least from that point of view I feel it my duty to take this debate seriously and to put forward the point of view of Government.

My Honourable friend referred to the history of this case, and, though I deprecate the adjectives that he used with reference to the sugar manufacturers, he must realise that from the time that I took charge, at any rate, the handling of the sugar industry by the manufacturers and by the Governments, the various laws that were promulgated or the rules that were made, have been the subject of constant investigation and attention on my part. We found that in 1940, January and February, owing to the rules that were made by the Governments of the United Provinces and Bihar in the previous year a vicious circle was started—that the price of sugar was increased because the price of sugarcane went up and the price of sugarcane went up consequent on the increase in the price of sugar. The Central Government immediately took steps and in consultation and with the co-operation of the two Provincial Governments concerned at any rate from the last week of February, 1940, there was a rest put to this kind of vicious movement. Later on, as I explained to this House on a former occasion, we convened a conference of the sugar interests and of the Provincial Governments concerned. I pointed out that this idea of connecting the sugarcane price with the present prices of sugar and buying the sugarcane on the basis of the existing prices of sugar was not a correct proposition and that the more logical proposition would be to give a rebate to the sugarcane grower, after the sugar had been sold and, in the light of the prices that the sugar fetched but that in the meanwhile a flat rate may be given to the sugarcane grower during the whole season. My friend has not done justice either to that suggestion or to the fact that the Provincial Governments have accepted that suggestion and during the last season the basis on which the sugarcane grower is getting his price is that he gets a flat rate as soon as he sends his sugarcane to the mill. He has been promised and he will get, and the Local Governments will see that he will get, the price that he is entitled to as a rebate on the basis of the actual price at which the sugar was sold by the mills.



**Seth Haji Sir Abdoola Haroon:** The Honourable Member knows that the price of cane will be allowed to sugarcane growers up to seven annas per maund and not more than seven annas.

**The Honourable Diwan Bahadur Sir A. Ramaswami Mudaliar:** I am perfectly aware of that but my Honourable friend has interpolated a suggestion which has no bearing on the rebate system that I was referring to. These two Provincial Governments—at any rate, the United Provinces Government—found that later in the season the sugarcane grower was not willing to part with his sugarcane for five annas or even six annas and that he was a little doubtful, probably owing to certain kind of propaganda underneath, which was going on, as to the efficacy of the rebate system and whether the rebate system would function in actual practice. He was told that a bird in the hand is worth two in the bush and he would rather have six annas immediately for the sugarcane that he parted with rather than seven annas later on in the year sometime after the cane had been sold to the sugar manufacturers. How this diffidence was brought about in his mind, what propaganda was at work for the purpose, how the sugar manufacturers were not able to instil that confidence in the sugarcane growers, their immediate customers, are questions which it would be unprofitable for me to go into. The Provincial Governments had, therefore, to revise the flat rate. They started with five annas per maund in the beginning of the sugar season but later to induce the sugarcane growers to send more sugarcane to the mills they had to raise it to six annas later and ultimately, . . .

**Seth Haji Sir Abdoola Haroon:** Does the Honourable Member know that when they fixed five annas for the cultivator, the cultivator can crush that cane and manufacture *gur* and they would get higher price for *gur* and that is why they refused to take five annas and the Government had to raise it to six annas.

**The Honourable Diwan Bahadur Sir A. Ramaswami Mudaliar:** I shall not go into the detailed story. Opinions differ. Facts differ in different areas in the United Provinces itself. It was one consideration in one and another consideration in another part like the Meerut District and, therefore, it is not necessary to go into the details but the broad outline of the case is that certain sugarcane growers were rather doubtful whether they will earn their rebate at the end and, therefore, they wanted to get what they considered to be the cash price of the sugarcane immediately.

Now, Sir, my Honourable friend says—what is the good of this protection? But while listening to his speech and reading between the lines, I understand that what he is really anxious about is the proper organisation of this industry and not merely the repeal of the protection given. In fact, in an interruption he made in the course of the speech of my Honourable friend, Babu Baijnath Bajoria, my Honourable friend said that he was not really in favour of repealing the measure but that his motion was intended as a threat to the industry in case it did not organise itself properly and if it did not satisfy the conditions which he thinks the Tariff Board has imposed upon it. In that case he would even go to the extent of denying it the protection that has been given. Well, that may be a very logical attitude on the part of my Honourable friend who is so seriously annoyed with the industry and its management. But I do not think, representing

[Diwan Bahadur Sir A. Ramaswami Mudaliar.]

the Government of India as I do on these Benches, I could afford the luxury of showing my annoyance, even if I were to admit for a moment that the sugar industry has not organised itself on a proper basis much less would I like to threaten them with the removal of the protective duty, the benefit of which they are enjoying at present. I said in the course of my remarks the other day when I was requesting the House to extend the period of protection for the sugar industry that opinion was unanimous among all the Provincial Governments concerned that not only should the protection continue as under the old Act but that the present level of protection also should be maintained. Therefore I am unable altogether to accept the contention that this protection should be removed. I said then and I repeat now that the protective wall is a non-existent wall, is merely an illusion, if I may say so, under present conditions. There is no such protective wall for the simple reason that really no sugar can come into the country but, at the same time, I ventured to utter a warning in my personal capacity. Conditions are changing so fast nowadays that he will be a bold man indeed who takes courage in his hands and says 'that in the light of the circumstances today I am satisfied that the same conditions will continue for the next 12 months and, therefore, I take the risk of removing or knocking down this protective wall'. For that reason and for that reason alone, I would like to maintain the protection which exists at the present moment.

Now, Sir, let me take more seriously the amendment that has been moved by my friend, Mr. Abdul Ghani, that the Bill be circulated for opinion. I am inclined, after every careful consideration and not without a good deal of hesitation, to accept the motion of my Honourable friend that the Bill be circulated for opinion. In the course of the discussion very few arguments have been advanced why this Bill should be circulated for opinion. But I have given this subject a great deal of thought for the last two years and every facet of this industry has received the attention of those who are competent to do so. Considering the course which this industry has pursued I feel it would be advantageous at this time, particularly as no Tariff Board can sit to examine the position of the industry, to get the opinions of all those who are interested in the industry. Now, there are several questions which have been addressed to me during the last two years relating to the conflicting interests of this sugar industry. There has been a question raised very prominently by many interests in Upper India that the time has come when the proper organisation of this industry can only be carried out on an all-India basis. It has been suggested to me that this industry should be treated really as a key industry, that central control is the one panacea for all the evils which this industry is suffering from and unless that central control was taken and the industry is declared a key industry, it would be impossible for the Government, in view of the conflicting opinions which various Provincial Governments have with reference to the development of the industry, to really organise this industry on a proper basis. I do not propose to express any opinion on the subject just now. I know the overwhelming difficulties that face us in trying to think of this industry on an all-India basis and to treat this industry as a key industry. In fact, opinion so far expressed by Provinces and Provincial Governments down in the South have been definitely against the notion that this industry should be controlled on an all-India basis or should be treated as a key industry and brought under the purview of the

Central Government. I have made no secret of the fact that the interests elsewhere than in the United Provinces and Bihar feel very alarmed at the mere suggestion that this industry should be treated as a key industry. They feel that these two provincial areas where this industry has grown and exists to the extent of 80 per cent. of the total capacity in India will have such a pull over the rest of India that it would be unfair. I am just placing before the House these considerations which have been advanced on either side without expressing any opinion of the Government of India on this occasion. If in the course of circulation opinions are reflected from Provincial Governments, from trade organisations, from consumers' interests, from my Honourable friend, Dr. Sir Ziauddin Ahmad, and others, it would serve at least to solve one way or the other the problem which has been facing me for over 18 months at least.

Then, Sir, I just referred to the solution that has been put forward at the instance of the Central Government and has been accepted by the Provincial Governments that the price of sugarcane should be fixed at a flat rate for the entire season and that any benefit which is derived by the sugarcane grower from the increase of price of sugar from time to time should go to him in the form of rebate at the end of the season. I said that some Governments have accepted that proposal and that in other areas also, though not to the same extent and with the same precision, this proposal finds some amount of acceptance. This proposal was arrived at after a very careful investigation and discussion with the interests concerned. If, on reference of this motion in circulation to a wider area, others have better suggestions to make, we shall be very glad to consider them. I have seen agitation during the last few weeks that the Central Government is somehow or other against the interests of the sugarcane producers and I find that sugarcane producers associations are being promoted everywhere which want to get the maximum rates for the sugarcane producers. Having taken all along a stand that the interests of the agriculturists are as much my concern as that of the manufacturers or the industrialists, I should like a clear and free discussion on this point. How far should the sugarcane price go and on what basis should it be fixed in any area? Whether it should be fixed on the basis of a profit-sharing with the manufacturers or on the basis of a fair and reasonable price to the agriculturists? If this circulation motion helps to clarify the position and makes some people think that the Government of India is not the villain of the piece but is determined to give the sugarcane grower a fair share of the cost of his produce, the motion for circulation would have done some good.

We have recently constituted an All-India Sugar Board which is an advisory body. The kind of questions which we have been discussing today and the kind of questions that my Honourable friend, Dr. Sir Ziauddin Ahmad, wanted to ask me of which I had short notice—and the questions were so many and so hard that I thought I would fail in the examination if I took up the challenge and so I invoked your aid, Sir, and said that I shall not be able to answer those short notice questions,—those questions could be answered by this Body, and that is exactly the intention with which the Advisory Board has been constituted. If, beyond that, there are other suggestions which can be made by the interests concerned on this motion for circulation, we shall be glad to have those opinions also.

A great deal has been said about the price of sugar at the present moment. All that I can say is that Government are considering this matter. Honourable Members may say, Government have taken a long

[Diwan Bahadur Sir A. Ramaswami Mudaliar.]

time in considering it. Bureaucracy and red-tapism have been so often referred to and Government have been charged with dilatory methods, but if my Honourable friends will only exchange places with me and go into the question and see the complexities that arise when trying to deal with this question and how many facets of this problem have to be faced and solved before a final solution can be arrived at, they will not be so severe in their criticism that Government is sitting with folded hands and doing nothing in the matter. We have got this question very much in front of us.

I do not propose to say whether we will be able to come to some conclusion regarding the control that my Honourable friend is so keen that Government should exercise now. I am glad to see my Honourable friend from Karachi on the side of those who want to strengthen the Government and make Government control every kind of commodity at the present time. I feel that I am a taller man today after hearing that statement from my Honourable friend to take power and yet more power to control these commodities, their prices and their distribution. But, Sir, it is one thing to pass an order about control and it is quite another thing to see that it is effectively done. That is the rub. Unless we are in a position to see that any control that we assume can be properly done and that the responsibility that we take up by having that control can be discharged adequately, no Government can lightly assume these powers, however much the Defence of India Act may give those powers. It is exactly because of those considerations that there is a delay between the consideration of the question and the conclusion or decision that the Government of India will come to. But I can assure my Honourable friend that this problem is before us and that the conclusions will be arrived at one way or the other within a very short time.

Sir, I do not think I need trouble the House with any long speech. There is only one last fact that I should like to refer to. My Honourable friend, Mr. Husenbhai Laljee, referred to the fact that the export of sugar was prevented in the past and that now Government are anxious to have this export of sugar . . . . .

**Mr. Husenbhai Abdullabhai Laljee:** I said they are not anxious but they will allow.

**The Honourable Diwan Bahadur Sir A. Ramaswami Mudaliar:** I am very glad that my friend said that we are not anxious about export but that we will allow the export. I say that I am glad that the Honourable Member has made this distinction because I find that a responsible body like the Indian Sugar Mills Association, through its Secretary, has suggested that the Government is anxious to export and to export at cheap prices so as to give a subsidy to others. A discussion which arose at a Conference where all the merchants were present when this question of export was raised has been referred and a statement which is thoroughly unjustified has been publicised through the newspapers. I do not want to follow that controversy, but I can assure Honourable Members that in our export policy we shall have first and foremost the consuming interests here and, secondly, there is no question of our subsidizing any foreign consumer at the expense of the local industry. Sir, I have done.

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

"That the Bill to repeal the Sugar Industry (Protection) Act, 1932, be referred to a Select Committee consisting of the Honourable the Law Member, the Honourable Diwan Bahadur Sir A. Ramaswami Mudaliar, Babu Rajnath Bajoria, Mr. J. Ramsay Scott, Dr. P. N. Banerjee, Bhai Parma Nand, Seth Haji Sir Abdoola Haroon, Mr. Muhammad Nauman and the Mover and that the number of members whose presence shall be necessary to constitute a meeting of the Committee shall be five."

The motion was negatived.

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

"That the Bill be circulated for the purposes of eliciting opinion thereon by the 31st July, 1942."

The motion was adopted.

### THE INDIAN TEA CESS REPEALING BILL.

**Dr. Sir Ziauddin Ahmad** (United Provinces Southern Division: Muhammadan Rural): Sir, I beg to move:

"That the Bill to repeal the Indian Tea Cess Act, 1903, be referred to a Select Committee, consisting of the Honourable the Law Member, the Honourable Diwan Bahadur Sir A. Ramaswami Mudaliar, Khan Bahadur Sir Abdul Hamid, Sardar Bahadur Captain Dalpat Singh, Mr. P. J. Griffiths, Mr. Amarendra Nath Chattopadhyaya, Mr. Lalchand Navulrai, Mr. Huseinbhai Abdullabhai Laljee, Mr. H. A. Sathar, H. Essak Sait, Mr. Muhammad Azhar Ali, Sir Abdul Halim Ghuznavi and the Mover and that the number of members whose presence shall be necessary to constitute a meeting of the Committee shall be five."

Sir, the Bill which I propose to refer to the Select Committee was enacted in the year 1903. The title of this Act runs thus:

"To enact and provide for the levy of customs duty on Indian Tea exported from British India and to amend section 5 of the Indian Tariff Act."

Under section 3 of the Tea Cess Act, they fixed the quantum of export of tea from British India. They also say for what purposes the money so received shall be spent. Then about keeping of accounts, it says that the Tea Cess Committee shall keep accounts of all money received and expended under section 5. It is also said that such accounts shall be examined and audited annually by auditors appointed in this behalf by the Governor General in Council; and such auditors may disallow any item which has, in their opinion, been expended out of any money so received otherwise than as directed by or under this Act. If any item is disallowed, an appeal shall lie to the Governor General in Council whose decision shall be final. I want to know whether during the last 39 years, any occasion arose when the Governor General in Council had to exercise the powers given to them under section 6 (3) of this Act. The accounts may have been audited, but so far as my 12 years experience goes, I never received on the floor of the House any report concerning the working of this fund. Section 9 of the Act says that sections 2 to 7 shall remain in force only until the 31st day of March 1908. Originally this Act was enacted in 1903 only for a period of five years. It says further:

"provided that the Governor General in Council may on the recommendation of the Tea Cess Committee declare by notification in the Gazette of India that the said sections shall continue in force for any further period specified in such notification."

[Dr. Sir Ziauddin Ahmad.]

This was really an Act which was supposed to be in force for a period of five years. Then the Governor General in Council had the power to extend the period on the recommendation—of whom—on the recommendation of the very same Tea Cess Committee, which has power to spend money they receive in this way. They had no recommendation from the public, they had recommendation only from the spending authority of this particular fund. This particular section is not a wholesome provision, that is, to extend the life of this Act only on the recommendation of the party who are really benefited by virtue of this Act. It was thus extended in 1908. I should like the Honourable the Commerce Member to ask what have the Government of India been doing since 1908 . . . .

**Mr. P. J. Griffiths** (Assam: European): They amended the Act.

**Dr. Sir Ziauddin Ahmad**: I will just come to the amended Act later on. As regards the extension of the provisions of this Act, they have been doing so indefinitely. When you have an enactment for a definite period, it is reasonable that after the lapse of some years, say 25 years, they ought to have reviewed the working of the Committee, and decided whether it should remain permanent or whether the provisions should be modified to suit the conditions that may have arisen.

**Mr. P. J. Griffiths**: This was done in 1938.

**Dr. Sir Ziauddin Ahmad**: Let me finish this particular Act of 1903 and I shall come to the amended Acts later on. As regards the working of the provisions of this Act, there is no report from the Government of India. In fact, on the floor of the House, we repeatedly demanded by means of interpellations and on the occasion of discussion on the Finance Bill that we should have a periodical report of the Tea Cess Committee about its working and how the funds are utilised and so on. There is no control of the Legislature. Their actions never come to our notice for review. We do not know how the money is spent. On one occasion, I think a predecessor of the present Commerce Member said he would look into the matter and he will get a report prepared and circulated to the Members of the Assembly and that he would also give a chance to the Assembly to discuss the report. But with the change of personnel in the Commerce Department Portfolio, nothing was done.

Now, I shall take up the remarks of my Honourable friend, Mr. Griffiths. He referred me to the amendments of 1937 and 1938. What are those amendments?

In the case of amendment to section 2, the word "Burma" was added. First it applied to British India. According to the Act of 1937, the word 'Burma' was added and that was the whole review of the Act in 1937. My Honourable friend again referred me to the amendments which were made in 1938. What were those amendments? One of the amendments was that the Travancore Government shall have a representative on the Committee. There was also an amendment adding the representatives

of a few other bodies. They discussed on that occasion only the personnel of the Committee. Then, we come to the amending Act of 1939. There also they did nothing to discuss the working of this Committee. All these amending Acts of 1937, 1938 and 1939 did nothing to review the working of this Committee. They only amended the Act for a very small purpose. The whole question was never reviewed on the floor of the House either by the Government or by the Legislature. We repeatedly demanded that we should have an opportunity to discuss its working. We got no opportunity to do so.

Now, Sir, my private information is that things are not what they ought to be. No doubt we have got an Association, no doubt we have our friend, Mr. Griffiths. I wish he had some power to carry out what he thinks best in the interest of the Tea Cess Committee. Probably I know a little more than what Mr. Griffiths would care to say on the floor of the House. This Committee is really the preserve of one individual who is really the managing agent of this particular committee. He can do whatever he likes. He resents any interference or any correspondence which may be sent. I do not want any managing agent to monopolise this Committee. Here is Mr. Griffiths who is a Member of this House and he is responsible for the management of this fund. Is the managing agent appointed by the Committee really responsible to any one? In practice this managing agent is all in all and he manages things in such a way as he thinks best. In fact it is really the preserve and home for Anglo-Indians.

**Lieut.-Colonel Sir Henry Gidney** (Nominated Non-Official): Not at all.

**Dr. Sir Ziauddin Ahmad**: My Honourable friend challenges my statement. I shall have to tell him a story. On one occasion I was coming from Dacca to Calcutta. When I was on the boat, a fellow passenger was an Anglo-Indian who was in the service of the Tea Cess Committee. This Anglo-Indian was dead drunk. He came in and began to make water on my blanket. I reported the matter to the captain of the boat. But he said he could do nothing. I reported the matter to the Commerce Department. They said they were entirely helpless and they could do nothing in the matter. I reported the matter to the managing agent of the Tea Cess Committee. He was really the master of the whole situation. I got no reply to my letter. The only thing left to me was to bring a legal suit. I did not like to bring a suit in the interest of my gallant friend, Colonel Gidney, for it would expose his community.

**Lieut.-Colonel Sir Henry Gidney**: He was a teetotaler.

**Dr. Sir Ziauddin Ahmad**: If my Honourable friend wants I can give him more stories.

**Mr. President** (The Honourable Sir Abdur Rahim): The Honourable Member will proceed with his speech.

**Dr. Sir Ziauddin Ahmad**: It is only on account of the interruption of my Honourable friend, Colonel Gidney, that I had to tell this.

[Dr. Sir Ziauddin Ahmad.]

What I mean is that I am not satisfied with the manner in which these funds are spent. The intention was to increase the sale of tea and encourage people to drink more tea; but I should like to know what propaganda is being carried on. I saw some years ago someone getting up and crying that tea is good in summer, or some placards stuck up in the walls. That is all; there is no sign of any visible propaganda. I suggested several times that some depot should be opened. And to whom should I write? The managing agent would not listen or even give a reply. He does not care for suggestions coming from Members of the Legislature, because he thinks he is in a privileged position and is not responsible to any one. He probably forgets that he is now under this particular Act by which the Legislature has given the powers.

**Mr. P. J. Griffiths:** He has no powers under the Act.

**Dr. Sir Ziauddin Ahmad:** Power is possessed by the Committee which has given him this power. So this is another grievance that the Committee gives this power to one individual and makes him all in all. So when this Committee has been created and has been working for 39 years it is now time for the Government of India to come forward and tell us how much money they have collected during this period, in what way they have spent it and expanded the circulation and use of Indian tea. The other day we had questions here that they were exporting some nonsense in place of real tea. I asked the Honourable Member what the Tea Cess Committee were doing about it; he expressed his ignorance and gave no reply. I said it is one of the functions of the Tea Cess Committee to see that the tea exported from this country is genuine tea, because the moment you start cheating your customers outside India by exporting the wrong stuff you really go against the interest of the Tea Cess Committee. The object is to provide more consumers in this country and in foreign countries and if they neglect their duties in this direction, when they have pocketed their cess duty already, and the wrong stuff is exported . . . . .

**Mr. P. J. Griffiths:** How does the Honourable Member know that the Tea Cess Committee has taken no action about this matter?

**Dr. Sir Ziauddin Ahmad:** I asked the Commerce Member and got no reply.

**Mr. P. J. Griffiths:** If the Honourable Member had asked me I would have given him a reply.

**Dr. Sir Ziauddin Ahmad:** Unless the rules of the House are changed I cannot ask questions of other Honourable Members, except Government Members. If my Honourable friend can now stand up and say what happens about exports we may modify our opinion, but the questions and answers are there. Therefore, they should see what kind of stuff we export to foreign countries and the Tea Cess Committee should look into this matter.



Another thing in which they have failed in their duty is that instead of increasing the cultivation of tea in the country they have been contracting it. And I should like to have figures as to the quantum of production and the acreage under tea from year to year.

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

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

**Dr. Sir Ziauddin Ahmad:** Sir, before lunch I was drawing the attention of the Assembly to the state of affairs of the Tea Cess Committee. It was established in 1903 and we do not know how it has been working for the last 39 years. We should like to be told what expansion they have succeeded to bring about in the cultivation of tea, what has been the expansion in our export, what have they been doing during these years about the expansion and providing of markets, and so on. During the last five or six years and especially from 1930 onwards the activity of this Cess Committee has been very limited and I think it is right and just to ask what they have been doing. We have given them powers by an enactment to collect funds and, therefore, we also have the right to know how these funds have been spent. We know nothing about this. I have pressed this question several times on the floor of the House that the Reports of this Committee should be submitted before the House periodically at least after every three years, but no action has been taken either by the Government or by the Tea Cess Committee. The reports of their working, which are published, are not circulated to the Members of this House, so that we do not know anything about its activities, and also we do not know who has got the authority to spend this money besides this Committee. Is there any check, is any report submitted to the Government of India, Commerce Department? At the same time, we should like to know how much money they are spending on salaries, what portion of the salary bill is spent in India and how much outside India, who is the appointing authority, and what are the conditions of service, and what are the schemes on which this money is being spent. We know in 1930 the tea trade was in a very bad condition and several persons who were in very easy circumstances came to grief as they had no ready money at that time. We should like to know what assistance did this Tea Cess Committee give at that time. We know nothing about what is happening. We have authorized them to collect these funds and we take no notice of it afterwards, and I think it is high time now that we should review the whole position and unless they give a satisfactory account of themselves, we should abolish this Committee altogether. Sir, I move.

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

"That the Bill to repeal the Indian Tea Cess Act, 1903, be referred to a Select Committee, consisting of the Honourable the Law Member, the Honourable Diwan Bahadur Sir A. Ramaswami Mudaliar, Khan Bahadur Sir Abdul Hamid, Sardar Bahadur Captain Dalsat Singh, Mr. P. J. Griffiths, Mr. Amarendra Nath Chattopadhyaya, Mr. Lalchand Navalrai., Mr. Huseinbhai Abdullahbhai Laljee, Mr. H. A. Sathar, H. Essak Sait, Mr. Muhammad Azhar Ali, Sir Abdul Halim Ghuznavi and the Mover and that the number of members whose presence shall be necessary to constitute a meeting of the Committee shall be five."

**Mr. P. J. Griffiths:** Sir, when I first saw the Bill introduced by my Honourable friend, Dr. Ziauddin, I was frankly puzzled as to what could be the object at which he was aiming, and when I turned to the Statement of Objects and Reasons I found myself even more bewildered, for there I found the merely plain and unvarnished statement that the Act has not fulfilled its objects and it may be repealed. In what way, at what time and to what extent the Act has failed to fulfil its objects, we have been given no means even of guessing. Now, I have been listening very attentively to the learned Doctor's speech but when he finished I was no wiser than when he started. I did not know at the beginning and I do not know now why the learned Doctor wants to repeal the Tea Cess Act. He says that its objects have not been fulfilled. I would like to ask him a question: What are the objects of the Tea Cess Act? Has my Honourable friend, who is not now listening, the faintest idea—he has now begun to listen—the faintest idea as to the real objects and purposes of the Tea Cess Act.

**Dr. Sir Ziauddin Ahmad:** This is what I want to know.

**Mr. P. J. Griffiths:** I regret to say, Sir, that in spite of all his erudition, my Honourable friend, the Doctor, is still incapable of reading a simple clause of a simple Act. If he would read that clause, he would discover that the Tea Cess Act was passed for one purpose and one purpose only—to promote the sale and increase the consumption of tea. (Interruption.) I am afraid my Honourable friend still does not want to be instructed about the objects and purposes of the Tea Cess Act. Which of those objects does my Honourable friend suggest have not been fulfilled by the Act during its period of operation. Does he suggest that it has not succeeded in promoting the sale or in increasing the consumption of tea? Has my Honourable friend the faintest idea of the figures of consumption of tea in India today? Has he the foggiest idea of what those figures were ten years ago?

**An Honourable Member:** No.

**Mr. P. J. Griffiths:** Is he in a position to sit in judgment as to whether the Tea Market Expansion Board has or has not succeeded in increasing consumption?

**Lieut.-Colonel Sir Henry Gidney:** Yes.

**Mr. P. J. Griffiths:** During the last ten or twelve years—I have not got the exact figures with me at the moment—during the last ten or twelve years, the consumption of tea in this country has been somewhere about doubled. I do not know whether my Honourable friend considers that an unreasonable result of ten or twelve years' working. Has my Honourable friend the faintest idea that about 125 million pounds of tea per year are now sold in this country, thanks very largely to the intensive propaganda which has been carried on in so many of the large towns of India by the Indian Tea Market Expansion Board? What then does my Honourable friend mean when he says that the Act has failed to fulfil its objects? When he began to get down to details he treated us to a number of interesting anecdotes. He specified one or two directions in which he was not satisfied, but he shed no light on the question as to where the

failure to fulfil the objects came in. His first complaint apparently was that he did not see the accounts. Well, that may or may not be a reasonable complaint. I personally have not the least objection to his seeing any accounts, but that is not a good reason for wanting to repeal the Act. His next complaint was that Griffiths should have more power. Taking that as an abstract doctrine I am prepared to subscribe to it, but in the present case, as Vice-Chairman of the Indian Tea Cess Committee I have not had the faintest trouble on that account. I know that the Board, the Chairman and myself as Vice-Chairman of the Tea Cess Committee have ample powers to control the policy under which the operations of the Board are carried on. I can assure the Honourable Doctor that if there was any trouble about that I would be the first person to come to this House and ask for the enhancement of those powers.

Then he told us about an unfortunate incident in which he got involved a good many years ago. He has my deepest sympathies for the inconvenience and humiliation, and especially for the particular kind of humiliation inflicted upon him on that particular occasion. He has my deepest sympathy. This has already come to my notice and I told him some years ago that disciplinary action was taken against the officer concerned. That officer evidently learned from that warning the results of getting into trouble with the Honourable Doctor he has pulled up his socks and is now one of the most useful officers of the Board. If my Honourable friend likes to introduce a Bill to provide that no employee of the Indian Tea Cess Committee shall ever get drunk he shall have my full support, but I cannot see any logical connection between any proposal of that kind and the suggestion that he has made that as he was once annoyed by an employee of the Board, the Act on which the Board depends should be repealed. (Interruption.) If that was not my Honourable friend's reason, then Sir, he has no reason at all for repealing the Bill. I am doing my best to deal with such poor reasons as my friend has thought fit to put before us. Who are the people after all who are really interested in the Indian Tea Cess Act? They are the tea growers of this country. Can my friend name a single tea grower in this country who wants to see this Act repealed?

**Dr. Sir Ziauddin Ahmad:** Yes, I can quote the names of several Indian tea sellers to whom the Indian Tea Cess Committee never gave any assistance.

**Mr. P. J. Griffiths:** My friend is entirely misinformed. If there is one body of person who particularly gained by the Indian Tea Cess Act, it is a large section of the Indian tea growers. There are a great many Indian growers who have benefited by this Act who do not export tea at all. Therefore, they are in the fortunate position that while they pay no cess, they get the whole benefit of the propaganda for increasing the consumption of tea in India, and they are in the lucky position of paying nothing for it whatsoever. I can assure my friend that of all people they would be the last who would want to see this Act repealed. Apparently my friend intended to take the line that he would have accepted a motion for circulation if Mr. Abdul Ghani had been here in time to move it. But I do want to suggest that in these days, when most people who would want to offer opinions on questions like these are already overworked, we ought not to waste the time of large numbers of people in this country

[Mr. P. J. Griffiths.]

by circulating Bills, unless those Bills have some reasonable foundation . . . . . In the present instance we have been given no reason at all why the Act should be repealed. We have been given no serious evidence of maladministration of the Act.

My friend, Dr. Sir Ziauddin, said he did not know how the Board was administering the funds, and that he really had not bothered to find out where the Board operated or how it operated. Surely, Sir, circulation of the Bill is a most elaborate way of finding out how tea propaganda is carried on. I do suggest that my friend has allowed himself to be carried away by his quite natural indignation at the unfortunate treatment which he suffered many years ago at the hands of an employee of the Board. We can fully understand his feeling like that, but we, in this House, have got to be more serious when far-reaching decisions have to be taken. I do suggest that no case whatsoever has been made out for any further consideration of this Bill, and I trust the House will have no hesitation in rejecting the motion off hand.

**Maulvi Muhammad Abdul Ghani** (Tirhut Division: Muhammadan): I have an amendment standing in my name, Sir. I was in the Lobby.

**Mr. President** (The Honourable Sir Abdur Rahim): As the Honourable Member was not in the Chamber, I can't help.

**Mr. Muhammad Nauman** (Patna and Chota Nagpur *cum* Orissa: Muhammadan): Sir, I had no desire to take part in this debate but for certain remarks which have fallen from my friend, Mr. Griffiths. He thinks that eliciting opinion on a certain Bill is probably wrong although others feel that such opinion should be elicited. If, as my friend has said, no case has been made out for the repeal of the Act, where is the danger if opinion is invited . . . . .

**Mr. President** (The Honourable Sir Abdur Rahim): There is no such motion before the House.

**Mr. Muhammad Nauman**: He referred to that . . . .

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

**Mr. Muhammad Nauman**: Another thing which my friend, Mr. Griffiths, said, was that there was no complaint from any side on the part of the tea growers.

**Mr. P. J. Griffiths**: I did not say that.

**Mr. Muhammad Nauman**: My friend said . . . . .

**Mr. P. J. Griffiths**: On a point of personal explanation, Sir. What I said was that the Indian tea growers did not want to see the Tea Cess Act repealed.

**Mr. Muhammad Nauman**: I am afraid my friend has not taken enough pains to find out the Indian opinion on that subject, but I can assure him

that there is a strong body of opinion among the Indian tea growers that the Tea Cess Act has not and does not give them much benefit. The Act, as it stands and as it is worked, is not at all suited to the needs of the Indian tea growers. Therefore, Sir, it is in the fitness of things that the House should consider this matter seriously . . . .

**Mr. P. J. Griffiths:** On a point of information, Sir. Can my friend tell me from which particular tea districts he finds evidence of this kind of feeling?

**Dr. Sir Ziauddin Ahmad:** I can give you many instances.

**Mr. Muhammad Nauman:** I would not like to name the particular districts, but I may tell my friend as a member of the Muslim Chamber of Commerce that that point was stressed by representatives of tea growers who are members of our Chamber; and Mr. Abdur Rashid Chaudhury, who is a Member of this House, also made this complaint. However, my purpose in supporting the motion of my friend, Dr. Sir Ziauddin Ahmad, is only this, that I feel that there can be no harm whatever in repealing such parts of the Act as may be considered necessary. With these few words, I support the motion of Dr. Sir Ziauddin Ahmad.

**Diwan Bahadur Sir A. Ramaswami Mudaliar** (Commerce Member): Sir, I must confess with all deference to the Honourable and learned Member, Dr. Sir Ziauddin Ahmad, that I have not been able to understand why he wants the Tea Cess Act repealed, especially when it is remembered that it was passed as early as 1903, that it has been on the Statute-book for nearly 40 years, and that it is reported to have served the purpose for which it was passed. If this Act is to be repealed at all, very cogent reasons indeed will have to be advanced before Government could be persuaded to accept a motion of that kind. My friend asked for certain information as to how this Board was functioning and how those accounts were administered. I referred on a previous occasion,—I believe it was with reference to some interpellation that the Honourable Member addressed,—that there is a report by the Tea Market Expansion Board which really gives the details of the accounts of the cess collected under the Tea Cess Act and the expenditure incurred from that amount. All that is given in this Report and the details will be found spread over a number of pages. I am prepared to supply the Honourable Member with a copy of this Report, which is an annual statement submitted to the Government, and my friend will find the details of this expenditure in this Report. A copy of this Report is also in the Library of the House. For instance, with reference to the Report for the year 1939-40, the cess collected is about 46 lakhs, the establishment in the Commissioner's Head Office is 1,82,000, travelling and supervisors 2,92,000; Commissioner's office expenses 2.11, model tea stalls, tea distribution, 10 lakhs, that is, in the country. Then a series of amounts are spent in various other countries for popularising tea,—in America, in Africa, in the United Kingdom, in the Continent of Europe, in Canada and Australia. That is how the amount is spent. The Report itself gives an idea of how this popularising of the drinking of tea is carried on both in this country and abroad. In Bengal, one division of 84 tables has practically 181 centres at which over ten million cups of tea have been distributed and 2½ million pice packets sold—the distribution is 25 per cent. higher

[Diwan Bahadur Sir A. Ramaswami Mudaliar.]

than it was in 1938-39. My friend, Mr. Griffiths, also gave some indication of the increase in the annual Indian consumption of tea. So far as India is concerned, the estimated quantity of tea available for consumption in India has risen from 37 million pounds in 1926-27 to a hundred million pounds in 1939-40. It has steadily grown during all these years—37 million in 1926-27, 45 million in 1928-29, 53 million 57, 74, 83 90 in succeeding years and in this year it has been a hundred million and so on . .

**Mr. Muhammad Nauman:** What about the increase of population?

**Diwan Bahadur Sir A. Ramaswami Mudaliar:** Certainly, the increase of population does not compare with the ratio of 87 to 100. Fortunately not. But still the increase in consumption has far outstripped the increase in population, and it shows that the consumption of tea has grown very considerably. I wish I could say the same story of coffee.

**Sardar Sant Singh** (West Punjab: Sikh): The trouble with my friend is that Mr. Griffiths does not patronise it. He never gives a tea party here!

**The Honourable Diwan Bahadur Sir A. Ramaswami Mudaliar:** In this Committee and in the Executive Committee various interests are represented. The Chambers of Commerce are represented, the Tea Associations are represented, and both racially and otherwise, Indians and Europeans are working as a common body. I have received no complaint whatsoever as regards the specific subjects that my Honourable friend has raised about the administration of the fund or the propaganda that is carried on. We have received complaints on another matter altogether—whether new tea plantations can be made, when extensions of tea plantations can be made, and whether those new tea plantations can be brought within the arena of this Tea Expansion Board which is a separate subject altogether. That is the kind of complaint which my Honourable friend from Assam, Mr. Abdur Rasheed Chaudhury, had in view, a complaint which itself illustrates and emphasises the fact that people want to get the benefit from the Tea Cess Act extended to them and not to get out of the Act. More plantations desired to be brought under the benefit of the Indian Tea Cess Act so that they may get the advantage of the export of tea, and particularly of the price at which even internal tea is being distributed. On these grounds I find myself, much to my regret, unable to accept the motion that my Honourable friend has made.

**Dr. Sir Ziauddin Ahmad:** I have heard with great interest the fighting speech of my Honourable friend, Mr. Griffiths. I know that he is a great debater and he chose just one point to which I was dragged by my Honourable friend, Sir Henry Gidney. It did not form part of my arguments for the acceptance of this Bill by the House, but Mr. Griffiths made capital out of this little thing and brushed aside all the other arguments which I had brought forward, because they did not appeal to him and he did not want to weigh any argument which was strong. May I remind the Honourable the Commerce Member that four years ago we pressed this point that we ought to have the report of the Tea Cess Committee and that we should at least periodically be given an opportunity of discussing things and see how they are managed. A report of this kind was promised to us on the floor of the House, but it was never laid before the House.

It was never circulated among the Members, and to simply say that the report is in the Library of the House or in the Library of the Tea Cess Committee is not sufficient. We consider it very important that a committee to whom the Legislature gives power to collect funds should be under the obligation to present its reports, if not every year, at least once in three years, so that we can see how the funds are administered. That was the point which was very prominent and Mr. Griffiths quietly passed over it . . . . .

**The Honourable Diwan Bahadur Sir A. Ramaswami Mudaliar:** I am not personally aware of any undertaking given by my predecessor on this subject, but if such an undertaking has been given, I shall certainly respect that undertaking and present this annual report to the House.

**Dr. Sir Ziauddin Ahmad:** This was pressed on the floor of the House on the occasion of the Finance Bill. It was not in the time of my Honourable friend, but in the time of his predecessor. Another thing is they have now entered into the restriction of plantation. May I know whether it is within the power that the plantation of tea should be restricted? My Honourable friend asked the question how it affected. I know of one gentleman, Mr. Fazl Husain Hazarika, who was ruined on account of this action of the Tea Cess Committee. He had at one time an income of Rs. 8½ lakhs a year. That is one example I can give. I do not know under what section of the Act they took power to have restrictions of plantations which the Tea Cess Committee did . . . .

**Mr. P. J. Griffiths:** On a point of information, Sir. The Tea Cess Committee has no connection whatever with restriction. My Honourable friend is confusing this Act with the Tea Control Act.

**Dr. Sir Ziauddin Ahmad:** The Tea Control Act had the Tea Marketing Expansion Board . . . . .

**Mr. P. J. Griffiths:** There is no connection between the Tea Control Act and the Tea Marketing Expansion Board. The Tea Control Act is administered by the Tea Licensing Committee which is an entirely different body and has no connection whatsoever with the present Bill.

**Dr. Sir Ziauddin Ahmad:** The business of the Tea Cess Committee is to see that this particular industry flourishes and it was their duty to point out that such restriction acted to the great disadvantage of the extension of the industry. May I ask my Honourable friend whether he or his Committee ever raised their voice against any restriction exercised by any other Body. Probably they did not do it. I should like to know whether this fact was ever referred to the Tea Cess Act and what reply they gave. So, any action taken by any other Body which is not connected, which affects prejudicially the prosperity of the tea industry, ought to have been considered seriously by the Tea Cess Committee. He ought to have come forward before this House and proposed an amendment of this Act, so that this particular privilege ought not to have been used to the disadvantage of this particular industry, which my Honourable friend representing this particular Tea Cess Committee never did. The object that I had in my mind was not so much to bring before you a definite complaint as to relate to the House the manner in which they have acted against the powers given to them. The principal point of my motion was

[Dr. Sir Ziauddin Ahmad.]

that we have always been kept in the dark. We do not know how this particular fund is being spent and what they have been doing. They never presented a report to us. They never discussed it, and I thought that this ought to have been the privilege of the House. If it is true of the Tea Cess Committee, it is also true for any other fund which we created. It is our duty as the representatives of the taxpayers to see how these funds are administered. For general funds we have the Finance Committees, for everything else you have control, but for this particular fund there is absolutely no control and no discussion on the floor of this House. You must accept either of two alternatives. Either repeal the Act altogether or this House must be given the privilege of discussing the working of these funds if not every year, at least every three years. With these words I recommend my motion.

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

"That the Bill to repeal the Indian Tea Cess Act, 1903, be referred to a Select Committee consisting of the Honourable the Law Member, the Honourable Diwan Bahadur Sir A. Ramaswami Mudaliar, Khan Bahadur Sir Abdul Hamid, Sardar Bahadur Captain Dalpat Singh, Mr. P. J. Griffiths, Mr. Amarendra Nath Chattopadhyaya, Mr. Lalchand Navalrai, Mr. Huseinbhai Abdullabhai Laljee, Mr. H. A. Sathar H. Essak Sait, Mr. Muhammad Azhar Ali, Sir Abdul Halim Ghuznavi and the Mover and that the number of members whose presence shall be necessary to constitute a meeting of the Committee shall be five."

The motion was negatived.

## THE ABOLITION OF WHIPPING BILL.

**Qazi Muhammad Ahmad Kazmi** (Meerut Division: Muhammadan Rural): Sir, I move for leave to introduce a Bill to abolish the punishment of whipping.

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

"That leave be granted to introduce a Bill to abolish the punishment of whipping."

The motion was adopted.

**Qazi Muhammad Ahmad Kazmi**: Sir, I introduce the Bill.

## MESSAGE FROM THE COUNCIL OF STATE.

**Secretary of the Assembly**: Sir, the following message has been received from the Council of State:

"I am directed to inform you that the Council of State, at its meeting held on the 2nd April, 1942, agreed without any amendment to the Bill further to amend the Motor Vehicles Act, 1939, which was passed by the Legislative Assembly at its meeting held on the 31st March, 1942."

**Mr. President** (The Honourable Sir Abdur Rahim): That completes the agenda. I now adjourn the Assembly *sine die*.

The Assembly then adjourned *sine die*.