

BULLETINS OF INDIAN INDUSTRIES & LABOUR

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No. 50.

PROCEEDINGS  
OF THE  
FIFTH INDUSTRIES CONFERENCE

*(Held in Simla on the 13th, 14th and 15th July, 1933)*

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NOVEMBER 1933



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## CONTENTS.

	PAGE.
Agenda .. .. .	1
Representatives who attended the Conference .. . . .	2—4
His Excellency the Viceroy's Address .. . . .	5—6
President's opening speech .. . . .	6—7
Members of the Panels .. . . .	7
I. State aid to industries .. . . .	8—30
II. Co-ordination and development of statistics bearing on industries .. . . .	31—40
III. Technical scholarships abroad .. . . .	41—50
IV. Preparation of industrial directories .. . . .	51—55
V. Issue of an All-India Industrial Journal .. . . .	56—61
VI. Development of cottage industries and marketing of products with particular reference to the handloom industry .. . . .	62—81
VII. Value of cheap electrical power to rural development .. . . .	82—89
VIII. Private enterprise <i>vis-a-vis</i> Government institutions, including jails .. . . .	90—100
IX. Preparation of annual reports of Industries Departments on uniform lines .. . . .	101—104
X. Utilization of services of Trade Commissioners .. . . .	105—110
XI. Encouragement of Exhibitions and Industrial Fairs .. . . .	111—120
XII. Middle-class unemployment .. . . .	121—134
I. State aid to industries— <i>contd.</i> .. . . .	135—136
XIII. Co-ordination of industrial research .. . . .	137—149
Review of the discussions in the Panels by the Conference .. . . .	149
Summary of the conclusions on the different items on the Agenda .. . . .	150—153

### APPENDIX.

Report of the Sub-Committee of the Conference to consider the best means of granting direct financial aid .. . . .	154—155
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**AGENDA.**

- I.—State aid to industries.
- II.—Co-ordination and development of statistics bearing on industries.
- III.—Technical scholarships abroad.
- IV.—Preparation of industrial directories.
- V.—Issue of an All-India Industrial Journal.
- VI.—Development of cottage industries and marketing of products, with particular reference to the handloom industry.
- VII.—Value of cheap electrical power to rural development.
- VIII.—Private enterprise *vis-a-vis* Government institutions, including jails.
- IX.—Preparation of annual reports of Industries Departments on uniform lines.
- X.—Utilization of services of Trade Commissioners.
- XI.—Encouragement of Exhibitions and Industrial Fairs.
- XII.—Middle-class unemployment.
- XIII.—Co-ordination of industrial research.

## PRESENT :

*Government of India.*

Department of Industries and Labour.	The Hon'ble Sir Frank Noyce, Kt., C.S.I., C.B.E., I.C.S., Member of the Governor-General's Executive Council— <i>President</i> . Mr. A. G. Clow, C.I.E., I.C.S., Joint Secretary. Mr. H. Hussain, I.C.S., Under Secretary.
Indian Stores Department ..	Sir James Pitkeathly, Kt., C.M.G., C.I.E., C.V.O., C.B.E., D.S.O., Chief Controller of Stores, Indian Stores Department.
Finance Department..	The Hon'ble Mr. A. H. Lloyd, C.I.E., I.C.S., Member of the Governor-General's Executive Council.
Home Department ..	Mr. T. Sloan, C.I.E., I.C.S., Joint Secretary.
Department of Commerce ..	The Hon'ble Mr. T. A. Stewart, I.C.S., Secretary. Dr. D. B. Meek, C.I.E., O.B.E., D.Sc., M.A., Director General of Commercial Intelligence and Statistics.
Department of Education, Health and Lands.	Mr. J. L. Wilson, M.A., Officiating Educational Commissioner.
Imperial Council of Agricultural Research Department.	Mr. B. C. Burt, C.I.E., M.B.E., Officiating Vice-Chairman.
Army Department ..	Lt.-Col. P. H. Watson, Inspector of Messing.

*Madras.*

The Hon'ble Dewan Bahadur S. Kumaraswami Reddiyar, Minister.  
Mr. V. Ramakrishna, M.A., I.C.S., Director of Industries.

*Bombay.*

The Hon'ble Dewan Bahadur S. T. Kambli, B.A., LL.B., J.P., Minister.  
Mr. P. B. Advani, M. Sc. Tech., M.I.E., J.P., Director of Industries.

*Bengal.*

The Hon'ble Nawab K. G. M. Faroqui, Khan Bahadur, Minister.  
Mr. G. S. Dutt, I.C.S., Director of Industries.

*United Provinces.*

The Hon'ble Mr. J. P. Srivastava, M.Sc., A.M.S.T., Minister.  
Mr. S. P. Shah, I.C.S., Director of Industries.  
Mr. H. K. Mathur, M.A., LL.B., Under Secretary to the Government of  
the United Provinces, Industries Department.

*Bihar and Orissa.*

The Hon'ble Khan Bahadur Saiyid Muhammad Hussain, Minister.  
Mr. B. K. Gokhale, I.C.S., Secretary to the Government of the Bihar  
and Orissa, Education and Development Department.  
Mr. S. Lall, I.C.S., Director of Industries.

*Punjab.*

The Hon'ble Dr. Gokal Chand Narang, M.A., Ph.D., Minister.  
Mr. B. M. Staig, I.C.S., Secretary to the Government of the Punjab  
(Electricity).  
Rai Bahadur Lala Ram Lal, M.B.E., Director of Industries.

*Central Provinces.*

The Hon'ble Rai Bahadur G. P. Jaiswal, B.Sc., LL.B., Minister.  
Mr. G. S. Bhalja, I.C.S., Director of Industries.

*Assam.*

The Hon'ble Maulvi Abdul Hamid, B.L., Minister.  
Mr. I. Majid, I.C.S., Director of Industries.

*Hyderabad.*

Nawab Rais Jung Bahadur, Secretary, Commerce and Industry Department.  
Mr. Ghulam Ali Mohammadi, Director of Industries.

*Mysore.*

Mr. S. P. Rajagopalachari, B.A., B.L., Member of Council.  
Mr. A. V. Ramanathan, B.A., Director of Industries and Commerce.

*Baroda.*

Colonel Kumar Shivraj Singh, B.A., Naib Dewan in charge of Commerce and Industry.

Mr. A. B. Pandya, B.A., LL.B., Director of Commerce, Industries and Labour.

*Travancore.*

Mr. N. K. Padmanabha Pillay, F.R.S.A., Director of Industries.

*Gwalior.*

Major Sir Hashmatullah Khan, Kt., Trade Member.

Tajar-ul-Mulk Lala Ramjidas Vaishya, Secretary, Commerce Department.

*Thursday, July 13th, 1933.*

**HIS EXCELLENCY THE VICEROY'S ADDRESS.**

GENTLEMEN,—I am glad to have this opportunity of welcoming you to Simla and to greet all you gentlemen who have come to this important Conference. Eleven years have passed since the last of these Conferences was held; much has happened since then and much has changed. The Governments of India and of the Provinces, as I remember well, were then trying to adjust themselves to the altered conditions that what are known as the Montagu-Chelmsford constitutional reforms had brought in their train; and the most important work of the earlier Conferences was related to the demarcation of the spheres of action of the Central and Provincial Governments. There was, if I remember rightly, a little fear on the part of the Provinces that the Government of India, in the name of co-ordination, wished to trench on the responsibility that had just been handed over to Ministers, and a natural tendency to mistrust proposals for unified effort. It is perhaps partly a result of this that so long a time has elapsed since the last Conference of this kind was held.

But with the passing of the years such fears have, I hope and believe, vanished, and it is a happy augury that this Conference has been convened at the instance of Provincial Governments. I think we all realise now that, whatever arrangements are made in the constitutional field, there will remain the need for those who are faced with similar problems in different parts of India to take counsel together, to share the experience of their successes and their failures, and to guide their policy with some recognition of the needs not merely of their own areas but of India as a whole. Whatever judgment history may pronounce on the efforts of the last few generations in India, I feel sure that it will recognise in the fostering of the conception of Indian unity a noble ambition and purpose. I sincerely hope that the work done in this direction will remain as a permanent achievement, and that however great the degree of independence that the units composing the whole may enjoy, they will not forget that they are members one of another and that success is likely to be achieved only so long as there are common ideals and a common aim.

We have arranged for this Conference, then, not with any idea of attempting to direct the policy that you, in your several spheres, should pursue, but primarily with the object of enabling you to discuss all these matters among yourselves. Most of the items on your agenda relate solely to the transferred subjects and we felt, as I know you feel, that the difficulties you are facing might be diminished if you had an opportunity of exploring them in discussion with each other. I am profoundly convinced that the progress of the growth in this country is largely bound

up with an increase in its material prosperity. Despite vicissitudes, the years since the Montagu-Chelmsford Reforms have been a period of marked industrial progress. Even in this time of phenomenal depression, our industrial activity is far greater than was known, or perhaps dreamt of, before the war; and its comparative vigour in the present world crisis speaks of the worth of the work that was done in laying its foundations and fostering its growth.

In speaking of industry, we are apt to think first of those great industries that attract public attention by the elaboration of their equipment, the concentration of their workers and the newness of their advance. But besides these there remain the much older and not less important, if perhaps less vocal, industries that count for so much especially to Indian rural life. Much of the thought of your Departments of Industries has been directed to village and cottage enterprise and I am glad to think that this Conference will devote particular attention to these.

In conclusion, I should like to offer a special welcome to the representatives of the States. They have taken an active part in the advance of Indian industry, and their counsels will, I am sure, enrich and increase the excellence of your deliberations. Their presence shows, I think, that apart from any question of constitutional relations, they feel, as we do, the need of co-operation and the sense of fellowship which will, I hope and believe, be a mark of the India of future years. I wish you all a pleasant and a profitable meeting.

**THE PRESIDENT.**—GENTLEMEN, before proceeding to details, I should like to echo His Excellency's welcome and to say that I count it as a great privilege to meet you all and to have this opportunity of discussion with you. Too much of the average official's life is spent in correspondence; and speaking as one who has spent more time than most men in the attempt to get information and guidance by personal contacts, I know that these usually result in a prompter and fuller understanding than is possible on paper.

I wish first to put before you proposals for our procedure. There are 13 items of varying importance and I feel that it would be more expeditious if we could discuss the majority of these in two separate panels.

The panels would meet this afternoon and on Friday afternoon and would be entrusted with the following items:—

First Panel: Items II, III, VII and VIII.

Second Panel: Items IV, V, IX and X.

This would mean that neither the full Conference nor either panel would be called upon to discuss more than two items at a sitting and I hope you will agree that to insist on more would be unreasonable.

We propose in every case to treat all the memoranda as read. You will, I think, agree that collectively they have given us most of the salient

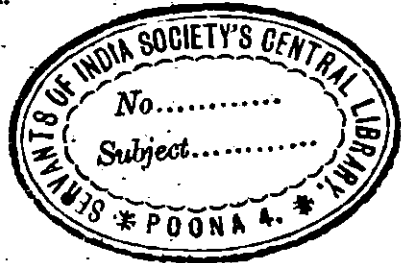


facts and I think they are valuable as a basis for our discussion. I should add that no press representatives are present, and, although we are retaining a brief record of the proceedings, we do not propose to publish any detailed discussions and shall certainly not publish any individual views without the express sanction of those present. We have prepared no resolutions whatever and I do not propose that we should adopt any. But I shall try at the end of each item to do my best to sum up the sense of the Conference and to set down general conclusions, if any are reached, for your approval.

The proposal was approved: the constitution of the two panels is shown below.

*Panel No. I.*

The Hon'ble Sir Frank Noyce, Kt.—*Chairman.*  
 The Hon'ble Dewan Bahadur S. Kumaraswami Reddiyar.  
 The Hon'ble Dewan Bahadur S. T. Kambli.  
 The Hon'ble Nawab K. G. M. Farouqi, Khan Bahadur.  
 The Hon'ble Mr. J. P. Srivastava.  
 The Hon'ble Dr. Gokal Chand Narang.  
 The Hon'ble Rai Bahadur G. P. Jaiswal.  
 The Hon'ble Maulvi Abdul Hamid.  
 Major Sir Hashmatullah Khan, Kt.  
 Nawab Rais Jung Bahadur.  
 Mr. S. P. Rajagopalachari.  
 Mr. A. B. Pandya.  
 Mr. N. K. Padmanabha Pillay.  
 Mr. Ghulam Ali Mohammadi.  
 Mr. P. B. Advani.  
 Mr. B. K. Gokhale.  
 Mr. B. M. Staig.  
 Mr. V. Ramakrishna.



*Panel No. II.*

The Hon'ble Khan Bahadur Saiyid Muhammad Hussain.—*Chairman.*  
 Mr. A. G. Clow.  
 Colonel Kumar Shivraj Singh.  
 Mr. G. S. Dutt.  
 Mr. S. P. Shah.  
 Mr. S. Lall.  
 Rai Bahadur Lala Ram Lal.  
 Mr. G. S. Bhalja.  
 Mr. I. Majid.  
 Tajar-ul-Mulk Lala Ramjidas Vaishya.  
 Mr. A. V. Ramnathan.

*Thursday, July 13th, 1933.***I.—STATE AID TO INDUSTRIES.****MEMORANDA.***Government of India.*

Under the present constitution, the powers of the Central Government to give direct financial assistance to industrialists such as would be given under a State Aid to Industries Act, are limited. Particulars of two cases are as follows :—

- (i) In 1923, a soap manufacturing firm was granted a loan of Rs. 25,000, free of interest, repayable in 10 annual instalments, to enable them to undertake the manufacture of dynamite glycerine. But the firm became involved in financial difficulties and went into liquidation. Only one instalment of Rs. 2,500 was paid, and a sum of Rs. 6,919 was recovered in 1929-30, through the liquidators. The loss to Government was therefore Rs. 15,581, apart from the sacrifice of interest on the capital lent.
- (ii) In 1924, an arrangement was made with a paper mill company under which the Government of India agreed to take, in advance of their immediate requirements, paper up to the value of Rs. 8,00,000 and to make immediate payment for the same, subject to a discount of 6½ per cent. The paper was stored at the company's risk and when it was taken out of store by Government a refund was made to the company of a portion of the discount corresponding to the unexpired portion of the year. The transaction was thus equivalent to a loan of public money at 6½ per cent. for various periods up to one year, the loan being repaid in the form of paper.

2. Much larger sums have, of course, been given by methods not available to Provincial Governments. Thus large amounts were given to the steel industry in the form of bounties in pursuance of the policy of protection and various articles have been admitted free of customs duty in the interests of certain industries.

3. The stores purchase policy of the Government of India is actively directed towards the encouragement of Indian industries and any price preference granted under the Stores Rules is equivalent to a measure of financial assistance. In one case premia of Rs. 50,000 were given over a period of three years to cover the difference between the prices paid for certain cloth made in India and the price at which the cloth could have been purchased from Great Britain.

1933.]

*State aid to industries.*

9

*Madras.\**

The question of the provision of financial assistance to industries was one of the important matters which came under the purview of the Indian Industrial Commission, but the specific recommendations made by them in this regard cannot be adequately discussed within the compass of a note which is intended merely to discuss the scope and working of the Madras State Aid to Industries Act.

2. The Madras Board of Industries which considered in 1921 the question of financial and other forms of assistance to new industries passed a resolution to the effect that the assistance afforded by banks to new industries was not adequate and recommended that Government should have power to make advances for the establishment of new industries. It was owing to a recognition of the fact that the assistance afforded by the various banks to new industries was not adequate and that it was essential to industrial development that Government should have power to make advances for the establishment of new industries that it was decided to promote the Madras State Aid to Industries Bill which was passed by the Legislative Council in 1923.

3. The Act is intended to assist in the establishment and development of industries which must be such as have an important bearing on the economic development of the Province and must be

- (a) new or nascent industries, or
- (b) industries to be newly introduced into areas where such industries are undeveloped, or
- (c) cottage industries.

It is laid down in the Act that no such aid shall be given to any Joint Stock Company unless

- (a) the same is registered in India on a rupee capital, and
- (b) the company conforms to such rules as may be made by the local Government from time to time requiring that a minimum number or a proportion of the members of the Board of Management shall be Indians.

Under the Act the local Government have power to give aid to an industrial business or enterprise in one or more of the following ways :—

- (a) by granting a loan,
- (b) by guaranteeing a cash credit, overdraft, or fixed advance with a bank,
- (c) by paying a subsidy for the conduct of research or for the purchase of machinery,

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\*Prepared by the Director of Industries.

- (d) by subscribing for shares or debentures,
- (e) by guaranteeing a minimum return on part of the capital of a Joint Stock Company,
- (f) by making a grant on favourable terms of land, raw material, firewood or water, the property of the local Government.

Under the provisions of the Act, as originally framed, no loan could be granted of an amount exceeding 50 per cent. of the net value of the assets of the industrial business or enterprise after deducting existing encumbrances. Subsequently the Act was amended so as to empower the grant of a loan to a concern up to a limit of Rs. 40,000 even if it exceeds 50 per cent. of the value of its net assets. The local Government have however ordered that whenever a loan is granted under Section 9 of the Act, as amended by Act VI of 1930, to a person in respect of any individual business or enterprise of an amount exceeding 50 per cent. of the net value of the assets, it should be secured by a mortgage or floating charge upon the whole of the assets of the business or enterprise as well as by such collateral security as will bring the value of the entire security available up to at least twice the amount of the loan granted, though in the case of industrial businesses or enterprises with a capital outlay not exceeding Rs. 1,000 and cottage industries, a loan may be granted of an amount not exceeding the value of the security offered. The Act has been further amended in various ways so as to make aid more readily available to small scale and cottage industries which have been exempted from the necessity of maintaining detailed accounts, of rendering several returns and statements, and of having to subject them to the audit of auditors approved by Government.

4. One of the difficulties experienced in the working of the Act has been the uncertainty as to the interpretation that should be given to certain expressions in Section 5 of the Act, which defines the industries which may be aided under the Act. According to this section, they should be such as (i) have an important bearing on the economic development of the country and (ii) should be (a) new or nascent industries or (b) industries to be newly introduced into areas where such industries are undeveloped or (c) cottage industries. The Board of Industries, which was consulted in regard to this, resolved unanimously that it should be left to the Board to decide whether an industry applying for State aid fulfils the test suggested by the question whether the industry has an important bearing on the economic development of the country, on the merits of each case and with reference to the conditions which obtain in the Madras Presidency, the guiding principle being that the industry should be one which aims at converting the agricultural and mineral wealth of the country into industrial wealth, encourages manufacture

in and augments the industrial prosperity of the country. The Board also considered that it would be inadvisable to define the industries to be assisted in set terms or to compile a list of such industries as have an important bearing on the economic development of the country which may be assisted on this ground and to refuse assistance to any others. The decision as to whether an industry can be considered as a 'nascent' industry within the meaning of Section 5 (i) of the Act should, the Board considered, be determined by the Board on the merits of each case having regard to the conditions of the industry for which aid is sought. The Board further considered that the question of the interpretation of the terms 'undeveloped' and 'area' occurring in Section 5 (i) (b) of the Act should also be left undefined and decided by the Board on the facts and circumstances of each individual application. The Board also approved the definition of 'cottage industry' put forward by the Department, *viz.*, 'Industries carried on in the homes of the workers as distinct from those carried on in factories'. The local Government agreed with the views of the Department of Industries and the Board that it would be inadvisable to lay down any precise definition of the expression occurring in Section 5 (i) of the Act, but observed that the question whether an industry is a 'nascent' industry within the meaning of clause (a) of the section should be considered with reference to the condition of the industry in the Presidency as a whole, that the word 'areas' in clause (b) should be considered with reference to the conditions of development of any particular industry, such as availability of raw material, labour, capital and markets, and that the term 'cottage industries' used in clause (c) should be taken to refer only to industries carried on exclusively for the benefit of, and by, workers in their own homes and not to industries carried on for the benefit of middlemen even though the workers happen to work not in factories but in their own cottages.

5. The interest charged on loans advanced under the Act must not be less than one-half per cent. above the rate at which the Madras Government last borrowed for the Provincial Loan Account. The rate has ranged from  $6\frac{1}{2}$  to  $7\frac{1}{2}$  per cent.

6. Up to the 31st March 1933, 77 applications had been considered by the Board of Industries of which applications for loans from 14 concerns were granted. Two for the lease of forest areas of timber for paper and match manufacture were also granted. The remaining applications were rejected either because they did not satisfy the provisions of the Act, the security was unsatisfactory or inadequate, or Government were not convinced of the inherent soundness of the scheme and the possibilities of development or for other reasons. The loans actually disbursed were 15 in number (including two to the Carnatic Paper Mills) involving an aggregate amount of Rs. 8,27,415-8-0.

7. It cannot be claimed that during the period the Act has been in force it has been successful in stimulating industrial development to any appreciable extent and certainly the results have not so far fulfilled expectations, while the position of the majority of the concerns to which financial assistance has been rendered since the Act was brought into force, affords little ground for satisfaction. It was thought at one time that it would be in the direction of assisting financially industrial Co-operative Societies for the purpose of utilizing and working up into manufactured form the agricultural produce of the Province, that the Act would find its greatest scope and usefulness, but actually, owing perhaps to the restrictive character of Section 5 of the Act, only one loan has been granted to a Co-operative Society of this kind, though there are probably many areas in which there is scope for the establishment of industrial Co-operative Societies where assistance under the Act cannot be granted owing to the fact that the industry cannot be classed as a 'new' or 'nascent' industry or an industry to be newly introduced where such industry is undeveloped. It has been suggested that the present definition of 'cottage industries' should be relaxed so as to permit of the grant of loans to cottage industries carried on by workers in their own homes even though the middleman stands to benefit in a greater or less degree by the cottage worker's labour. The usefulness of the Act could also be extended if power was given under the Act to assist existing industries where this could be done without coming into conflict with already established private enterprise, and so enable reasonably sound enterprises, which in the ordinary course are unable to command the requisite capital for development to have recourse to the Act. Another limitation of the Act is that in cases where new industries have no assets at their inception, financial assistance under the Act cannot be granted to them, there having in fact been a number of applications which have had to be refused on the score of their having no assets (industrial) at the time of applying for aid. In order therefore to provide for the case of industries which have no assets of their own at the time of inception such, for instance, as new sugar factories, and to enable assistance under the Act to be given on a more liberal scale, Section 9 of the Act would have to be modified still further so as to take into account in fixing the amount of the loan either the net value of the assets of the enterprise or business, or of any immovable property offered as security or of both, as the circumstances in each case may require. There is in the Madras Presidency scope for the setting up a large number of sugar factories and for some time to come, the number of factories set up will be limited only by considerations of finance. The provisions of the State Aid to Industries Act should, it is suggested, be such as to enable grants to be made for starting or establishing new industries of this kind in suitable areas, in cases where adequate security is forthcoming.

1933.]

*State aid to industries.*

13

8. The following statement gives particulars of the loans so far sanctioned and disbursed under the Madras State Aid to Industries Act :—

<i>Nature of industry aided.</i>	<i>Amount.</i>		
	Rs.	A.	P.
1. Silk Factory—preparing, twisting and dyeing silk for handloom weavers ..	50,000	0	0
2. Paper Mills .. .. .	6,49,215	8	0
3. Saw Mills .. .. .	9,600	0	0
4. Cotton Ginnery .. .. .	5,000	0	0
5. An Industrial Co-operative Society carrying on groundnut decorticating, rice milling, etc. .... .	18,600	0	0
6. Match Factory .. .. .	20,000	0	0
7. Pyro Technic Match Factory .. .. .	11,000	0	0
8. Dye Works .. .. .	10,000	0	0
9. Another match factory .. .. .	500	0	0
10. Tile Factory .. .. .	4,250	0	0
11. Silk Reeling Concern .. .. .	750	0	0
12. Toy Manufacturer .. .. .	500	0	0
13. Oil Mill .. .. .	40,000	0	0
14. Metal Industry .. .. .	8,000	0	0

The most important application dealt with up to the present has been that of the paper mills. It would be beyond the scope of this note to discuss the chequered history of this concern which is hardly typical of the businesses or enterprises likely to receive financial assistance under the Act. The concern received, as will be seen, from the above statement nearly 6½ lakhs of rupees in the shape of loans and advances. The concern was never able actually to start manufacturing operations even with the assistance rendered by Government and eventually it was found necessary for Government to foreclose on the mortgage in order to safeguard their interests. Subsequently an order was made by the High Court for the compulsory winding up of the company and an official Liquidator was appointed who arranged for the sale of the company's assets, Government receiving a sum of rupees four lakhs in discharge of the mortgage. An amount of Rs. 3,86,428 had to be written off on this account. The concern has now been taken over by a new company.

The silk factory was granted a loan of Rs. 50,000 for the purpose of developing the factory so as to permit of the preparation, twisting

and dyeing of silk for handloom weavers and these operations were carried on successfully. The proprietors objected, however, to maintaining their accounts in accordance with the requirements of the Act and as laid down by the Auditor and in order to avoid the necessity of doing so they repaid the entire loan earlier than the period originally allowed for repayment.

The loan granted to the saw mills was for the purpose of purchasing a band saw but the firm failed, within a year from the date of disbursement of the loan, to instal the saw and in consequence of the mills proceeding to utilise the unspent balance of the loan as working capital without obtaining the previous permission of Government, the recovery of this balance was ordered. As they failed to repay the second and third instalments of the amount of the unspent balance of the loan and also failed to pay the fourth instalment of the loan, arrangements were made to recover the whole amount.

The loan of Rs. 5,000 sanctioned to the cotton ginnery was for the purchase and installation of two gins and for the construction of the necessary building and godown. It was thought at the time that the loan was granted that the establishment of the ginnery would assist the expansion of cotton cultivation in the locality but this hope was not fulfilled as the gins were practically idle ever since they were set up. The repayment of the second instalment was suspended for one year, but as the borrower has defaulted in respect of subsequent instalments arrangements are being made to collect the entire balance of the loan.

One of the most interesting of the concerns so far aided by Government under the Act is the Industrial Co-operative Society referred to in the statement above. The main activities of this Society whose factories are well situated in the centre of a large agricultural area, consists of the milling of rice and decortication of groundnuts. The crushing of sugarcane and manufacture of jaggery have also been undertaken. The Society has been fairly successful in its working and regular in repaying the instalments.

The loan of Rs. 20,000 for a match factory has not assisted the development of the industry in the locality as unfortunately the proprietor quarrelled with the manager whose appointment was approved by the Department and later reported the occurrence of a fire in the premises which damaged part of the machinery and plant. As it was considered desirable to recover the entire loan amount steps were taken to this end and practically the whole amount has since been recovered.

The Pyro Technic Match Factory which received a loan of Rs. 11,000 was apparently working satisfactorily at the outset but latterly it does not appear to have been a paying proposition and the proprietors have written offering to repay the entire balance of the loan with the next instalment.



1933.]

*State aid to industries.*

15

The dye works which received a loan of Rs. 10,000 stopped working shortly after the loan was disbursed and has not resumed work till now. Their difficulty seems to be chiefly due to the hardness of the water and lack of finance for working the concern. The attempts of the Department to interest private capitalists in running the concern have not so far been attended with success.

The loan of Rs. 500 granted to the other match factory was disbursed only two years ago. The proprietor has not carried out fully the conditions under which the loan was granted and has also failed to repay by the due date the second instalment of loan.

The loan of Rs. 4,250 sanctioned to the tile factory does not also seem to have assisted in the development of the concern. The factory though on the East Coast has not found it profitable to manufacture tiles and the proprietor has asked for permission to sell the properties mortgaged to Government with a view to repaying the entire loan due to Government.

The silk reeling concern which received a loan of Rs. 750 has not also proved successful. The proprietor has not worked the concern and is absconding so that arrangements have had to be made to recover the entire loan.

The proprietors of the oil mills which received a loan of Rs. 40,000 have not carried out the conditions under which the loan was granted to them and they have been asked to show cause why the loan should not be summarily recovered.

The other two loans, viz., those to the toy manufacturer and metal works were disbursed only last year and it is too early to say whether they will be instrumental in developing these industries.

It will thus be seen that in the majority of cases aided under the Act, the assistance rendered by Government has not resulted in any satisfactory development of the industry. Recovery proceedings have had to be taken in four cases while one repaid the loan earlier than the stipulated time and two more propose doing so.

As regards other forms of assistance rendered, only two firms were granted such assistance, viz., the paper mills referred to above which were granted a lease of certain bamboo coupes in Government reserve forests and a match factory which was granted a lease over 30,000 acres of forest land. In neither case, however, has the concession been availed of.

#### *Bombay.\**

The Conference may consider if the State Aid to Industries Acts should be made more comprehensive and should also provide for revenue by the levy of a cess at the rate of, say, Re. 1 per year

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\*Prepared by the Director of Industries.

per H. P. of motive power installed in factories which come under the Factories Act. If, say, 25 per cent. of the revenue so realised is set aside to make a reserve to cover any "bad debts" arising out of the loans which may be made under the State Aid to Industries Acts, it will probably be possible to advance loans even under the present stringency as there will be some provision for "bad debts". The remaining  $3\frac{3}{4}$ ths of the revenue may be utilised for purposes such as :—

- (a) encouragement of industrial research of immediate practical application ;
- (b) giving grant-in-aid to specialised industrial schools ; and
- (c) starting practical demonstrations of the results of industrial research.

#### *Bengal.\**

The Government of Bengal have accepted the principle of giving State aid for the purpose of encouraging cottage industries and industries carried on on a small scale. A State Aid to Industries Act has been recently passed and rules are being framed for its working. It is proposed to grant aids on the recommendations of a statutory Board of Industries which consists of non-officials and which has also the Director of Industries as a member and Secretary. Government may, under the Act, delegate to the Board their power to grant State aid on specified terms and conditions. The Act makes provision for aid to be given in the form of (a) loan, (b) guarantee of a cash credit, overdraft or fixed advance with a bank, (c) taking of shares and debentures, (d) guarantee of interest on preference shares or debentures, (e) guarantee of a minimum return on the whole or part of the capital of a joint stock company, (f) grant on favourable terms of land, raw material, firewood, water or any other property of the local Government, (g) payment of a subsidy for conduct of research or purchase of machinery, and (h) supply of machinery on the hire-purchase system.

#### *United Provinces.*

Direct financial assistance may be required, particularly in the case of pioneer industries, for (a) the block account, *i.e.*, for machinery, buildings, etc., (b) for working expenses, *i.e.*, purchase of raw materials, manufacturing costs, etc., or (c) for marketing or for some or all these objects. Such assistance may take the form of (a) grants, bounties, subsidies, etc., and (b) loans which may be advanced by Government itself or by some bank or corporation which has Government backing in some form.

2. The system of grants adopted by the United Provinces Government is that a sum of Rs. 20,000 a year is placed at the disposal of a

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\* Views expressed are those of the Department of Industries.

1933.]

*State aid to industries.*

17

semi-non-official body, the Board of Industries, which is representative of various commercial and banking interests and has on it a number of officials and members of the Legislative Council, for giving grants for any genuine industrial purpose except technical or industrial education but primarily to pioneer industries for any purpose required by them but usually on a half and half basis for the purchase of machinery only. Clearly, only a few small industries can be encouraged in this way. The system does not appear to be suited for the development of bigger pioneer industries.

3. Next as regards loans, a Board of Loan Commissioners was set up by this province consisting of six officials and seven non-officials. Applications are received by the Director of Industries, who is the Secretary of the Board; he examines them and places them before the Board, which makes recommendations to Government; and loans are usually advanced accordingly by the latter. The system has not been a success. Only a few applications have been received, perhaps owing to the fact that the rate of interest charged is considered high; moreover in spite of taking adequate security, it has been found very difficult in many cases to recover these loans. Out of Rs. 16,18,000 advanced, Rs. 7,11,781 in principal and Rs. 1,68,670 in interest have had to be written off already and it is likely that more may have to be treated as irrecoverable in the near future. It has been said that the Board being only an advisory and not a sanctioning body has not the same sense of responsibility. The real difficulty, however, is deeper. A large and heterogenous body cannot examine applications for loans very thoroughly and have to decide the matter on broad general lines; and there is a general feeling that the object of these loans is to help pioneer industries which means that only doubtful ventures which cannot get money elsewhere apply to the Board. The result has been that the Board either recommends no loans or has to back up speculative ventures.

#### *Punjab.*

The Punjab Industrial Loans Act I of 1923 provides for the grant of loans for industrial purposes. The Ministry of Local Self-Government has prepared a Bill which proposes to provide for State aid in the following form:—

- (a) the grant of a loan;
- (b) the taking of shares or debentures;
- (c) the grant, sale or lease of land, raw material, firewood, water or any other property of the local Government;
- (d) the payment of a subsidy for—
  - (i) the conduct of research, or
  - (ii) the purchase of machinery;
- (e) the supply of machinery on the hire-purchase system.

(f) the guarantee of a minimum return on the whole or part of the capital invested in a public limited concern.

This Bill has not yet been considered by the Punjab Government.

2. A statement showing the loans actually given is below :—

Name of Industry.	Total amount advanced.	Number of persons to whom advanced.	Average value of loans.
	Rs.		Rs.
Weaving .. .. .	86,000	30	2,867
Hosiery .. .. .	58,850	21	2,802
Leather tanning and allied industries .. .. .	41,100	22	1,868
Sugar .. .. .	30,500	9	3,389
Furniture and Carpentry .. .. .	29,300	8	3,662
Tennis gut and sports gear making .. .. .	23,000	4	5,750
Calico printing and bleaching .. .. .	23,000	7	3,286
Oil milling .. .. .	20,500	3	6,833
Type block making and tin printing .. .. .	20,000	5	4,000
Outlery .. .. .	19,000	4	4,750
Motor engineering .. .. .	18,000	5	3,600
Manufacture of drawing instruments .. .. .	15,500	4	3,875
Pottery and chalk .. .. .	15,000	4	3,750
Metal work .. .. .	15,000	4	3,750
Rosha oil .. .. .	10,000	2	5,000
Dairy farming .. .. .	10,000	3	3,333
Chemicals .. .. .	9,000	3	3,000
Comb making .. .. .	5,000	1	5,000
Film industry .. .. .	5,000	1	5,000
Cigarette making .. .. .	5,000	1	5,000
Jam making .. .. .	5,000	1	5,000
Durree making .. .. .	5,000	1	5,000
Picture frame making .. .. .	5,000	1	5,000
Harmonium making .. .. .	4,000	1	4,000
Cosmetic goods making .. .. .	4,000	1	4,000
Ribbon weaving .. .. .	4,000	1	4,000
Swords and lances making .. .. .	3,500	2	1,750
Ink making .. .. .	2,000	1	2,000
Paper industry .. .. .	2,000	1	2,000
Chicken dozi .. .. .	3,000	1	3,000
<b>Total .. .. .</b>	<b>5,04,250</b>	<b>152</b>	<b>3,324</b>

*Bihar and Orissa.*

The Bihar and Orissa State Aid to Industries Act came into force towards the end of 1923. Its main object was to assist industrial development by various forms of State aid such as the grant of loan or cash credit, guarantee of dividend, purchase of output and hire-purchase of plant.

1933.]

*State aid to industries.*

19

2. The statements below give details of the working of the Act :—

*Statement I.*

	No.	Value in Thousands of Rupees.
Applications received for State aid .. .. .	115	40,96
Applications sanctioned .. .. .	42	13,48
Applications availed of .. .. .	19	7,91

*Statement II.*

	Loans, cash credit, deben- tures, etc.	Hire purchase of machi- nery.	Total.
Number .. .. .	5	14	19
Value in Thousands of Rupees .. .. .	6,25	1,66	7,91
Amount realised in Thousands of Rupees. { Capital .. .. .	2,58	69	3,79
{ Interest .. .. .	24	28	
Amount definitely ascertained as bad debts in Thousands of Rupees. { Capital .. .. .	3,45	27	3,80
{ Interest .. .. .	7	1	
Amount outstanding in Thou- sands of Rupees. { Capital .. .. .	22	70	97
{ Interest .. .. .	..	5	

3. The figures of bad debts appear very alarming and need further analysis. One concern which was heavily financed in the early stages of the working of the Act when there was little experience to guide the Department caused a net loss of Rs. 2,74,000. Another heavy loss of Rs. 65,000 was similarly due to a concern which went into liquidation within 3 or 4 years of its working. Excluding these two cases which were exceptional, the total loss in 10 years' working of the Act amounts to Rs. 41,000 which is further reduced if the amount of interest earned is taken into consideration. It is clear that the State Aid to Industries Act, if judiciously administered, should not cost the province more than the cost of maintaining a middle English school or more than the cost of an intermediate college if all losses are taken into consideration. Unfortunately, as a result of financial stringency, the provision for State aid has been discontinued and the Act has virtually ceased to be operative though it remains on the Statute Book. This is, therefore, eminently a time for stock-taking and for laying down the lines of future development.

4. The working of the Act in this province would seem to point to the following conclusions :—

(a) It is very risky to embark on large ventures which should be left to finance themselves without State aid. The

Department of Industries has neither the technical staff to supervise big concerns nor the experience to guide them.

- (b) The hire-purchase system works fairly satisfactorily so far as small industries are concerned, but the Act must be amended to provide for collateral security and guard against loss due to premature termination of the hire-purchase agreement.
- (c) Preliminary enquiries before the grant of State aid should be very stringent so as to satisfy Government that the concern is likely to flourish and repay the amount of loan given.
- (d) The period fixed for repayment should be settled in each case having regard to the expectation of life of the machinery purchased.
- (e) The rate of interest should be as low as possible, particularly when State aid is financed from revenue and not capital expenditure.
- (f) State aid is essential to cottage industries, but the best terms on which such aid should be given remain to be discovered.
- (g) State aid should be limited to introducing industries that are either new to the province or new to the locality.

5. Clauses (e) and (f) of Section 4 of the Act provide for the grant on favourable terms of land, raw material, fire wood, water or any other property of the local Government and the payment of a subsidy for—

- (i) the conduct of research, or
- (ii) the purchase of machinery.

These forms of State aid have not been given a trial. Nor in the absence of a co-ordinated policy of stores purchase has it been possible to give indirect aid to industry by agreement to purchase on business terms the whole or a portion of its output.

6. The grant of State aid necessarily involves some risk. But this risk is being undertaken in most countries and must be undertaken in India. The growth of industrial consciousness will certainly press for the continuance of State aid to industries when finances permit of this being done. Another point which should not be overlooked is that the State Aid to Industries Act saves Government the risk involved in pioneering, because at least in some cases the industries encouraged would not have come into existence but for State aid. Even in cases of failure, the machinery purchased generally remains in the province, but only changes hands. State

1933.]

*State aid to industries.*

21

aid does, therefore, enlarge the industrial equipment of the province and considering this fact, it may well be argued that the price paid is not heavy.

Indeed, it may be said that an annual loss of Rs. 20,000 on State aid to industries is preferable to an expenditure of the same amount on a high English school which largely goes to swell the volume of middle-class unemployment.

*Central Provinces.*

There is no State Aid to Industries Act in force in the Central Provinces and Berar. But in the past, State aid has been given freely to new or struggling industrial concerns in the form of grants on favourable terms of land, buildings, etc., and of the free help, advice and services of such experts as are available to the local Government. A recent instance is the sale of a large part of the land, buildings and plant of a disused distillery at a quarter of its book value, to a firm proposing to manufacture chemicals in the province.

2. So long ago as 1924 a Bill was prepared by the local Government providing for State aid to industries. After a number of vicissitudes, it reached, in 1928, the Select Committee stage but it was dropped by Government as the Council desired to widen the scope of the Bill so as to include the giving of assistance to agriculture and any kind of industry whether new, nascent, undeveloped or not.

3. Last year this Bill was revived by a non-official member of Council and again referred to a Select Committee. It will come before the next session of the Council but its ultimate fate is uncertain\*. A serious obstacle to the successful working of any legislation is the difficulty of finding funds in the present financial stringency.

*Hyderabad.*

Government have laid aside a crore of rupees for granting State aid to industries which is called Industrial Trust Fund and which is controlled by a Board consisting of three members of Executive Council including Finance Member as Chairman. The corpus of the fund is invested in large-size industries in the form of debentures or share-capital and the income from this investment is used in the development of cottage industries, propagation of technical and industrial education, undertaking of industrial surveys and granting of loans to small-scale industries under rules sanctioned by Government at 5 per cent. interest. Arrangement is also made for granting these loans through bank on the guarantee of Government at 7½ per cent. interest.

*Mysore.*

The Department has been granting loans for the purchase of machinery for industrial purposes and sometimes also for working

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\*The Bill has since been passed into law.

capital. Government have taken shares in some concerns or given guarantees to private Banks to advance loans to the concern. Technical advice in the selection of machinery required by the industrialists and technical assistance in the erection and maintenance of machinery are rendered by the officers of the Department. Trained mechanics are also lent to private concerns. New concerns are started by the Department and worked for some time and then handed over to private agency. Improved methods and processes are demonstrated to the people on important occasions. Supply of raw materials is arranged at concessional rates, for example, duty-free salt, duty-free alcohol, sandalwood for carvers. Grant of free sites is made in certain cases. Technical education is imparted in the Government Industrial Schools and also in aided schools in arts and handicrafts so as to ensure a steady supply of artisans and foremen. A workshop is maintained to undertake repairs of machinery which cannot be undertaken in private workshops and to conduct experiments as to the suitability of new appliances. In Government purchases, local goods are preferred to goods coming from outside. The agency of the Trade Commissioner in London is made available in obtaining their requirements from abroad.

#### *Jammu and Kashmir.*

The Jammu and Kashmir Government have in contemplation a Regulation of the nature of 'Aid to Industries and Agriculture Act'. The objects kept in view are—

- (i) to ensure scrutiny of any proposal for help to industry or agriculture by experts ;
- (ii) to minimise the lag between the recommendation of experts and the payment of the loan or grant ;
- (iii) to ensure publicity in order to avoid jobbery ; and
- (iv) to devise some method by which arrears of instalment fixed for the repayment of the loan could be promptly realised and to determine whether these arrears are to be realised in the same way as arrears of Government revenue.

#### *Travancore.*

The Government of Travancore ear-mark every year a sum of Rs. 50,000 for granting small loans on easy terms with the idea of encouraging cottage industries. These loans are granted on property security and in some cases, on hire-purchase system (for machinery, etc.). In addition to this, the Government, being deeply interested in hand-loom weaving, maintain a store of weaving accessories and appliances in the interests of hand-loom weavers and these are sold to them at cost price, thus displacing the middlemen in the supply of these articles. A separate grant for this purpose is sanctioned in the



1933.]

*State aid to industries.*

23

budget every year. Moreover, the Government have passed an Industrial Loans Regulation last year with a view to provide funds for granting loans not only to cottage workers but also to large-scale industries. The Regulation has already come into force and rules framed under the Regulation are under issue.

*Gwalior.*

With a view to develop and exploit the natural resources of the State and to ameliorate the condition of the peasantry, the Darbar have given State aid to industrialists in the shape of debenture loans, besides other concessions also. This policy has so far borne out good results. Loans to the amount of Rs. 34 lakhs were given to Cotton Spinning and Weaving Mills as detailed below :—

	Lakhs.
1. Jayajee Rao Cotton Mills, Gwalior .. .. .	19
2. Binod Mills, Ujjain .. .. .	8
3. Nazar Ali Mills, Ujjain .. .. .	5
4. Sipra Mills, Ujjain .. .. .	3

When any new mill is started the following concessions are usually given :—

1. Free grant of land required for the construction of mills and factories.
2. Free import of materials used in the construction and working of factories and mills.
3. Exemption from customs duty on cloth manufactured in the State.
4. Free import of all kinds of machinery whether worked by manual or other power.

**DISCUSSION.**

The President explained that it was proposed to discuss under this subject only direct financial aid of the kind given in some provinces under specific Acts or otherwise.

The Hon'ble Dewan Bahadur Reddiyar said that Madras was the first province to have a State Aid to Industries Act, and although the results had not been altogether satisfactory, they had not been so unsatisfactory as to justify an abandonment of the policy of State aid. One reason for the failure, perhaps, was the delay that often occurred in examining the assets of the business (and in many cases of the collateral security), and getting the recommendation of the Board of Industries and the decision of the local Government. There had been one or two cases of remarkable success, but the loan given to a paper mill was a failure, owing to an unusual combination of adverse circumstances. A silk factory repaid its entire loan before due date. The Government had not suffered financially

to any considerable extent except in the case of the paper mill. In other cases where the industries had failed it was hoped to recover almost the entire amount. The securities on which loans were advanced were carefully tested in almost every case and the full value of the loans advanced were secured. The valuation was done by the Industries Department assisted by the Revenue Department in some cases. The system could be successfully worked if methods were devised by which aid could be given promptly and perhaps with more generosity than at present. In Madras it would not be correct to say that the large loans were a failure. The cases of failure in Madras had reasons of their own and would have taken place even if the loans were smaller; the concerns were not carefully examined by the promoters in the early stages.

Mr. Gokhale said that since last year the grant of loans had been stopped in Bihar and Orissa on account of financial stringency. Out of the total loss of about Rs. 3,79,000 to Government, Rs. 2,74,000 was due to a single enterprise, the wire nail industry at Jamshedpur. This loan was given in the early stages of the working of the Act when there was no experience of big business and there were no technical advisers to guide the Government. On account of adverse tariff conditions and other reasons, this enterprise failed. A knitting factory in Jharia, which was working successfully, unfortunately collapsed on account of a colliery subsidence. Excluding these two cases, the experiences in Bihar and Orissa had been on the whole satisfactory, particularly in the case of small enterprises. By making the Act and the rules more flexible, loans could be worked successfully and without any great risk. The rate of interest charged, 6½ to 7 per cent. was high. The period of repayment was not fixed satisfactorily in some cases. It ought to be as long as possible, having regard to the life of the machinery on which the money is invested. There were certain defects in the Act in regard to hire-purchase. There was no provision for collateral security, and on the hire-purchaser giving a month's notice, Government had to take over the machinery. The hire-purchaser was then absolved from responsibility, except in respect of instalments which had fallen due before that date. Unfortunately second-hand machinery, even in good order, hardly fetched 25 or 30 per cent. of its value. This had led to a number of losses and there should be a provision for loss on account of premature termination of hire-purchase agreements being realised from the debtor's assets. There should also be a provision for temporary assistance in case the debtor is unable to repay a particular instalment. But loans to industries were not enough; there was the need of some machinery to assist industries to proceed on proper lines. The Imperial Council of Agricultural Research and its Sugar Technologist were giving assistance to sugar industry all over the country. Such assistance was beyond the

finances of any one province. A co-ordinating agency should be set up in order to provide the necessary technical assistance to industries.

Rai Bahadur Lala Ram Lal said that so far there had been no difficulty in recoveries in the Punjab. There was no rule in force in that province requiring recommendations from a Board before any loan was granted. Applications were received by the Director of Industries who verified whether the security offered was sound or not. In practice, no loan was advanced without a security of at least twice the value of the loan of which a substantial proportion must consist of immovable property. In case of default civil court was moved for the execution of Director's orders. This assistance had helped the cottage industries only partially.

The Hon'ble Mr. Srivastava said that in the United Provinces there were two ways of giving financial aid. Grants, amounting usually to about Rs. 20,000 a year, were dispensed by the Board of Industries and are not recoverable. On the other hand, the loans, amounting to about Rs. 16,18,000, have given a very chequered experience. Of this sum, Rs. 8,80,000 had been definitely lost and a sum of Rs. 1,82,000 still remained to be paid. Before 1923 these loans were given on the recommendation of the Board of Industries. But in October 1922 a Board of Loan Commissioners was set up. It included the Financial Secretary, the Registrar of Co-operative Societies, the Mechanical Engineer, three representatives of banks, two representatives of Chambers of Commerce and the Director of Industries. All loans since 1922 have been given on their recommendation, and Factory Inspectors were usually employed for purposes of valuation. A loan of Rs. 1,60,000 to a factory manufacturing sheet glass has been repaid in full and the factory benefited by the loan. A loan of Rs. 4 lakhs to a flour mill, which was given against the recommendation of the Board of Industries, had to be written off in full. A sum of Rs. 6 lakhs was advanced to a sugar mill belonging to the same firm; the principal was recovered but the interest had to be written off. Experience, suggested that the system under which the loans are given is not satisfactory. It was alleged that great delay took place in granting applications and that the security demanded was too strict. But as a matter of fact, in the case of three big loans against the security of the block it was found that there was a prior mortgage on that block. In the case of a glass factory it was found that the security had greatly deteriorated. Hard and fast rules as regards security under an Act or Rules would not work in every case. There were Resolutions in the local Council recommending the establishment of an Industrial Bank and the abolition of the Board of Loan Commissioners; a Committee was now sitting in the United Provinces to consider this subject. In many cases persons who came to Government for loans had no know-

ledge of trade or industry. Some method should be devised to ensure that the money spent or advanced by the Government leads to the establishment of industries. The United Provinces Government have under consideration a scheme for the formation of a Finance Corporation. It was proposed that the Corporation should finance the purchase of machinery by small men, agricultural or industrial, and that it should confine itself to helping minor industries. The capital of the Corporation is to be subscribed partly by Government and partly by the public, and the Government might guarantee a certain dividend.

Mr. Dutt said that the Bengal Act passed in 1931 followed, in the main, the Madras and Bihar and Orissa Acts, in laying stress on hire-purchase. The rules had just been framed but the Act was not yet working. To meet the absence of experts on the Board of Industries, an employee of the Imperial Bank of India, and a representative each from four commercial associations, will be added to the Board of Industries to advise. The Board will also be empowered to co-opt not more than three expert members. No loan shall exceed 50 per cent. of the net value of the assets and the entire loan will be repaid within 10 years or, where the loan is secured on land or building or both, in not more than 20 years. No loan will be given to a joint stock company unless it is registered in India with rupee capital and the directorate is approved by the Government. There is great keenness on the part of the public to put the Act into operation without delay, and a number of private persons have subscribed over half a lakh of rupees for the purpose. It is proposed to provide a sum in the next budget to supplement the fund thus inaugurated. The grant of large loans was necessary for the establishment of industries, but these should perhaps be given not by Government direct, but through the agency of an Industrial Corporation. The difficulties experienced by industries in the provinces in regard to tariffs and railway rates should be solved by a Central co-ordinating organization.

Mr. Rajagopalachari said that there was no Act in Mysore, but there was a set of rules to regulate loans and hire-purchases. The rules were originally framed in 1913 and had been revised in the light of subsequent experience. A total sum of 15 lakhs of rupees has been given in 452 cases. Out of this, 10 lakhs have been recovered, and also interest amounting to Rs. 2 lakhs. The lack of recovery during the last three or four years has been due to depressions in trade. No difficulty has been found in the repayment of small loans. Working capital, to the extent of about Rs. 40,000, has been granted to about half a dozen concerns. Cash credit in favour of certain concerns has also been given; a cotton mill received Rs. 8 lakhs through the Mysore Bank in this way. Shares have also been taken in some concerns to help them. Expert advice is given at Government cost to help in repairs. In addition, electric power, raw materials

1933.]

*State aid to industries.*

27

and other things at cheap rates are supplied. The services of experts, mechanics, etc., of the Industries and Public Works Departments are lent to the various factories. There were special rules for the purchase of machinery, systematic inspection of installations, audit, and so on, which have been of the greatest help, particularly to small industries. This method of assistance has been of much greater use to cottage industries than the granting of direct loans. The grant of financial assistance to industries should not await the formation of an Industrial Corporation. Banks are generally averse to giving long-term loans and the small industrialists require such loans. In such cases the Government should help to the extent that is possible.

Major Sir Hashmatullah Khan said that in the case of weaving industries, which had been advanced about Rs. 35,00,000, the experience in Gwalior had been very satisfactory. In the case of smaller industries, loans to the extent of about Rs. 10 lakhs had to be written off. There were two State-owned factories, potteries and leather, in which the State had spent over Rs. 22 lakhs. This investment has so far been unsatisfactory on account of competition from Japan. The money advanced on machinery has generally been a failure. It has been found impossible to get even 10 per cent. out of machinery after five years. A proposal to start an Industrial Bank is at present under consideration.

Mr. Pillay said that in Travancore a provision of Rs. 50,000 was made in the budget every year for small industries. The Director of Industries was allowed to give loans up to Rs. 25,000 without Government's sanction. An Act was passed last year to eliminate the responsibility of the Director of Industries in granting loans and the rules were being framed now. Loans were given only on property securities valued by the staff of the Revenue Department. Government have taken some shares in a sugar factory which, after lying idle for some time, has been working fairly satisfactorily since last year. On account of the present economic depression, some of the oil mills in Alleppey and other places approached Government for loans. Last year the Government sanctioned about Rs. 50,000 which have not been disbursed yet. The experience of loans on property security has, on the whole, not been unsatisfactory, except in three cases where the trouble arose from defective valuation. The new Act provides for rules to give machinery on the hire-purchase system.

Mr. Pandya said that the history of State aid to industries in Baroda dated back to 1891 when a sum of about Rs. 1,50,000 was set aside for loans to small industries. The amount was increased in 1903 to about Rs. 3 lakhs. That experience was not very happy, although the loss amounted to only a few thousand rupees. In 1894 or 1895 the State started a textile mill of its own. That did not prove very successful

and was sold at a small loss. In 1903 or 1904, Rs. 3 lakhs were advanced to various textile mills. In consequence of these advances there are now about 13 textile mills in the State and the financial loss to the State has been negligible. The Department of Industries and Commerce was organized in 1906 and in 1908 rules were framed to grant loans to industries. At the same time the Bank of Baroda was established. It was expected that the Bank would advance long term loans to industries, but this did not materialise. In 1915, Rs. 15 lakhs were set aside for loans, mostly on low rates of interest, for new industries. The Bank of Baroda was also asked to advance money to industrialists on the term that the State would place with the Bank an equivalent amount at a lower rate of interest to meet the risk assumed by the Bank. This experience has been very satisfactory. Out of Rs. 20 lakhs advanced, only Rs. 43,000 had so far been lost, excluding one case where a debenture loan of Rs. 10 lakhs was given to a cement works. No distinction should be made between small industries and large industries. Assistance to large-scale industries is also advantageous and should be continued.

Mr. Mohammadi said that in Hyderabad the Department of Commerce and Industries was established about 1918 and since then financial assistance was being given to industries. Rules were framed for the grant of loans to small industries for the purchase of machinery and the construction of buildings, at the interest of 7 per cent. For nearly 5 years the budget used to provide Rs. 50,000 for this purpose. Then the Department of Commerce and Industries was abolished, and the grant of loans was discontinued. When that Department was reconstituted, the loans were started again, with modified rules to grant loans for machinery on hire-purchase system and for working capital as well. A Fund of one crore of rupees exists for assisting large sized industries and the dividend obtained from the investments from this fund is used for the grant of loans to small scale industries and for the encouragement of cottage industries. The investments from the Fund have yielded a full return, except in one case, *viz.*, a glass factory, in which Rs. 30,000 was invested by the State and which went into liquidation. Shahabad Cement Works was helped with a loan of Rs. 12 lakhs, with interest at the rate of 8 per cent. It is now in a flourishing condition. In the case of small scale industries, fairly good recoveries have been made, except in a few instances where the defect lay in miscalculation as to the valuation of the land in security. The total amount lent to smaller industries amounted to about Rs. 5 lakhs, of which more than half has been recovered.

The Hon'ble Dewan Bahadur Kambli said that there was neither an Act nor a set of rules in Bombay. Applications to the number of 27 had

1933.]

*State aid to industries.*

29

been received since the constitution of the Department but only 4 were sanctioned by the Government. The amount advanced was Rs. 6,25,000 and there had been no loss. These loans were given between 1920 and 1926, and Rs. 6 lakhs out of this went to a sugar factory. Since 1926, no loans have been given owing to financial stringency, but means were being explored for raising the requisite money.

The Hon'ble Dr. Narang thought that among the methods of aiding industries, financing was the least important. The whole question of customs, tariffs, co-operative societies, industrial banks, trade unions, and so on, had to be considered. It is not because the loan was large or merely because the concern was not well managed that the concerns failed. It was because the concerns found it impossible to withstand foreign competition. Something must be done to help nascent industries against foreign competition. Money could be had in plenty on the same terms as Government advanced. Banks other than industrial were no doubt cautious and they did not as a rule advance against block; but once a joint stock company or a partnership is started with just enough money for the building and the machinery, there is no difficulty at all in getting loans.

The Hon'ble Dewan Bahadur Reddiyar suggested that the local Governments should have a separate fund earmarked for the purpose of loans to industries, because the present uncertainty of budget provision was a great difficulty. A cess on the lines proposed by the Director of Industries, Bombay, in his memorandum, might be levied and the Government should undertake to pay an equivalent amount to make up the Fund. There was a similar Fund in Madras called the Elementary Education Fund. The Fund should be administered by a special body and not by Government, who could be represented on it by the Director of Industries or the Finance Secretary or both. This seemed a proper step in the present conditions, as ambitious schemes like banks, etc., required more careful investigation, which was likely to delay the inception of schemes for State assistance.

The Hon'ble Mr. Lloyd thought that such a cess would produce large funds in a highly industrialized province and almost nothing in provinces which were not industrialized and yet would feel the need more keenly.

The Hon'ble Dewan Bahadur Reddiyar said that the rate of cess might be varied from province to province.

Mr. Advani said that in Bombay the total horse power was estimated to be 2,65,000 which should produce Rs. 2,65,000 per year for his proposal.

M154DIL

The President thought that a proposal for an additional cess was not likely to meet with general approval in these days. He summarised the main conclusions of the Conference in the following terms :—

- (1) Experience showed that, with the exception of some Indian States, larger loans had nearly always been unsuccessful. Smaller loans had been successful in probably the majority of the cases. The Conference did not wish to express any opinion against the grant of large loans. This matter should be left over for decision as occasions arose, but in the case of large loans a more strict inquiry into the prospects of the concern and the nature of the security offered was essential, as also a closer scrutiny of the working of the concern.
- (2) The loan procedure should be as expeditious as possible and there should be less rigidity in its working.
- (3) The loans should be advanced for a reasonably long time.
- (4) The hire-purchase system is useful, but collateral security is essential on account of rapid depreciation.

The Hon'ble Mr. Srivastava suggested that the Conference might discuss the merits of the different forms of agencies, like Industrial Banks, Corporations, etc., which Governments might employ for giving loans. A sub-committee to discuss this aspect of the question was proposed.

The Conference agreed to appoint a Sub-Committee to consider the best means of granting direct financial aid to industries.

The President announced that a representative of the Finance Department, Government of India, would assist the Sub-Committee.

(For the names of members and the report of the Sub-Committee see Appendix.)

(For further discussion see pages 135-136.)



*Thursday, July 13th, 1933.*

## II.—CO-ORDINATION AND DEVELOPEMENT OF STATISTICS BEARING ON INDUSTRIES.

### MEMORANDA.

#### *Government of India.*

The Government of India had decided to resume the publication of the rail-borne trade statistics in a somewhat modified form in the year 1932-33, but owing to financial stringency the budget provision for this work had to be cut out. Provision has been made, however, in this year's budget for the resumption of those statistics and the work of collecting and compiling the figures has already been started. The form in which the statistics will be published is somewhat different to the form previously adopted.

2. Previously a number of provincial Departments of Industries supplied to the Director General of Commercial Intelligence and Statistics a monthly note on trade conditions in their provinces and for this work they received a small remuneration from the Department of Commercial Intelligence and Statistics. Owing to the Incheape Committee's retrenchment proposals these allowances had to be discontinued. Consequently the reports were also discontinued with the one exception of the report from Madras which the Deputy Director of Industries had continued voluntarily throughout all these years without payment. A new Branch of Statistical Research of the Department of Commercial Intelligence and Statistics has been established at the Government of India headquarters. Among other functions, this Department will prepare a monthly note on the economic conditions in India and for this purpose it is proposed to call on such of the Government of India officials throughout India whose work brings them into contact with trade, industries and finance for assistance in the matter of economic intelligence. It would also be very useful to this new Branch if the provincial Departments of Industries were to supply, at regular intervals, reports giving information regarding the industries of their provinces. Such reports might be made most conveniently at the end of each month, unless important developments were taking place regarding which immediate information to the Central Research Branch would be useful.

3. The Government of India have at present under consideration the question of taking a census of industrial production and of obtaining monthly figures of industrial output. In this connection it would appear that for a census of industrial production which might be repeated every five years, the extensive method would be the most appropriate for large scale industries and that such a census could be most effectively made centrally by the

Government of India. In the carrying out of such a census, however, it will be necessary to obtain the co-operation of Provincial Governments in the matter of checking returns received from individual establishments, and it is considered that, as the establishments to which the census would apply would be those coming within the scope of the Factory Act, the Provincial Government Factory Inspectors would be the officers best qualified to provide the necessary check on the returns.

4. It is realised that a census of production which applies only to establishments coming within the Factory Act will omit a large volume of industrial production in small scale industries and in cottage industries, and it seems probable that, so far as these small scale industries are concerned, the extensive method of taking an industrial census would be impracticable at present. For this reason it will probably be necessary to depend on estimates of the total production (quantity and value) in small scale and cottage industries, and these estimates might be made on the intensive plan by the staff of Departments of Industries and perhaps also the staff attached to the Registrars of Co-operative Societies.

5. Similarly also in the case of the monthly returns of industrial output in large scale industries the Factory Inspectors under the Provincial Departments of Factory Inspection could give most valuable assistance in the checking of the returns of monthly output in these large scale industries. For the small scale and cottage industries it will be obvious that the difficulties of obtaining monthly returns of output are insuperable and for such small scale industries and cottage industries it is not intended to try to obtain any figures of the monthly output. This position is inevitable in view of the fact that even in a census of production only estimates of small scale industrial output can be hoped for.

#### *Madras.\**

Both the Economic Enquiry Committee of 1925, and the Royal Commission on Agriculture in India have emphasised sufficiently forcibly the need for the constitution of a separate statistical organisation to deal with questions of economic interest. The Indian Economic Enquiry Committee recommended the setting up of a central bureau of statistics and the formation of provincial bureau in which would be concentrated the collection and compilation of provincial statistics of every description. The proposals of this Committee, however, were conceived on somewhat ambitious lines and the Royal Commission on Agriculture, which had the advantage of scrutinising the proposals of the Indian Economic Enquiry Committee, advocated a more modest and less expensive scheme. They proposed the reconstruction of the present Department of Commercial

\*Prepared by the Director of Industries.

Intelligence and Statistics by the formation of a separate Department of Statistics. They also recommended the constitution of similar statistical departments in the provinces whose object should be primarily the supply of information required by Government to discharge its functions, and secondarily the supply of information required by the producers and the general public. The Madras Economic Depression Enquiry Committee remarked that the absence of a central depository for statistics in this Presidency had been keenly felt in the course of preparing material for the Committee, and they recommended that there should be a permanent Economic Committee with a bureau of statistics in charge of a responsible officer. Subsequently, a Statistical Enquiry Committee was appointed to go further into this and cognate questions such as the possibility of devising methods by which Government could be kept better informed of the trend of prices and of the movements of produce and the question of what statistics are required for the purpose, how they should be obtained and who the co-ordinating authority should be. Finally, the Madras Government decided that there should be one officer for the collection of all statistics and that the Statistical Officer should work under the Board of Revenue, the statistics hitherto compiled in the Departments of Agriculture and Industries being transferred thereto. The concentration of statistics in one bureau if adopted by all the provinces would, it is suggested, facilitate the interchange of statistical information.

2. Apart from the question of how best to organise the compilation of statistics, the absence of certain statistics, particularly those relating to the inland trade of India, is keenly felt. Formerly, statistics of inland trade—rail and river borne—were compiled, but these unfortunately were discontinued in 1922. In almost all the major investigations instituted by the Madras Department of Industries in recent years, *e.g.*, in connection with the several inquiries conducted by the Indian Tariff Board, the need for such statistics has been manifest. In the case of the handloom weaving industry it was possible up to 1922 to ascertain approximately the quantity of yarn consumed by the handloom weavers in the Madras Presidency, but this has not been so, except by arbitrary deductions from the figures of consumption of yarn in India as a whole, since the discontinuance of the inland trade statistics, and it has in consequence become very difficult to gauge with any degree of accuracy the position of the handloom industry. The Madras Department of Industries therefore attaches the greatest importance to the resumption of the registration and publication of the inland trade statistics with a view primarily to ascertain the movements of commercial and industrial products and raw materials for industries.

3. As regards statistics of production, there are statements of production of minerals, cotton mills and a few other industries, whilst a new publication has been issued from the beginning of

1932-33 by the Department of Commercial Intelligence and Statistics, entitled "Monthly statistics of the production of certain selected industries of India", the industries dealt with being jute manufactures, paper, iron and steel manufactures, sulphuric acid, sulphate of ammonia, petrol, kerosene oil, cement, sugar, matches and wheat flour. The majority of the concerns engaged in the above industries are stated to have agreed to supply the information on a purely voluntary basis. It seems desirable gradually to increase the number of industries included in this publication with a view eventually to including all industries which come under the operations of the Factories Act, although probably in this case legislation would be necessary to enforce the supply of the necessary figures from the mills and factories.

4. As a measure of retrenchment, the customs authorities have stopped recently the publication of the "Annual Review and Returns of the Sea-borne Trade and Navigation of the Madras Presidency" and presumably the publication of similar volumes relating to other provinces has been stopped likewise. These volumes contained much valuable information in regard to the trade of the province from which deductions could be drawn and in their absence there is, for instance, no means of ascertaining the volume of the coasting trade in respect of various articles and commodities. It is essential that the publication of this annual review should be revived as early as possible though if the maximum benefit is to be derived from its publication it is important that it should be issued as soon as possible after the close of the year.

#### *Bombay.\**

Statistics available in connection with industries specially covering production are at the present time inadequate. The Director General of Commercial Intelligence and Statistics publishes periodically a publication called "Large Industrial Establishments" which contains a list of establishments with the number of employees. The same Department also publishes a pamphlet called "Monthly statistics of cotton spinning and weaving in Indian mills" which gives the quantity of yarn spun and woven goods. Recently, the same Department has undertaken the issue of pamphlets giving monthly statistics of the production of certain selected industries in India. These cover the following industries:—Jute manufactures, paper, iron and steel manufactures, sulphuric acid, sulphate of ammonia, petrol, kerosene, cement, sugar and metals. The production is given in tons and yards as the case may be. In respect of none of the above industries the statistics of production collected give any information about the value of manufactured goods, quantity and value of raw materials used and value of fuel and oil used, etc.

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\*Prepared by the Director of Industries.

Statistics covering cottage industries which are available are very meagre and in many cases not very reliable. The value of such statistics is now universally recognised. In the Second Conference of the Directors of Industries held in 1921 the question of preparing statistics of production was considered and it was then decided that the provincial Departments of Industries should collect industrial statistics. Nothing, has, however, so far been done by the Bombay Department of Industries in this direction. The Indian Economic Enquiry Committee recommended an elaborate scheme of collection of statistics including those relating to industries. As owing to financial stringency it will probably not be possible to take an early action on the recommendations of the Majority or the Minority Report of this Committee, it is suggested that a modest beginning may be made so far as statistics relating to industries are concerned. In order that the statistics collected may be useful they should be collected on identical and recognised principles by all the provinces. For this purpose central co-ordination is necessary. The office of the Director General of Commercial Intelligence and Statistics may be made into a central co-ordinating office for this purpose. The collecting agencies in the provinces, it is suggested, should be the respective Departments of Industries. The Director General of Commercial Intelligence and Statistics should in consultation with the Departments of Industries draw up a scheme and standard forms, etc., for the collection of information by the local Departments of Industries. It will be necessary for the latter Departments wherever necessary to strengthen their staff by the appointment of special surveyors and circle officers as was envisaged by the Second Conference of the Directors of Industries held in 1921. Actual compilation of the statistics based on the figures collected by the various Departments of Industries may be done provincially and then the final figures along with the original forms collected may be forwarded to the Director General of Commercial Intelligence and Statistics for drawing up reports for the whole of the country. As regards organised factories, some information is now collected by the Director General of Commercial Intelligence and Statistics as mentioned in the opening part of this note. It is suggested that along with what is collected now additional information covering the value of manufactured goods, quantity and value of raw materials, etc., should all in future be collected through the local Departments of Industries. This arrangement will be advantageous, because it will reduce the cost of collection and ensure that the information collected is reasonably correct. It will also bring these Departments into more intimate touch with industries. The information available will also enable the Departments to see what further steps should be taken from time to time so as to help along industrial development and to encourage and increase industrial production and employment. It is true that those Departments of Industries which have not much district staff.

will have to incur certain additional expenditure on circle officers for the collection of statistics. But unless some expenditure is incurred it will not be possible to collect any figures which can possibly be considered as reliable. An attempt has been made by the Bombay Department of Industries to collect some statistics in connection with cottage industries through the agency of the Revenue Department. It has been found that the figures so collected are not reliable, largely because of the lack of technical knowledge on the part of the Revenue Officials of the lower grade entrusted with the task of collecting them. If, therefore, reliable statistics are to be collected, it is suggested that the best agency would be the respective Departments of Industries. It is doubtful, however, if owing to financial stringency many of the provincial Governments will undertake any scheme involving much additional expenditure. The Indian Economic Enquiry Committee had recommended that for the first few years the Central Government should bear half the cost of the provincial establishments. If this is done, it will be an encouragement to the provinces. It is suggested, therefore, that this Conference may consider and recommend that early steps should be taken for the better collection than is the case at present, of industrial statistics and that :-

- (a) the office of the Director General of Commercial Intelligence and Statistics should be made the central and co-ordinating agency for the work in connection with industrial statistics, the additional cost, if any, being met by the Central Government,
- (b) the provincial Departments of Industries should collect and collate provincial industrial statistics for organised and cottage industries, the Central Government bearing half the cost of the additional provincial establishments, etc., for the first 5 years, and
- (c) the Director General of Commercial Intelligence and Statistics should draw up a scheme including the cost of the same in consultation with Directors of Industries for consideration of the Central Government who will no doubt call for the views of the provincial Government before the adoption of the scheme.

#### *United Provinces.*

At present India possesses hardly any statistics apart from (a) those derived from the returns of her sea-borne trade, (b) those relating to agricultural production based on land records, and (c) those relating to certain industries carried on on organized or factory lines. Broadly speaking, statistics relating to industrial production and internal trade are not available. The scheme for the revival of rail and river-borne statistics has had to be held up. The absence

1933.]

*Statistics bearing on industries.*

37

of such statistics was one of the severe handicaps under which Government had to suffer recently in connection with the Ottawa question. The establishment of a Statistical Research Branch of the Department of Commercial Intelligence and Statistics at the headquarters of the Government of India and the economic census were recently approved by the Standing Finance Committee of the Assembly.

#### *Punjab.*

The Indian Industrial Commission emphasised the importance of the collection and publication of industrial intelligence in order to assist the country to become better equipped for industrial struggle. Although the different provinces have been attempting in their own way to collect, publish, or distribute information on matters industrial, yet it appears that no concerted or well directed effort has been made to publish on a uniform basis information relating to the raw materials available or the finished articles produced by each province, with the result that haphazard industrial enterprises spring up. Although the increasing industrial consciousness is welcome, industrial enterprise is necessarily handicapped by the want of good statistical data.

2. In the Punjab a Report on the Internal Trade of the Punjab by Rail and River was published up to the year 1921-22 and then was discontinued. Similarly, the Report on the External Land Trade of the Punjab was discontinued after the year 1924-25. No statistics relating to industrial production are compiled or published, nor are statistics of wages of industrial workers or the number of workers employed in, or available for, each industry. An industrialist has no handy data to guide him in the matter of raw materials available in his own province or in the other provinces, or in regard to the article which he may desire to manufacture.

3. The Punjab Government have decided to revive the Provincial Internal Trade Return.

#### *Bihar and Orissa.*

The abolition of the Rail and River Borne Trade Statistics in 1922, as a measure of retrenchment was most unfortunate. The decision was taken with dramatic suddenness at a time when the question of the simplification and improvement of these statistics was under consideration. There is now no statistical information of the movement of raw material and manufactured goods either within the province or to and from other parts of India. In such matters the Director of Industries has to be guided by impressions which are sometimes very deceptive. He is, therefore, in a very difficult position when he is required to advise on industrial problems. The handloom industry is the most important cottage

M154DIL

industry of the province : it was ascertained in 1922, from the statistical information then available that one-sixth of the cloth used in Bihar was woven on the handloom while in Chota Nagpur the proportion was three-fourths and in Orissa two-thirds. These statistics were corroborated by the figures of the number of handlooms which were collected in the Census of 1921. Unfortunately, the Census of 1931 did not even collect figures of handlooms in the province and the department is left to guess what advance has been made in this important cottage industry as a result of its efforts during the last ten years.

2. The local Government considered the question of compiling inland statistics on a provincial basis, but it was found that the cost would be high if the work was undertaken by an individual province. It was, therefore, decided to postpone consideration of the question until the majority of other provinces were prepared to revive these statistics.

3. The form in which the Inland Trade Statistics used to be maintained was perhaps complicated and delays used to occur in publication. But these defects are capable of remedy. In view of the importance of these statistics, it seems desirable that they should be revived as soon as possible for the whole of India, the work being placed in charge of a competent statistician trained in the latest methods of compilation and presentation of such complicated statistical material.

#### *Hyderabad.*

Special industrial surveys have been undertaken by the Department to collect statistics bearing on important industries.

#### *Jammu and Kashmir.*

The Jammu and Kashmir State has at considerable expense prepared a Statistical Atlas which charts out statistical data for the State in a convenient form. This Atlas would have had a much wider appeal had it been drawn up on lines accepted by other major Administrations. It is only then that, data being common and collected on lines clearly understood, there would be the possibility of their being available for comparison or check. We are living in an age of statistics and it is more easy for a camel to enter the eye of a needle than for an administrator to prove his point without the aid of statistics. No geographical barriers divide one administration from another and therefore statistics, if they have any interest, must be drawn up more or less on uniform lines so as to make that publication of any real interest. The time has come when over and above the data available as regards coming in and going out of goods at sea-ports, we should have data collected as regards movement of internal traffic. We cannot harness railways or canals in the matter



1933.]

*Statistics bearing on industries.*

39

of ensuring cheap transport in the interior unless and until we know the extent of the movement of the internal traffic and time has come when the agency for collection of statistics that existed prior to the Incheape Committee should be revived again. Then there are defects as regards classification of articles about which statistics are collected. For this reason we should observe throughout India a uniform method of grouping together of articles for which statistics are maintained ; otherwise they would have no meaning. What is included under the head 'silk yarn' ? The Kashmir State has got Customs barrier and the figures shown under this head will not be helpful if the same articles are not included in the group as those that are shown in the sea-borne trade figures. Salter Scheme for having a Bureau of Statistics in different provinces has not been carried out on account of the difficulty of funds but sooner or later we shall have to devise some scheme to collect this information and to have an agency to see that it is maintained up-to-date. No economic staff can work efficiency if it is left without munitions.

## DISCUSSION.

(Panel No. I.)

The Hon'ble Mr. T. A. Stewart, I.C.S., (Commerce Department, Government of India) and Dr. D. B. Meek, C.I.E., O.B.E., (Director-General of Commercial Intelligence and Statistics) were also present.

Dr. Meek thought that four main points arose from the Memoranda on the subject. First, the revival of Rail and River borne trade Statistics. The Government of India had already taken action, and the first issue of the Statistics would be published in three or four months. These will be slightly different from the statements published up to 1922. The old statements were frequently published late, about eighteen months after the close of the year. To avoid that, it was proposed to publish monthly statistics of trade carried by rail and river between a certain number of internal blocks. In addition, it was proposed to issue in the Indian Trade Journal every week figures of arrivals and despatches in quantity of important articles at 40 main centres in India. The second point was the request for wholesale prices. The Indian Trade Journal is publishing once a month wholesale market prices of a large number of articles for a fairly representative number of places throughout India, *e.g.*, Calcutta, Bombay, Karachi, Madras, Patna and so on. The third was the discontinuance of the publication of the annual provincial returns at Calcutta and the main ports. This information was still being kept and compiled, and when things improved it was possible that the publication would be restarted continuously. The fourth and last question related to a census of industrial production. The Government of India have already sanctioned a new Research Branch of his Department at the headquarters.

It will not compile statistics, but will examine and analyse the existing and certain new statistics. One of its functions will be to prepare a monthly note dealing with variations in business conditions from the previous month. It would lay the foundation for the indices which will indicate the variation in business conditions month by month. His Department was also publishing a monthly volume showing the cotton-spinning and weaving production in Indian mills. It also published coal statistics. An attempt to get a full industrial picture through a census of industrial production in India would be a huge affair. The Government of India were going to address the local Governments on the question of an Economic Census.

☞ The Hon'ble Mr. Srivastava enquired whether the Bureau of Economic Enquiries in the United Provinces could be of any help to Dr. Meek.

Dr. Meek said that one direction in which the provinces could help was by giving a monthly note to indicate the variations in current business from month to month. His Research Branch would endeavour to get a note from the Director of Industries in each province, indicating the important changes arising during the previous month, with the views of the Director of Industries on the question whether things are getting better or worse.

Mr. Pandya enquired if a common schedule could not be devised so that the exact movements of internal and external trade could be compared, *e.g.*, whether values could not be shown.

Dr. Meek explained that quantities were a more suitable method of comparison than values, because prices were subject to variations.

Mr. Pandya then enquired if the Rail-borne trade statistics classification could not be approximated to that employed in the Sea-borne trade statistics.

Dr. Meek explained that the Rail-borne trade statistics would contain about 35 or 40 items, whereas the Sea-borne trade statistics contained hundreds and thousands of items. To split up 35 or 40 items would involve an immense amount of work and large expenditure, apart from the delay in the issue of statistics.

The Chairman summed up the general conclusions as follows :—

The opinion of the Panel is that the provinces should co-operate as far as possible. In view of the different circumstances of the provinces, some would be in a position to give a greater measure of assistance than others. All were, however, anxious to help in this important matter as far as they could.

1933.]

*Technical scholarships abroad.*

41

*Thursday, July 13th, 1933.***III.—TECHNICAL SCHOLARSHIPS ABROAD.****MEMORANDA.***Government of India.*

The Government of India have awarded forty-six Technical Scholarships abroad since 1921. Particulars are given in the appended statement.

2. Certain changes in the policy regarding Government of India scholarships during the last 12 years may be noted. In the earlier years scholarships were given for mining and geology. But the Government of India have now provided adequate facilities in India for training in these subjects at Dhanbad, and no such scholarship has been awarded since 1924. On the other hand, scholarship schemes for printing and civil aviation were initiated in 1926 and 1927 and these are correlated closely to the probable requirements of Government service. While no guarantee of employment is given, an endeavour is made to send only scholars for whom, if they prove competent, posts can be provided. Scholars in marine engineering were first sent in 1929, but no further scholars in this subject are now being sent, and a scheme is under consideration for providing the necessary training in India. These scholarships were given with a view to the needs of the mercantile marine and not of Government service.

3. Attention in this connection is invited to the remarks made by Dr. Quayle in paragraphs 133—135 of the Report on the work of the Education Department, London, for the year 1931-32, extracts from which are appended. The suggestion made in paragraph 135 of the Report deserves particular consideration.

Subject.	Number of scholarships.	Received Government appointments related to the subjects studied.	Known to have received other appointments related to the subjects studied.	Still under training.	Others.
Architecture .. .. .	1	..	..	..	1
Art .. .. .	5	..	..	..	5*
Civil Aviation .. .. .	9	4	2	3	..
Coal Mining .. .. .	2	1	1	..	..
Elec. Engineering .. .. .	1	..	..	..	1
Flour Milling .. .. .	1	..	..	..	1†
Geology .. .. .	2	2	..	..	..
Marine Engineering .. .. .	9	..	..	9	..
Metallurgy .. .. .	4	3	1	..	..
Printing and allied trades .. .. .	7	4	..	3	..
Veterinary .. .. .	4	4	..	..	..
Wood Technology .. .. .	1	1	..	..	..
Total .. .. .	46	19	4	15	8

\*Four of these were temporarily employed by Government after completing their training.

†Did not complete training.

*Extract from the Report on the work of the Education Department, London, for the year 1931-32.*

133. The opportunity may perhaps be taken to enquire whether any real gain has accrued to India from the State Scholarships so liberally granted since the scheme was first established. On the whole, it may be said that the system has been a success and that India sooner or later will reap the benefit of the Scholars who each year return well qualified in various branches of Arts, Science, Medicine, Education, Technology, etc. The successes have been numerous and the failures few. The failures have generally been due to the fact that the Scholars concerned had not adequate training in their selected subject before leaving India. This remark is especially applicable to Scholars sent for training in the various branches of Technology. The present day scientific specialisation in industry involves a sound preparatory training on the theoretical side usually by means of a preliminary University Degree Course. Unless a Scholar has had this thorough preliminary training before leaving India he may be obliged on his arrival here to devote his first year or even longer to the theoretical study of his subject. As an instance, mention may be made of the case of a Scholar who was sent for special training in "oil technology and distillation". Training in this branch is essentially postgraduate as it involves a sound knowledge of Chemistry especially on its industrial side. The Scholar concerned had not this qualification on arrival here and had accordingly to spend whole tenure of his scholarship in studying for a Degree in Chemistry, which in the event he failed to obtain, with the result that he was unable to proceed to the special training for which the scholarship had been awarded.

134. In view of the importance to India of a supply of well-trained and enthusiastic teachers, it is a pleasure to record that the Scholars sent for training in Education have generally an excellent record to their credit. Formerly, it was largely the practice for Scholars sent for training in this branch first to devote their first year to taking a Diploma in Education and thereafter to obtain a postgraduate Degree such as M.A. or M. Ed. in this subject. But it was felt that greater advantage to Indian education would accrue if such Scholars, after obtaining their Diploma, were to spend their second year in obtaining experience of the best methods of organisation and instruction in the various types of English schools. Their second year is now generally spent in actual teaching practice, and the thanks of the High Commissioner are due to the various Local Education Authorities who are good enough to provide the necessary facilities.

135. Whilst the various Indian Governments who give State Scholarships make it quite clear that the award implies no guarantee of State

service or employment, it is greatly to be regretted that many stipendiaries find great difficulty in obtaining posts for which their qualifications well fit them when they return to India, and are often obliged to accept work of any kind. It seems most desirable that the position in this respect should be carefully considered, and that close collaboration between the Governments concerned and the Indian Universities and Colleges, in so far as University students are concerned, and with the industries so far as Technical Scholars are concerned, should be organised.

*Madras.\**

The Madras Government award scholarships tenable in Europe to British subjects born and domiciled in the Madras Presidency for the study of selected industries. The object underlying the award of these scholarships is, to provide such higher technical education as may qualify the holders to assist in promoting the improvement of existing Indian industries and the development of new or nascent industries. Formerly eight scholarships of the value of £200 plus £40 were awarded, but on the recommendation of the Retrenchment Committee, who pointed out that the majority of those who have received scholarships are not employed in the Presidency, the number was reduced to four.

2. Since the inception of the State scholarships scheme, 41 scholarships have been awarded for the study of various industries and subjects and three of these are still undergoing training. Of the 33 scholars who have completed their training and returned to India, four are employed in the Madras Department of Industries and three more in other departments of the Madras Government. The proportion of the returned scholars who have been able to secure appointments in the Madras Presidency itself outside Government service appears to be small, though so far as information is available about two-thirds of the returned scholars have been able to secure posts of one sort or another in India.

3. The number of scholarships awarded for different subjects upto the present is as follows :—

Electrical Engineering (including hydro-electrical engineering), 9, Textiles (including hosiery), 7, Leather manufacture, 5, Metallurgy and Metal mining, 3, Paper manufacture, 2, Soap making, Locomotive engineering, Industrial alcohol, Manufacture of paints and varnishes, Ceramics, Manufacture of standard products, Manufacture of sugar, Saw milling, Drugs manufacture, Mechanical Engineering with special reference to the manufacture of agricultural implements, Sanitary engineering, Cement manufacture, Manufacture of fertilizers, Technology of oils and fats

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\* Prepared by the Director of Industries.

and General Oceanography with special reference to pisciculture (1 each).

4. Among the students who have returned from training so far, only a very few have helped to develop industries in the Madras Presidency. This, it was thought, might be due to the fact that the industries they had studied are large scale ones the development of which would require considerable capital. It was therefore suggested that if the scholars underwent training in cottage or small scale industries which can be developed in this country or presidency without any great outlay of capital they might be more useful. It was suggested that from an examination of the statistics of imports it would be possible to select industries which can be carried on on the lines of a cottage industry or a minor industry. So far, however, no scholarships have been awarded for the study of such industries.

#### *Bombay.\**

The institution of State technical scholarships dates from the Educational Conference held in Simla in September 1901. That Conference passed a resolution in which it is stated that it is desirable that the Government of India should institute a number of State technical scholarships perhaps 10 in number. The scholarships were accordingly instituted after the sanction of the Secretary of State had been obtained. In 1912 the Secretary of State appointed a Committee to enquire into the system of state technical scholarships. As a result of the recommendations of this Committee Government of India revised the rules for the grant of technical scholarships and increased the number from 10 to 30. In 1921 the Government of India suggested that these scholarships should be provincialised and it was finally decided in December 1921 that the provision on account of these scholarships should be met from provincial revenues.

2. Since the scholarships were instituted facilities for training in technological subjects have increased considerably in India. For instance, the course of instruction in electrical engineering at the Indian Institute of Science, Bangalore, would compare favourably with the degree course at almost any British University. Degree courses in electrical engineering are now also available in among others the Bombay University and the Benares University. Same remarks apply to the degree course in mechanical engineering. The course in textile manufacture at the Victoria Jubilee Technical Institute, Bombay, may be considered as satisfactory. The subject of industrial chemistry is now similarly taught in the Punjab and Benares Universities. The Indian Institute of Science, Bangalore, also provides courses in industrial chemistry. The Bombay University is similarly making a provision this year for the establishment of the Department of Chemical Technology in which higher courses in

\*Prepared by the Director of Industries.

1933.]

*Technical scholarships abroad.*

45

chemical engineering and textile chemistry will be provided. The Harcourt Butler Technological Institute, Cawnpore, provides courses among others in oil and sugar technology.

*Punjab.*

The Punjab Government has so far sent only 6 scholars abroad for technical training. The first three scholars were sent according to the old rules in force before 1924 under which the Punjab Government used to bear all the expenditure of the scholar (*viz.*, a scholarship of £200 per annum *plus* variable bonus to the extent of £40, in addition to fees and any premium and travelling expenses considered necessary). Experience showed that this system did not prove successful, as the students after their return to India were unable to find employment in the industry in which they had received training. Thereupon the Committee on Technical and Industrial Education recommended to the Punjab Government that the scholarships should in future be awarded subject to the under-mentioned conditions—

“ That the Punjab Government will only assist in sending scholars Home for technical training in those cases where the scholar concerned will have already put in four to five years in some established industrial undertaking and then only at the personal request and recommendations of the proprietor of the firm who will be expected to bear half the cost of the student for training abroad, the Punjab Government bearing the other half.”

The rules were revised accordingly. 3 scholars have been sent under these new rules. Of them there was only one who complied with the conditions specified above. The other two were not recommended by any industrialist, and as there were no other suitable candidates the condition requiring that the candidate should be recommended by an industrialist was relaxed in their cases. These scholars, however, gave an assurance that on their return to India they will devote themselves exclusively to the practical business of the industry they had studied. Both these scholars have returned to India. One of them is engaged in the industry in which he has received training, while the other is still unemployed.

*Bihar and Orissa.*

Prior to 1921, three State technical scholarships were allotted to this province of the value of £150 a year, with free passage. In 1921, the value of the scholarship was raised to £200 *plus* 25 per cent. war bonus and £40 for outfit. The passage was also provided by Government. The war bonus was subsequently reduced to 20 per cent. Two such scholarships were awarded each year from 1922 and the number was raised to three from the year 1925 on the recom-

mendation of the Vocational Education Committee. In 1930, an additional "short-term" technical scholarship of a lump sum of Rs. 3,000 was awarded to enable an industrialist to obtain an advanced course of practical training in printing, but the scholarship could not be availed of for reasons of health. From the year 1931, the award of all foreign scholarships has been suspended as a measure of retrenchment.

2. The subjects for which scholarships were awarded and the number of scholarships in each subject are shown below :—

Mechanical engineering (5), Electrical engineering (5), Mining (3), Fuel technology (2), Metallurgy of iron and steel (2), Applied chemistry in oil technology (2), Paper technology, Tanning, Manufacture of cutlery, Sugar technology, Pottery, Dyeing and printing, Textile engineering, Woolen technology, Jute spinning and Chemistry as applied to minerals and metals (1 each).

3. Out of 26 students who have returned to India so far 17 are definitely known to be employed in suitable avocations although one of them has been for some time a prominent member of the Legislative Assembly. Only 2 out of the 17 students have started private business, while the remaining 15 have accepted service. 2 returned students are definitely known to be unemployed, while 7 have not replied to the enquiries made. Of the returned students, only 3 have been employed by the local Government, while no less than 7 are working out-side the province.

4. Government sanctioned in 1923 a subsistence allowance of Rs. 100 a month for one year to State scholars on return to India. This allowance was given only to one scholar and then stopped.

#### *Central Provinces.*

From 1905 a scholarship of the value of £200 *plus* a bonus of £40 a year, has been awarded annually for the study of technical or industrial subjects. The subject of study is selected for each scholarship holder by a Committee. These scholarships, tenable in Europe or America, are granted for two years in the first instance, but the periods may be extended to 5 years on the recommendation of the High Commissioner if students are likely to obtain distinction in their subjects. To date, 18 students have been trained, 5 in the textile industry, 5 in mining, 5 in electrical engineering, 2 in oil technology and 1 in tanning. One of the students has obtained the Ph.D. degree in electrical engineering of the College of Technology, Manchester, and another the Ph.D. degree in oil technology of the Liverpool University.

2. So far as can be ascertained, no returned student has interested himself in the starting or organizing of any industry within the Province.



1933.]

*Technical scholarships abroad.*

47

*Mysore.*

Free and loan foreign scholarships are being given to deserving students and to officers specially selected for the purpose. Some of the scholars trained in foreign countries at considerable cost have not been able to find suitable employment on their return home. This entails waste of money, time and energy.

*Travancore.*

The State sends abroad students on scholarships for particular industries as necessity arises and there is a system of study leave in vogue for those desiring to specialise in any subject by a study abroad. The Government has reserved a few seats in the V. J. T. Institute, Bombay, Medical College, Madras, and the Benares Hindu University.

*Gwalior.*

Technical scholarships abroad are provided by the Darbar for mining, mechanical and electrical engineering.

## DISCUSSION.

(Panel No. I.)

Mr. J. L. Wilson, M.A., (Department of Education, Health and Lands, Government of India) was also present.

The Chairman said that the Memoranda gave the impression that there were now two tendencies at work ;—one for the expansion of training facilities in India, and the other for the restriction of foreign scholarships. Scholarships, he thought, should be given only to supply needs as they arose.

The Hon'ble Mr. Srivastava said that the scholars from the United Provinces were finding difficulty in getting admission into factories in Europe for practical training. The High Commissioner generally declined to make arrangements in countries other than Great Britain. Scholars in the United Provinces were generally selected, in consultation with the Board of Industries, from among those who had obtained theoretical and practical training in India. Candidates were required to give evidence that they would put their practical training to use after their return. There were still a number of industries in regard to which no facilities are available in India. Sending scholars to Europe was cheaper than providing the same training in India. The cost of training at the Technological Institute at Cawnpore was higher than the cost incurred in sending students abroad. Moreover, the training given in India was not of the same standard as that obtained abroad. The United Provinces formerly sent two long term scholars annually for two years, with the possibility of an extension for a year ; and short term scholars for six months. The scholars had generally done well on their return.

The system had been discontinued for some time, but provision has been made in the budget this year for one long term and one short term scholarship.

Mr. Advani said that the cost per student going abroad worked out to Rs. 4,000, and consequently only a limited number of men could be trained. Ample facilities for training in mechanical and electrical engineering and certain branches of applied chemistry and textile manufacture were available in India. The training provided in the Indian Institute of Science was as high as that provided in the London University, and the training given in textile manufacture at the Bombay Institute was as high as that given in the Manchester College of Technology. Scholarships should be restricted to those subjects for which no facilities are available in India. The result of sending men abroad for training in mechanical and electrical engineering has been that, on return, the scholars found it extremely difficult to find employment.

The Hon'ble Dewan Bahadur Raddiyar agreed that it was not necessary to send scholars abroad when facilities existed in India for training. In the School of Technology in Madras, the cost per pupil was not as high as in the Technological Institute at Cawnpore. Whenever a quota is fixed for a province, the quota should not be reduced. There were formerly eight scholarships tenable for two years in the Madras Presidency; the number was now reduced to four as a measure of retrenchment.

The Hon'ble Maulvi Abdul Hamid agreed that the quota of scholarships should not be reduced. In the past there has not been a judicious selection of the subjects for scholarships. New subjects likely to start new industries should be selected.

The Hon'ble Rai Bahadur Jaiswal agreed that the fixed quota should not be reduced. They had stopped giving scholarships in the Central Provinces since 1929 owing to financial stringency. The subjects should be selected more judiciously than in the past. It should be a condition that the scholars, on return, should start some pioneer industry in the province giving the scholarships. Where facilities were available in India, it was a waste to send scholars abroad.

The Hon'ble Khan Bahadur Nawab Farouqi expressed his agreement with the views of the previous speaker.

The Hon'ble Dr. Narang said that he would first have a survey made of industries which were useful in themselves and capable of easy development. After this, he would see if there were men with sufficient training to run those industries. If he found that there were not, while there were capitalists ready to finance those industries, he would send as many men abroad as were needed to study those industries. At the same time, he

1933.]

*Technical scholarships abroad.*

49

would approach other provinces not to duplicate the work. In selecting scholars, he would choose men who had some technical and industrial training before. In the Punjab, before any one can be given a scholarship, he must produce a certificate from an industrialist that when he came back after training, he would be taken into that industry.

Mr. Gokhale said that up to 1925, Bihar and Orissa was giving two scholarships, and up to 1930 three scholarships, but since 1931 they have stopped these scholarships owing to financial stringency. Where there was provision in India for training, scholars should not be sent abroad. It was not practicable for the provinces to consult one another separately on this matter. If there were a central agency, the provinces could obtain guidance from it. Provinces were ignorant of the types of institutes that existed in other provinces. A central agency would eliminate multiplication and waste.

The Hon'ble Khan Bahadur Nawab Faroqui agreed with the previous speaker.

The Hon'ble Diwan Bahadur Kambll said that in Bombay the Director of Industries selected the candidates and prescribed the subjects. Since 1923, eight scholars in all had been sent abroad, although the fixed quota is four a year. No scholarships have been awarded since 1929.

Mr. Advani said that in Bombay Government published periodically a compendium giving details of technical institutions in the Presidency. It would be helpful if other provinces did the same.

Major Sir Hashmatullah Khan said that Gwalior provided Rs. 75,000 annually for foreign scholarships. This grant was controlled by a Committee. The different Departments send their requirements and recommendations to the Committee. The results have been satisfactory.

Mr. Pillay said that in Travancore candidates for foreign scholarships were selected as need arose for particular industries. There was also a system of study leave. It was a grievance that the provinces charged double the ordinary fees in their institutions for scholars coming from Travancore.

Mr. Pandya said that Baroda was at present following Mysore in the matter of selection of candidates. For the textile industry, which is the chief industry in Baroda, men are already available. For the chemical industries, the professors in Kala Bhavan (Technical College) are sent abroad on study leave, the Government meeting their expenses.

Mr. Rajagopalachari said that 2 to 4 scholarships were granted each year in Mysore for advance studies. The selection of candidates and subjects is made by an *ad hoc* Committee. A three-yearly programme

is worked out. Difficulties were experienced in getting admission for students into the big factories in England for practical training.

Mr. Mohammadi said that there were certain funds in Hyderabad for such scholarships, and these were administered by a Committee. A scholarship is granted for technical or industrial subjects provided that the Department of Industries guarantees that the person on return will be absorbed in Government service. As a result of this rule, very few scholarships have been awarded during the last 15 years by the Scholarship Committee. But when Sir Ali Imam was Prime Minister, he awarded 12 scholarships, and all the scholars are now in Government service.

The Chairman summed up the general conclusions as follows :—

There was need for technical scholarships abroad. Those provinces which had a quota for such scholarships were generally in favour of retaining it so far as financial conditions permitted. It was essential that the utmost care should be taken in selecting scholars and the courses of training that they should undergo, and great importance should be attached to the candidate's previous training and experience and to his prospects of obtaining employment on the expiry of his scholarship. Further, the Panel generally was of the opinion that a Central Advisory Agency to co-ordinate the subjects for which the scholarships should be granted would be of value. The wishes of the local Governments should be met as far as possible in making scholarships available for courses of study in countries other than Great Britain.

In connection with the last portion of the conclusions, the Chairman explained that the High Commissioner does his best to obtain facilities, but the opportunities both in Great Britain and elsewhere were limited. In placing contracts, it is the policy of the High Commissioner to give preference, other things being equal, to firms willing to provide training facilities for Indian students. Anything beyond that would create difficulties. However, the proceedings of the Conference would be sent to the High Commissioner in order to acquaint him with the wishes of the members.

1933.]

*Industrial Directories.*

51

*Thursday, July 13th, 1933.*

## IV.—PREPARATION OF INDUSTRIAL DIRECTORIES.

## MEMORANDA.

*Madras.\**

It hardly appears to be a legitimate function of Government to compile and publish commercial and industrial directories and in fact such publication might well be regarded as an interference with private enterprise since several commercial directories have been regularly published for many years past, *e.g.*, Thacker's Directory in Calcutta and the Asylum Press Almanac and Directory in Madras. The existing directories are, however, susceptible of considerable improvement and there seems no reason why provincial Departments of Industries should not co-operate with the publishers by pointing out to them how the usefulness of the directories to the public could be improved and in some cases by supplying the publishers with information of commercial and industrial interest.

*Bengal.†*

One of the serious difficulties which confront the development of cottage industries is the lack of market information and marketing organization. Cottage workers scattered throughout the province manufacture commodities which are specially suited to meet the needs of the rural population but at present no machinery exists for giving the manufacturers information regarding markets on the one hand and the dealers and consumers information regarding the manufacturers of commodities which are in every day use by the rural population and which are sold in innumerable *hats* and *melas* in the district and sub-divisional towns. That there is a very large internal trade centering in the village and district town *hats* in a large number of such commodities is well known but little accurate information is at present available regarding its extent and nature. No information is available as to the volume of business carried on between Calcutta and other large centres and the villages in the articles of every day use through wholesale and retail dealers. There is obviously scope for further enterprise in bringing new and fresh sources of supplies of such commodities into the various *hats* and selling marts as well as for interpreting the needs and requirements of local communities and villages which have hitherto remained untouched by the vendors and manufacturers of such commodities in the large cities. It is therefore desirable that a directory containing particulars of the articles manufactured, raw materials used, methods of manufacture and opera-

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\* Prepared by the Director of Industries.

† Views expressed are those of the Department of Industries.

tions of a host of small concerns scattered throughout each province which do not figure in the large commercial directories should be prepared for each province. The object of such a directory would be to give information regarding the smaller trades and industries which would usefully supplement the statistics provided by the Director General of Commercial Intelligence and Statistics Department in regard to the production and consumption of the larger industries and the export and import trade. A beginning has been made in this province by the appointment of two Industrial Surveyors who have started the work of surveying each district in turn and preparing an industrial directory for it on the above lines. It is hoped that when the work is completed such a directory would furnish a compendium of information giving the names, location, scope and nature of the principal articles manufactured in all the smaller and lesser known industries in the province and the names and location of wholesale and retail vendors of the various articles. The preparation of a complete directory of this character for the whole province within a reasonable time would, however, involve the entertainment of a much larger staff than is available at present. But the work of the 2 Surveyors now entertained is expected to elicit sufficient materials for the formation of a definite conclusion as to whether this work should not constitute a legitimate and useful function of the Department of Industries.

#### *United Provinces.*

A district-wise survey was undertaken in the United Provinces some 10 years ago and reports published. But nothing tangible has resulted.

#### *Bihar and Orissa.*

A Commercial Guide for Bihar and Orissa was prepared in 1923. As stated in the preface it was intended to be a "provincial directory of persons or firms of some standing who deal with commodities manufactured in each district or in raw materials for any industry produced in the district". It is open to question whether the results achieved were commensurate with the expenditure of time and money involved. The preface admitted that the lists published were "still very imperfect" and the Commercial Guide may now be said to be entirely useless and out of date owing to the vicissitudes of trade which cause firms to appear and disappear in a bewildering manner. There is an Intelligence Officer at headquarters and three Circle Officers who, in addition to the technical assistance which they render in regard to machinery, collect information on industrial matters in the course of their tours. This staff is obviously inadequate either for the preparation of a directory or for keeping it up-to-date.

1933.]

*Industrial Directories.*

53

2. So far as the larger industrial establishments are concerned, information is available in a publication of the Director General of Commercial Intelligence and Statistics and also in the annual reports of the Chief Inspector of Factories. As regards the smaller industrial establishments and cottage industries, it would seem to be more advantageous to encourage exhibitions and fairs than to spend money on the preparation of directories.

The preparation of an industrial survey on the lines adopted in the United Provinces has been urged in the local Council, but the present would not be a suitable time owing to the prevailing financial stringency and the general economic depression.

*Hyderabad.*

Industrial directories should be quite useful in developing market for the products of local industries.

*Gwalior.*

A State Commercial Directory is published every year, but the public take very little interest in it, although during the year it has been made attractive and useful.

## DISCUSSION.

## (Panel No. II.)

Sir James Pitkeathly (Chief Controller of Stores, Indian Stores Department) and Dr. D. B. Meek, C.I.E., O.B.E., (Director General of Commercial Intelligence and Statistics) were also present.

Mr. Dutt said that, apart from statistics, there should be information about dealers, manufacturers and small industries. If there were directories to help ordinary people in industrial ventures, the harm that was being done now to such people in the absence of sufficient information could be avoided.

Mr. Vaishya said that in Gwalior a Commercial and Industrial Directory giving such information was started, but very few people took advantage of it.

Rai Bahadur Lala Ram Lal said that in the Punjab such a Directory was published in 1929. The information was collected by the Industrial Surveyors of the Industries Department but the Directory was published by a private concern. The price was Rs. 10 per copy and the sales were insufficient. In the Punjab there was a great demand for such a Directory but it should be sold cheaper.

Mr. Shah said that a district-wise survey of the province was started in 1921 and finished at the end of 1923. Ten Industrial Surveyors, on a

salary of Rs. 200 per mensem were each, put in charge of a group of districts. The cost of the survey was Rs. 50,000. The survey has proved very useful because it enabled the supply of fairly accurate information in the event of inquiries such as from the Tariff Board or the like. On the basis of such surveys, the compilation of a directory was quite a simple matter. Recently a very useful trade Directory in Hindi, in three volumes, was published by a private enterprise.

Mr. Dutt suggested that there should be an industrial survey in each province, district-wise, with a view to the preparation of a Gazetteer which should include an industrial directory. The existing District Gazetteers, were becoming obsolete. They were largely confined to social and historical matters.

Rai Bahadur Lalā Ram Lal thought that if such a publication were left to private enterprise they would publish whatever they liked, making Government responsible for it.

Mr. Shah was doubtful if the financial position of the local Governments would allow of this kind of expenditure at present. He favoured publication by Governments. The public did not take very much interest in these directories, but big firms and the Chambers of Commerce did.

Mr. Lal said that some years ago a Commercial Guide was started in Bihar and Orissa. There was a staff of 3 Survey Officers with the help of whom the Guide was prepared. It was very imperfect and the experience was not satisfactory. Such a publication would be of little use unless there was a regular staff to keep it up-to-date. If an industrial survey is undertaken, the work should be entrusted to really good men.

Rai Bahadur Lalā Ram Lal said that the policy in the Punjab was to carry out an intensive survey and to publish monographs on particular industries. Such monographs were useful to commercial bodies and there was a great demand for them.

Sir James Pitkeathly explained that as a purchaser he had never yet been able to find a directory, official or unofficial, to guide him in placing orders. The ordinary directories mainly indicated the country's potentiality for the supply of a commodity. They gave no indication about firms, stores or prices. The Indian Stores Department kept its own directory for its own purpose. No directory, however up-to-date, would help in scrutinizing an indent because no directory could say whether a firm could supply the store that was required at the particular time when it was wanted or whether that store was suited to the requirements. The Indian Stores Department published every two months a list showing articles indented for from England or abroad. This gives the public



and the industrialists a chance to criticize the purchases if they could have been made in the country.

Mr. Ramanathan said that an economic survey was made in Mysore in 1914 which was brought up-to-date three years ago. He supported the idea of intensive surveys of each trade separately.

Mr. Majid thought that the information at present available was very meagre. If the Government of India gave the lead, every province would soon have its own gazetteers and surveys.

The Chairman pointed out that this was entirely a provincial matter.

Mr. Bhalja said that an industrial survey of the Central Provinces was prepared by Sir Ernest Low in 1908. There was also a directory of cottage industries and a commercial directory, both by district and by industry, for the province. The information compiled was obtained through District Officers who used the agency of Tahsildars who were not expert investigators. These publications were not very useful. He agreed with the suggestions for industrial surveys in each province. He also supported the proposal of an All-India Directory and said that if the Government of India undertook the preparation of such a directory and invited the co-operation of local Governments, the local Governments would no doubt co-operate.

Mr. Clow said that the Government of India could not enforce this on the local Governments.

Mr. Shah thought that the Government of India were to a certain extent interested, because the Director General of Commercial Intelligence and Statistics was preparing a directory of firms.

Dr. Meek said that the directory was of exporting firms only.

The Chairman summarized the general conclusions as follows :—

(1) The most desirable system would be the preparation of industrial gazetteers on a district basis, reviewing the industries and trades and containing particulars of the firms engaged in the industries and trades with the extent of their establishments, labour force, production, etc.

Such surveys would provide material for

(1) reviews by industries and trades, and

(2) a directory of industrialists and traders.

(2) This information should be brought up-to-date at intervals of three to five years ; but even if this were not possible, a survey of the kind mentioned would remain of considerable value for a number of years.

(3) It is essential for the success of such surveys that they should be undertaken by a qualified staff, adequate for the plan and purpose of the survey.

Thursday, July 13th, 1933.

## V.—ISSUE OF AN ALL-INDIA INDUSTRIAL JOURNAL.

### MEMORANDA.

#### Government of India.

Following the recommendations made at the First Conference of Directors of Industries in April 1920, the Central Department of Industries undertook the issue of—

- (1) The Journal of Indian Industries and Labour ;
- (2) Bulletins of Indian Industries and Labour ;
- (3) The Monthly Circular.

The *Journal*, which began to appear in February 1921 was issued quarterly to the public. It contained articles of general interest as well as reviews of official activity.

The *Bulletins* which were monographs complete in themselves were issued at irregular intervals.

The *Monthly Circular* was issued for private circulation among Directors of Industries. It was intended to contain full details of industrial enterprises, with notes as to the success and failure, in order that Directors might benefit by the experience of their colleagues elsewhere. The first issue was in January 1921. The Fourth Conference of Departments of Industries in April 1922, recommended that these publications should be continued as they provided a most useful source of information. But as a result of the recommendations of the Retrenchment Committee of 1922-23, they were discontinued after February 1923. The *Bulletins* began to appear again in August 1925, and now deal mostly with labour matters.

2. Soon after the discontinuance suggestions were received from certain provinces that the *Journal* and the *Monthly Circular* should be restarted, particularly the latter, as it kept local Governments closely informed of activities in other provinces. The Department of Industries and Labour was unable to revive these publications on account of reductions in its staff, including the abolition of the section dealing with industrial intelligence. One Director of Industries offered to take over the work connected with the preparation and distribution of the *Monthly Circular* for one year, if the Government of India bore the printing charges and the Directors of other provinces undertook the work for the following years in turn. But he was later compelled to withdraw the offer owing to reductions in the staff of his Department.

3. The publication of the *Journal* involved much labour and it would be impossible to revive it without extra staff for the purpose. Although the sale price was fixed substantially below the cost price, the *Journal* secured less than 400 regular subscribers, and including casual purchases, less than 500 copies of each issue were sold on the average. The net loss, without making any allowance for the work involved in the preparation of the material, was nearly Rs. 3,000 annually. The Government of India are not therefore disposed to reconsider publication.

4. The *Monthly Circular* involved considerably less labour as much of the material was received in a form in which it could be published without alteration, but an estimate made in 1923 indicated that the cost of clerical labour, printing and contingencies would amount to about Rs. 400 per month for an edition of about 120 copies. One local Government had offered to pay for copies, but it seemed unlikely that provincial Governments generally would take up copies at rates corresponding to this figure. It would be useful, however, to have their views on this question now. An alternative possibility would be for each Industries Department to print a small separate *Monthly Circular* of, say, 2 to 4 octavo pages monthly and distribute it to other Governments through their Directors.

#### *Madras.*

Formerly monthly and quarterly journals were issued by the Department of Industries of the Government of India but these were soon discontinued owing partly, it is believed, to the difficulty experienced in securing sufficient contributions from provincial Departments of Industries with the necessary degree of regularity. The number of officers attached to the provincial Departments of Industries is not large and on the whole it seems doubtful whether an All-India Industrial Journal, if launched, would meet with any greater measure of success than attended the former publication.

2. The Specialist Officers of the provincial Departments publish from time to time bulletins embodying the results of their experiments and researches and it is suggested that these should be interchangeable between the several provincial Departments of Industries free of cost. In order, however, to avoid duplication and overlapping of effort, a survey could, it is suggested, advantageously be made of all the research institutions and technical laboratories in India and the information thus collected published by the Government of India. A half-yearly summary of the work in progress at the various research institutes and technical laboratories could also be issued by the Government of India, the necessary information being obtained periodically from local Governments.

*United Provinces.*

Since 1922, no official industrial journal is available. The monthly (for official use) and the quarterly journals which used to be published till then were intended to provide means for securing co-operation. Apart from the annual reports and private journals relating to capital, finance, engineering or to special industries, there is no means whereby (a) industrial developments, and (b) State aid in relation thereto can be known.

*Punjab.*

No high class periodical devoted mainly to industrial subjects is published in India. The lack of such a publication constitutes a great impediment in the way of industrial progress and is being keenly felt by industrialists and manufacturers, many of whom remain out of touch with industrial developments in other countries and get no information regarding possible developments or improvements in those countries other than such as are brought to their notice by interested parties, *e.g.*, agents for machinery manufacturers, etc., whose information is necessarily one-sided and therefore less helpful than the unbiased technical opinion which is available in a high class journal issued by a disinterested agency. A large amount of research and survey is done every year by experts in various Government Departments and laboratories attached to the Universities in India, the results of which find a casual reference in departmental publications whose circulation is necessarily limited, with the result that the industrial public at large remains ignorant of much useful information which if brought to the notice of the people in the trade might have revolutionised the industry. It appears also that for want of a high class journal in India, the results of researches, etc., are contributed by scientists in the country to foreign periodicals which have a wide circulation in other countries, but which on account of their high rates of subscription are not generally subscribed to by industrialists in this country. Foreign technical periodicals are devoted generally to the subjects in which they are specially interested, *e.g.*, metal industry, furniture, provisions, etc., and as they contain little or no reference to the conditions prevailing in this country they cannot necessarily be of much assistance to industrialists here. The research work done by provincial Departments of Industries have hitherto been published in departmental monographs, pamphlets, etc., but that work would have come to the notice of a much wider circle through the medium of a journal. Accordingly an All-India Journal would appear to be a necessity.

*Bihar and Orissa.*

The issue of an All-India Industrial Journal would seem to be essential for the industrial development of the country as a whole. Bulletins of Indian Industries and Labour were published by the Board of Industries and Munitions and its successor—the Department of Industries and Labour. But with the Reforms, "Industries"

became a transferred subject and the publications dealt mainly with subjects relating to labour. The provincial Departments of Industries have prepared numerous bulletins and reports, but without co-ordination, these publications are not of much value. There has either been unnecessary duplication or the publications have been written by persons who were by no means the best available experts on the subjects dealt with. What is required is a revival of the Bulletins of the Central Government dealing with special industrial subjects combined with an All-India Industrial Journal summarising and explaining the commercial and industrial information of importance with special reference to latest developments as regards tariffs, railway rates, currency and other problems. Such a journal would be of immense help to persons interested in industrial development. The Central Government should take the initiative in co-operation with provincial Governments and leading industrialists.

#### *Assam.*

Want of a journal giving an account of the progress of the various industries of the different provinces, is keenly felt. Articles by experts and others concerned with the industrial development of the country will be of great assistance to those interested. Such a journal will also help the provincial Industries Departments to supply useful information in response to the enquiries made from time to time, especially in those provinces which have not been able to entertain an adequate expert staff.

2. If possible, steps should be taken to revive the "Journal of Indian Industries and Labour". The *Monthly Circular* also contained useful notes by experts and gave information regarding industrial disputes.

#### *Jammu and Kashmir.*

At present we have got the Indian Trade Journal every week. It is suggested that all provincial Governments can co-ordinate in making this Indian Trade Journal fulfil all conditions necessary for an All-India Industrial Journal. Monthly, fortnightly or weekly notes about industrial matters could be supplied just as in 1921-22 different Governments supplied information to the Journal of Indian Industries and Labour. Similarly information could be supplied by different Governments giving the names of manufacturers of different articles which are in common demand. These names could be grouped on the basis of a particular article of merchandise they are dealing in irrespective of the place they have been produced in or an alphabetical list could be given of manufacturers and dealers grouped under certain towns and cities. In this way, the Trade Journal can issue in annual supplementary sheets and if it is decided in what particular month a particular Administration or State is to supply this information, the Trade Journal could be utilised for

bringing out once a year an up-to-date list of manufacturers and dealers.

Gwalior.

The issue of an All-India Industrial Journal will no doubt help in collecting data for the commercial development of India as a whole.

#### DISCUSSION.

(Panel No. II.)

Dr. D. B. Meek C.I.E., O.B.E., (Director General of Commercial Intelligence and Statistics) was also present.

Rai Bahadur Lala Ram Lal said that they proposed to publish a vernacular journal through a private firm on payment of a certain amount as subsidy. A number of copies would be purchased for the use of the Industries Department. There was a need too for a journal in English which should give the results of researches in this country as in other countries. At present industrialists received only one-sided versions from machinery suppliers and were generally ignorant of the results of researches and machinery which had given good results in other countries. There should be an All-India Journal giving information on different matters connected with industries and it should be published by the Director General of Commercial Intelligence and Statistics.

Dr. Meek said that the Indian Trade Journal could take certain special articles on industries; but actually it was a trade journal more than an industrial journal. He thought that the Monthly Circulars and the Quarterly Journals should be revived.

Mr. Clow did not think it would be possible for the Industries and Labour Department of the Government of India to undertake the Journal; the Circular might be possible.

Mr. Dutt said that with inadequate staff and want of funds, he could not undertake to send any contributions to any regular journal.

Mr. Lal said that if there were a co-ordinating authority at the Centre, the publication of an All India Journal should be a simple matter. He did not want a scissors and paste journal giving statistics from the provinces, but something prepared by a living organism. He was in favour of the Monthly Circular as well as the Quarterly Journal.

Mr. Dutt inquired if the Monthly Circular could not be made to serve the purpose of the Journal.

Mr. Clow said that all the Directors at the time when the Circular was started felt that the Circular, if it was to be of any value, must contain confidential information which could not be disclosed to the public.

Mr. Ramanathan said that the Mysore Government had been subsidizing a journal called "The Economic Journal" for the last twenty years and also a "Kannada" Journal in vernacular for popular consumption. Research articles would be more appropriate in the respective scientific journals. For the purposes of co-ordination he suggested the revival of the Monthly Circular.

Mr. Majid said that if a Journal was not possible in the absence of a co-ordinating body, it would still be of use to have a Monthly Circular.

The Chairman summarized the general conclusions of the discussions as follows :—

(1) A publication either on the lines of the Journal or of the Circular is desirable, and should be on a quarterly basis.

(2) For the publication of an Industrial Journal of any value, it would be necessary to have a central co-ordinating authority. An un-co-ordinated collection of provincial notes would be of no great value.

Friday, July 14th, 1933.

**VI.—DEVELOPMENT OF COTTAGE INDUSTRIES AND MARKETING OF PRODUCTS, WITH PARTICULAR REFERENCE TO THE HANDLOOM INDUSTRY.**

**MEMORANDA.**

*Madras.\**

The development of the handloom weaving industry involves activities on two distinct lines, the first being the improvement of the technique of the handloom and the second, the formation of co-operative societies for the joint purchase of yarn, production of standard qualities of cloth and joint sale of finished fabrics. On the technical side, much has been done in the Textile Institute, Madras, to evolve superior types of labour saving appliances designed to assist the weavers to increase their output of cloth and these have been freely introduced throughout the Presidency. The handloom weaving industry is at present unorganised and unless its organisation can be improved, there is an evident danger of its being displaced in greater or less degree by the products of the power looms. Such a prospect cannot be regarded with equanimity in view of the importance of preserving this ancient handicraft as a source of employment for a large part of the rural population. What the handloom weaver wants is continuous employment, credit for the purchase of the means of production, and facilities for marketing his products. The Royal Commission on Agriculture and the Indian Central Banking Enquiry Committee have recommended the organisation of co-operative societies for providing the necessary facilities to the handloom weaver. A large number of non-credit societies without the assistance of paid secretaries well trained in the principles of co-operation business and marketing have not been a success in the past. As these societies cannot afford to meet the cost of the necessary staff without detriment to their power to compete with the products of the power loom it is essential that the State should come to their aid. In view of the present financial stringency neither the Central Government nor the Provincial Governments are in a position to finance such organisations. Accordingly the Madras Department of Industries recently drew up a scheme for the levy of a cess on yarn manufactured in India, with a countervailing duty on Indian and imported cloth, the proceeds to be applied to the reorganisation of the handloom weaving industry. The proposals provided for the reduction of the existing duty on yarn of counts above 40s. to 1 pie per lb. on yarn imported from Great Britain and 3 pies per lb. on yarn imported from other sources, the loss in revenue to be made good by the levy of an extra or countervailing duty of 1 pie per lb. on cloth and yarn below 40s.

\*Prepared by the Director of Industries.



1933.]

*Cottage industries.*

imported from Great Britain and 3 pies per lb. on cotton cloth and yarn imported from other than British sources. Further, a cess of one pie should, it was suggested, be levied on every lb. of yarn manufactured by mills in India an equivalent rebate being allowed on yarn exported from this country. The cess proposed would yield about Rs. 43 lakhs after deducting about 4 lakhs for collection charges and the proceeds, it was suggested, should be distributed among the various provinces in proportion to their population. The Madras Presidency would on this basis receive about Rs. 7½ lakhs. The total cost of the organisation to be set up to apply the proceeds of the cess to the benefit of the handloom weavers has been estimated at about Rs. 6 lakhs.

2. The administration of this fund may be vested in a statutory body which may be designated "The Textile Development Board" under the Chairmanship of the Registrar of Co-operative Societies or the Director of Industries. It should consist of representatives of the primary societies, of co-operative banks, of business and of Government. The Board would have power to organise and supervise primary societies, to purchase the raw materials necessary, to regulate production and distribution, and to undertake research in the development of handloom weaving appliances. The Central Board should have a paid Secretary, of the grade of a Deputy Registrar of Co-operative Societies. The Board should be assisted by a Textile Adviser with the necessary staff whose duty it would be to look after the technical portion of the work, including the provision of designs, and two Deputy Registrars of Co-operative Societies to organise and supervise the work of the primary societies. A co-operative society should be organised for every thousand (handloom weavers) workers and each society should be provided with a Business Manager of the grade of a Co-operative Inspector specially trained for the purpose and a clerk accountant. A marketing officer of the grade of Sub-Deputy Registrar should be provided for every 20 societies whose duty it should be to supervise the working of the societies within his jurisdiction to adjust production with reference to the demand of the people within the area of each society, and to arrange for the marketing of the surplus production under the orders of the Central Board. The Textile Development Board would enter into running contracts for the purchase of the yarn required for all the societies within its jurisdiction once in two or three months in public auction. In case the Board does not accept the lowest offer the orders of Government should be obtained before entering into contracts. This arrangement will provide yarn at competitive prices to the weavers.

3. The cottage workers in this country, except in a few isolated cases, are suffering not only from want of proper advertisement of their goods, but also from lack of proper facilities for marketing

them. It is true that the middlemen capitalists can command the requisite facilities in this regard to some extent although to nothing like the same degree as the large scale industries, for, they have neither the capital nor the experience necessary. The difficulty of marketing and advertising is all the greater in the case of the independent cottage worker who has not even the limited resources and experience of the middlemen capitalists. As the cottage industries of the country afford means of subsistence to a fairly large number of people, particularly the handloom industry, it is desirable that everything possible should be done to assist them in holding their own.

4. The question of developing these industries centres mainly around two points, finance and marketing facilities which could be provided through the medium of the proposed Textile Development Board if its organisation was extended to include all cottage industries.

#### Bengal.\*

The main steps taken by this Department to secure adequate development of cottage industries fall under the following heads :—

1. Research carried on by the Industrial Chemist for the—

(i) utilisation of natural resources of the province for industrial purposes particularly of oils which are suitable for use in soap making and resins for varnish making ;

(ii) working out of technical processes leading to improvement in quality and reduction in cost of manufacture.

2. Research with a view to designing and constructing labour saving processes and labour saving machinery. Specially valuable work has been done by the Industrial Engineer under this Department in the direction of devising improved processes of manufacture with a view to reducing cost as well as of devising new labour saving appliances suitable for cottage industrialists. These improved processes and appliances by reducing cost of production and materially increasing the output of the cottage industries concerned have made them more paying to the cottage workers and more attractive to the *Bhadralok* classes.

3. Improvement of the tanning industry and of the methods of manufacture of leather goods.

4. The introduction in the Textile Section of improved looms, country dobbies, jacquards, improved methods of dyeing and block printing and the instruction in the use of these improved appliances and methods given through District

\* Views expressed are those of the Department of Industries.

1933.]

*Cottage industries.*

65

and Peripatetic Weaving Schools and Demonstration Parties.

5. The financing and marketing of cottage industries and particularly of the handloom weaving industry has hitherto been chiefly attempted through co-operative societies and co-operative industrial unions. Although these societies have only dealt with a very small fraction of the total number of handloom weavers the system of financing has on the whole proved helpful to the members of the societies concerned.

As regards marketing for Bengal silk yarn and silk fabrics within the province there has been a falling off in the market chiefly owing to defects in the indigenous system of reeling. This Department has been introducing improved reeling machines with a view to removing this defect.

Serious difficulty is being experienced in the marketing of the cotton products of the handloom industry. Here the failure of the co-operative societies and unions to solve the marketing problem has been due in the first place to the high price charged for mill yarn, secondly to the heavy overhead charges of the co-operative industrial unions as a result of which the minimum market prices of cotton fabrics of the handloom industry are found to be much higher than the prices at which the mill products are sold, and thirdly to the inferiority of the handloom products both in quality and attractiveness to the mill made stuff. In order to remedy these defects action on the following lines would appear to be indicated :—

- (a) Purchase of yarn direct from the mills by the co-operative societies at cheap wholesale rates.
- (b) The development of local marketing organisations of an inexpensive type which would obviate heavy overhead charges and would at the same time develop a more living and day to day touch between the manufacturer and the local market. What is needed is a close study of the market and continuous direct touch with it on the part of the co-operative societies and other handloom weavers' organisations and production of articles for which there is an immediate market demand either in the rural markets or in the metropolitan towns.
- (c) Creation of a demand for articles of handloom manufacture by producing specially artistic designs, thus giving to them greater selling value than mill products.

That action on these lines is likely to prove successful is being demonstrated by the experience gathered at the Sriniketan Department of Dr. Rabindranath Tagore's Institute of Rural Reconstruction as well as by the District Board of Malda and certain private

firms in Calcutta and other places. These bodies maintain expert designers who supply attractive designs to the weavers and other cottage industrialists with the result that their products find a ready market both in Calcutta as well as in the mofussil areas. They also take over the articles produced by the handloom weavers and other cottage workers made to the specifications and designs supplied and transmit them for sale to up-to-date marketing organisations in Calcutta such as the Bengal Stores and the Bengal Home Industries Association. The future development of cottage industries generally and of the handloom industry in particular would appear to lie in the direction of developing the artistic value of their products and a continuous living touch with the market with a view to the obtaining of up-to-date information from day to day and week to week as to the requirements of the consumers in respect of textures, designs and other particulars. If these conditions are secured, the handloom producer and the cottage worker will be able to find a continuous market with which the products of the mills will be unable to compete.

#### *United Provinces.*

The development of cottage industries depends on (a) improved methods of production, (b) cheap finance and (c) better marketing. Improved methods of production have been introduced in some cases, particularly fly-shuttle looms, but these methods have not helped the workers very much. Cheap finance has been provided by co-operative societies but the privilege has only been abused in most cases. The problem of marketing has not been tackled for ordinary products; but an Emporium was established for the sale of artistic products; this has given some slight stimulus to the manufacturers, but it only purchases Rs. 50,000 worth of goods in a year, and owing to heavy overhead charges it involves an annual loss of Rs. 20,000 and it is open to question as to whether value is being received for the money spent. A short note giving the history of the Emporium and the problems connected with it is given below.

(b) As a result of past experience it may be said that though the introduction of improved designs and methods of production and the supply of adequate finance should receive due consideration, no substantial progress can be made unless the problem of marketing is tackled. In other words, some sort of organisation for the marketing of the products of cottage industrialists is essential. Big concerns can afford to do their own propaganda and establish their selling agencies; but for cottage industries, some State aid is required for marketing; the question is along what lines such aid should be given.

#### *Note on the Emporium*

The Emporium has had a very chequered career which falls into four well-defined periods. An Emporium for village industries was

1933.]

*Cottage industries.*

67

started in Cawnpore in 1915, the business side being entrusted to the Alliance Advertising Association, Ltd., Cawnpore. It was designed—

- (1) to be a centre which should be recognised by both producer and buyer as an emporium where the manufactures of the villages of the United Provinces could be collected and be available for purchase by the buying public, and
- (2) to act as an accredited agent for orders where, with some assurance, a foreign buyer might register his order and expect that it would be honestly dealt with. In actual practice it failed to achieve anything. The position was reviewed in 1919 and it was then considered that the chief causes of the failure were—
  - (i) that it was run on too general lines,
  - (ii) that it did not make adequate arrangements for establishing a market for Indian artware in European countries, and
  - (iii) that it did not furnish adequate financial facilities to the manufacturer, whose chief difficulty is that he must have ready money for his products.

Accordingly, it was decided to confine its activities in future only to artistic goods to purchase the same outright and sell them in foreign markets. The sale room at Cawnpore was closed and the Arts and Crafts Emporium was opened at Lucknow in 1919 and attached to the School of Arts and Crafts and placed under the control of its Principal. Thus the Emporium entered on the second stage of its career.

2. For some years it continued to make steady progress. New designs were introduced and large purchases were made, and the dying Moradabad brass work industry in particular received a fresh lease of life. Unfortunately, however, supervision was lacking and there were "irregularities amounting to misappropriation". Government were involved in heavy losses, partly on account of the purchase of articles which could not be sold and deteriorated in value, and partly on account of dishonesty; good articles which were bought were duly sold, but the accounts did not show the sales and instead inferior and trashy articles were added to the stock in replacement of the articles sold. And so from 1923 the Emporium came under a cloud.

3. In this, the third period of its existence there was no clear guiding principle. The Emporium continued a dead and alive existence at the School. In 1925 the Burn Committee recommended

firms in Calcutta and other places. These bodies maintain expert designers who supply attractive designs to the weavers and other cottage industrialists with the result that their products find a ready market both in Calcutta as well as in the mofussil areas. They also take over the articles produced by the handloom weavers and other cottage workers made to the specifications and designs supplied and transmit them for sale to up-to-date marketing organisations in Calcutta such as the Bengal Stores and the Bengal Home Industries Association. The future development of cottage industries generally and of the handloom industry in particular would appear to lie in the direction of developing the artistic value of their products and a continuous living touch with the market with a view to the obtaining of up-to-date information from day to day and week to week as to the requirements of the consumers in respect of textures, designs and other particulars. If these conditions are secured, the handloom producer and the cottage worker will be able to find a continuous market with which the products of the mills will be unable to compete.

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1933.]

*Cottage industries.*

69

ment of cottage industries. The Industrial Commission recommended various forms of assistance to such industries, some of which the different provinces are following so far as their budget allotments permit. For instance, in the Punjab facilities are provided for technical education and training through Industrial Schools and demonstration parties, and special provision has been made for technical assistance to weavers by opening adult weaving classes and also artizan classes for teaching dyeing and calico printing. An Arts and Crafts Depôt has been established at Lahore with a view to giving improved designs to the art workers of the province and also with a view to finding as far as possible markets for their wares in and outside the province. Loans are granted under the Punjab Industrial Loans Act. But nothing practical has yet been attempted in the way of finding markets. And it appears that the development of cottage industries hangs almost wholly on the expansion of markets. A cottage worker, and particularly a weaver, is as a rule poor and conservative. He does not know the market requirements: he cannot afford the expense of advertising wares, nor has he generally the facilities for studying the new tastes and fashions popular in the market. The Co-operative Department in the Punjab has over 300 co-operative societies, of which about 200 societies are of weavers, and the rest of shoe-makers, tanners, carpenters, furniture makers, dyers, coppersmiths, and goldsmiths. It will thus be seen that handloom weaving occupies an important position in the activities of the Department of Co-operative Societies as in that of the Industries Department. The economic position of the weaver formed the subject of special investigation by the Punjab Banking Enquiry Committee, but the Report of the Committee shows that even co-operation has so far done very little. The Co-operative Department has been able to render some assistance in the supply of raw materials, but the efforts in connection with the finding of markets for finished goods have so far been unsuccessful. The main cause of the poor condition of the cottage industries and particularly of the handloom weaver, is thus the difficulty in the sale of finished products. Accordingly in addition to assistance in technical education and in the matter of finance, in which direction something is already being done, marketing should receive early attention. Marketing will, of course, include guidance in the requirements of the consumer, prices at which articles can be sold and where they can be sold, and above all it will give a lead in the production of the right quality and the right amount finished at the right time. For this purpose it would be necessary to engage special marketing officers. And in order to achieve the best results and in order to avoid overlapping it is suggested that such officers in the different provinces should work in co-operation and co-ordination.

*Bihar and Orissa.*

The protection and development of cottage industries is of vital importance. The province is predominantly agricultural and has been hard hit by the catastrophic drop in prices of agricultural produce coupled with increased population. Relief is to be found only by securing adequate supplementary occupation which will provide cash earnings in addition to the produce of the soil. Cottage industries are ideally suited to the home-loving instincts of the agricultural population and the necessity for protection and development is obvious.

2. The cottage worker needs assistance to enable him to withstand modern competition. Some organisation is required for the discharge of the following essential functions :—

- (a) Supply of raw material in small quantities at wholesale rates. This implies purchase in bulk, distribution on credit and control to prevent misuse.
- (b) Improvement of patterns and designs. The cottage worker cannot successfully compete against mass production, and must therefore rely on producing articles which are either distinctive or satisfy a local want or fashion.
- (c) Improvement of technique to secure improved output and better workmanship, and
- (d) Marketing organization for the disposal of goods. The Cottage Industries Institute has attempted to discharge these functions for handloom weavers. Yarn is purchased in bulk and supplied on credit through middlemen or co-operative societies. Demonstration parties have introduced the fly shuttle loom and other appliances and taught the use of modern dyes. Improved patterns and designs have made famous the cotton and silk textiles made by the cottage workers of the province. Thanks to the energy of a retired official these goods have found an encouraging market in England and abroad.

3. The success achieved in securing wider markets for the handloom weaver has not kept pace with production and there is a cry for more orders. The need is felt for a comprehensive marketing organisation to increase sales both in India and abroad. Each province should have at least one depôt for the display and sale of important products of cottage industries. A central depôt should also be established at the Imperial Capital. The proposal by the Indian Trade Commissioner to set up a common warehouse and show room in England deserves further examination. There are many



1933.]

*Cottage industries.*

71

considerations which make it desirable to have active collaboration between the Provinces and the Centre. Acting as a disconnected unit one province may commit an act of piracy on the designs and patterns successfully worked out by another. This form of competition should be discouraged. Central co-operation is necessary because tariff policy vitally affects the interests of cottage workers. For instance, it has been felt that the duty on imported yarn gave an undue advantage to the Indian mills at the expense of the handloom weaver who was a rival in production.

4. Apart from the handloom industry, it is necessary to explore the possibility of developing other cottage industries. The Cottage Industries Institute holds classes in toy-making, hosiery and other handicrafts. The toy-making and hosiery sections have met with a certain measure of success but the cottage worker requires initial capital for the purchase of plant which he is unable to provide.

*Central Provinces.*

Handloom weaving is the chief cottage industry in the Central Provinces. In 1914 a Textile Expert was recruited and thereafter the introduction of modern weaving appliances amongst handloom weavers proceeded apace. Up to the end of 1932 the number of improved sleys sold by the Industries Department was 16,246. In addition, some 14,000 sleys of this pattern have been made and sold by local carpenters. Two hundred improved weaving machines of the Madras pattern have been introduced since 1932. Unfortunately these new machines by increasing the output by some 75 per cent. have led to overproduction with the result that some handloom weavers have been forced to seek employment in mills. In part the remedy seems to rest on the introduction of modern patterns to keep pace with present day fashions. In 1928 an instructor in the Hattersley loom was posted to Burhanpur where some 15 of these looms are now working. Results are encouraging and there is a good market for the saris and suitings of superior type produced.

2. The Industries Department's efforts to provide marketing facilities have borne little fruit. In the Saugor District, a number of weavers' societies and a central sale society are now under liquidation.

3. Efforts are also being made to introduce improved appliances and methods for dyeing and printing and the making of niwar, durries, ropes, purdahs and hosiery. Useful propaganda and demonstration work has been done in these directions.

4. Industrial education has not been neglected. At three Government and six aided industrial schools boys are being trained in carpentry, blacksmiths work, tailoring, etc. A school for instruction in the tanning of leather was built at Nagpur in 1925, where

ten apprentices who are in receipt of Government scholarships are trained every year.

#### *Assam.*

Experience has shown that cottage industries in spite of their competition with factories with their advantages in mass production have been able to exist. The Industries Departments have introduced some improvements to benefit the workers. Weaving is the most important of our cottage industries. The old fashioned hand-looms are being gradually replaced by improved implements to increase production and to improve designs. It is of the utmost importance that much of the time of the ordinary agriculturists, now wasted, should be properly utilised to help them to supplement their income by subsidiary occupations. Another important cottage industry allied to weaving is sericulture which, if carried on more scientifically, will prove to be a profitable source of income to the agriculturists. The work of improving our existing cottage industries and introducing, if possible, new ones should be carried on with still greater vigour, especially at the present time when the cultivator with lower prices for his agricultural produce, is finding it most difficult to earn a livelihood.

2. It seems that more attention should be paid to assist the cottage workers to find suitable markets for their products. It is neither sufficient nor proper merely to increase production without helping the workers to dispose of their goods at an advantage to themselves. It is a known fact that a disproportionately large part of the profit goes to the middlemen, who often in the position they enjoy as financiers, are able to drive hard bargains. This unhappy position is due to want of proper organisation amongst the workers and their difficulties in getting ready money at reasonable rates to carry on their business. How to finance them properly is another question which deserves consideration. Much apparently can yet be done by using the co-operative machinery in obtaining money at cheaper rates and for the disposal of goods; though experiments in the past have not been too promising yet co-operative institutions have been recommended by the Central Banking Enquiry Committee to help the rural industries on a larger scale than at present.

#### *Hyderabad.*

The Department runs a large size institute called Cottage Industries Institute, also a Sales Depôt for assisting and developing cottage industries. Handweaving, dyeing and printing and carpet-making, loom large in the activities of the Department for which purpose it has District Demonstration Parties and an Experimental Carpet Factory. Special survey was made of handloom industry. Development of marketing facilities for the products of hand-weaving and other cottage industries is a great need.

*Mysore.*

The Department has introduced efficient labour saving appliances, improved methods and processes and also designs. Electric power has been made available and power looms demonstrated and set up. It has also been conducting experiments in designing suitable machinery for the weavers and demonstrated such machinery widely. Technical instruction is also given in weaving, dyeing and related subjects. The ability of the weaver to produce goods has been considerably increased, but his chief difficulty is in marketing, particularly during periods of agricultural or trade depression.

2. Similar help has been given in respect of brass workers, furniture makers, ivory and sandalwood workers and lacquer-ware makers, and these trades suffer similarly in regard to marketing. Until the artisans are emancipated from the hands of the money lending merchants and increased facilities for current finance and speedy marketing are provided their economic condition will not improve. Co-operative societies have been organised and sale rooms also opened under Government auspices. But the efforts of the co-operative societies to tackle these problems have not met with adequate success.

*Jammu and Kashmir.*

The Jammu and Kashmir Government is very much interested in both the aspects of the question, namely, the development of artware and craftware and their efficient marketing, specially of hand-woven woollen articles. The desiderata for ensuring optimum conditions for the development and marketing of cottage industries appear to be—

- (a) ensuring that samples of the art or craftware produced in cottages are available at a Central Emporium of the State,
- (b) some agency at that Emporium to see that repeat orders are complied with according to the sample and if there are any defects, the art or craftware is to be returned to the cottager for being set right. The articles are to be exported after receiving the hall mark of the Central Emporium that they are up to the mark both in quality and execution,
- (c) the Emporium is to get in touch with similar Emporia in the rest of India, sending out small exhibits of samples of different industries of the State; and thus ensuring wide advertisement for the art and craftware of the State in different parts of India,
- (d) if any criticism is received in the quality or technique of execution, that would be translated into language intelligible to the cottage worker and the authorities will see to it that the defects are removed in the work subsequently turned out.

*Travancore.*

The Department of Industries with the Government of the State has established a Central Technological Institute at Trivandrum where instruction is given in hand-loom weaving, dyeing and calico printing, knitting, embroidery, carpet and dhuree making and rattan work. The Department also maintains a Carpentry School at Quilon and a Weaving School at Nagercoil. In addition to this, State aid is granted to about fifty industrial schools distributed throughout the State. It is worthy of mention in this connection that the teachers appointed in the grants-in-aid schools are students who have passed out of the Central Technological Institute; the appointment of teachers from among these successful students is being made a condition precedent to the grant of State aid. This condition is being enforced with a view to provide an efficient corps of teachers for these schools. Besides the above, the Department maintains a School of Arts and Crafts where students having artistic tastes are admitted and, after a thorough training in drawing and painting, are given training in wood and ivory engraving, kaftgary, gold and silver smithy, clay modelling and lacquer works. A noticeable feature is that girls take a great interest in the training imparted in some of the subjects in which training is given. The Department keeps in touch with past students and the high quality and success of the training imparted in this Institution are demonstrated by the fact that most of the past students are engaged in vocations in which they received training in this Institute, and are now earning decent incomes.

As regards the marketing of the output of cottage industries as well as factories, the Government have started a Sales Depôt at the Capital and maintain two branches of this Depôt, one at Ooty and the other at Madras. There is a proposal to appoint a Trade Agent in London and with a view to explore the possibilities of Indian market for Travancore products, the Director of Industries is at present visiting important trade centres in British India and Indian States. The Government has sanctioned for the purchase of articles a debt-head grant of Rs. 10,000 without interest. Generally, the producers send their articles to these depôts on consignment basis but in the case of small-scale producers (cottage workers), the Depôt makes out-right purchases on the responsibility of the Manager of the Depôt, just to avoid dumping of unsaleable articles in the Depôt.

*Gwalior.*

The Darbar have lately so adjusted their Tariff Schedule as to leave sufficient scope for the expansion of local industries. The economic and industrial survey of the State was also carried out by a

1933.]

*Cottage industries.*

75

Commission, which after making a comprehensive research, has submitted its report and proposals for the development of cottage and hand-loom industries, and the marketing of their products. The recommendation of this Commission are under the consideration of the Darbar, and rules are being framed for the grant of loans to small industries.

## DISCUSSION.

The President said that this subject was in the main a provincial matter but there was one very important point on which he would like to take the opportunity of getting some light from the provinces, namely, the effect of the protection on the handloom industry.

Mr. Ramakrishna said that the handloom weaving industry provided employment to about 3½ lakhs of persons in Madras and supported about a million people. The weaver was handicapped by the duties on yarns of counts above 40s. He then presented the scheme, stated in the Memorandum from Madras, for the levy of a cess on yarn manufactured in India, with a countervailing duty on imported yarn and cloth, the proceeds to be applied to the reorganization of the handloom weaving industry.

The Hon'ble Mr. Lloyd said that the proposal involved the imposition of a cess not only on the industry but also on imported goods. The imposition of a cess on imported goods trenched upon the Central field of taxation. The principle behind these suggestions was unsound. In order to aid an Indian industry, a specific tax was being suggested on a competing foreign industry. The only sound principle for raising funds for assistance was to finance the project either by a cess on the industry itself (or part of the industry) or by means of grants-in-aid from the Central revenues or through both. The grants-in-aid must be voted out of general revenues by the Legislature. Apart from the cess on the industry itself, special taxation earmarked for a special purpose is, as a general proposition, not acceptable to the Central Government. The instance of the petrol tax stands entirely by itself. The petrol road fund tax is a tax which falls on all consumers, and it is used for the benefit of the consumers themselves. The cess proposed in the present case is for the benefit of an industry\*.

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\*NOTE.—The Director of Industries, Madras, has afterwards explained that his proposal had been misunderstood so far as it related to imported goods. His proposal was, in effect, that a cess should be levied on Indian production and that the customs duty on imported goods should be raised by the amount of the cess above the level that would otherwise have been considered appropriate, the whole remaining customs duty; further, that for this purpose it should be considered appropriate that apart from the rate of the cess, fine yarns should be on the free list.

Mr. Advani thought that the proposal would impose a very big tax on the mill industry. The mills in the Bombay Presidency were not doing too well to be able to look at this proposal with equanimity.

The Hon'ble Mr. Srivastava did not think that it was possible to resort just now to the reduction of the duty on yarn above 40s. The cess on mills he thought would be a very hard one and he did not think the mill industry would accept it. The hand loom industry could no longer compete with the mill industry in the class of goods which were being manufactured by the mills; the main difficulty was that of marketing.

The Hon'ble Khan Bahadur Saiyid Muhammad Hussain was opposed to the imposition of a cess, because it would be a hardship on the mills. The reduction of duty, he thought, was not possible at present.

The Hon'ble Dr. Narang shared the views expressed by the Hon'ble Khan Bahadur Saiyid Muhammad Hussain. There was no guarantee that coarse yarn would not be imported in such quantities as to injure the mills in India. There were other ways of helping cottage industries. In the Punjab the weavers were given training in the weaving institutes. They were also given loans. There were 200 co-operative societies of weavers in the Punjab.

The Hon'ble Rai Bahadur Jaiswal was also opposed to the levy of the cess and the reduction of import duty on yarn.

The Hon'ble Maulvi Abdul Hamid thought that the cottage industries were in need of protection and, unlike the mill industry, they were being deprived of protection because they were not vocal. The cottage industry should be helped by means of financial assistance and better marketing facilities.

Mr. Rajagopalachari said that the proposal to impose import duty on yarn above 40 counts did not seem helpful.

The Hon'ble Dewan Bahadur Kambli said that the reduction of duty on yarn would not be beneficial. Considering that many of the mills were carrying on at a loss, he thought that the present was not an opportune moment to impose a cess.

The President said that the discussions indicated that there was a general agreement that a cess on yarn was undesirable. On the question of the reduction of duties, although a number of the members were not inclined to support the proposal, they were not prepared to express a definite opinion without careful examination.

The President then invited the Conference to proceed to the discussion on marketing facilities for cottage industries.

1933.]

*Cottage industries.*

77

The Hon'ble Dewan Bahadur Reddiyar thought that unless a fund was created and a statutory body established, considerations of proposals with regard to marketing would be premature.

Mr. Advani said that the work in Bombay had been confined to rendering technical assistance to cottage industries. Such assistance had been given to handloom, dyeing, calico printing and gold thread industries. For the marketing facilities, the chief agency in Bombay was the co-operative societies. In that field, the experience had not been very encouraging. At present there were 55 weavers' co-operative societies with a total membership of 2,539 and a working capital of Rs. 2,63,000. For the cottage industries, all combined, there were only 27 credit societies, and 992 members with a working capital of Rs. 2,18,000. This did not touch even the fringe of the problem. There was a proposal to establish a central selling bureau to the city of Bombay, linked up with selling bureaux in the district towns. No progress had so far been made. It was not the intention that this organisation should be entirely a Government one. The idea was to have a private organization which might receive Government assistance.

Mr. Dutt said that in Bengal a private organization, called the Home Industries Association, was given Rs. 30,000 a year to market the products of home industries, mostly art-crafts. The overhead charges of this Association were high and it was not very successful. The local Government has also been trying to help a Co-operative Sale Depôt but without marked success. The failures are said to have been due to the difficulty of supplying cheap yarn to cottage workers and also to the overhead charges of the Depôt being heavy. Facilities for selling, in his opinion, were not enough; there should also be arrangements to supply designs to cottage workers, so that they might be kept in touch with the demands of the consumers. Government should set up marketing boards.

The Hon'ble Dewan Bahadur Reddiyar said that a proposal to establish an agency in London was abandoned by the Madras Government on account of financial difficulties. A new proposal was now before Government to subsidize the Victoria Technical Institute in Madras to establish an agency in the United Kingdom.

The Hon'ble Mr. Srivastava said that an Emporium was started at Cawnpore in 1915 to find market for cottage industry products. It did not show good progress. It was transferred to Lucknow in 1919 and its activities were confined to art-ware. The Emporium was attached to the School of Arts and Crafts at Lucknow. For a few years it did well. But afterwards difficulties began to be felt in connection with the accounting system. The whole policy was reviewed in 1926 and the Emporium was transferred to the shopping centre of Lucknow and was placed under a business manager. Efforts to secure orders in foreign markets have not

proved very successful. In its present form the Emporium is more or less a retail shop, is still in need of money and has not been able to achieve the purpose for which it was intended. He supported the scheme outlined by Mr. Advani and suggested that an All-India agency on those lines should be established with branches all over India and also in countries outside. Action may be taken through mutual agreement between different provinces. A common agency for every one would prove to be cheaper. As to the choice between Government organisation or private enterprise, a commercial firm would no doubt be in a better position to effect sales but it might also show favouritism to particular manufacturers or particular provinces.

Mr. Lall said that the most important cottage industry in Bihar and Orissa was the handloom industry. Its products had found markets in England, America and New Zealand. The success had been due mainly to the produce being of good quality and to the services of Mr. Ryland as their agent in London. In the beginning there were some difficulties in getting production up to the demand. But after the weavers had been trained, production had shot ahead and at present everywhere there was a cry for more orders. The sales in England during the last four years had been to the extent of a lakh of rupees a year, but in India the figure had reached about Rs. 40,000 only. The experiment of sales depôts was abandoned for difficulties arising from irregularities in accounts. Their experience with co-operative societies had not been very happy. No improvement in India was possible unless there was a comprehensive marketing organization. To meet the constitutional difficulty in the way of the Central Government participating, he suggested that as Delhi is a centrally administered province, the organization could be located there.

Rai Bahadur Lala Ram Lal said that there was no special marketing officer in the Punjab, but the Industries Department had an Arts and Crafts Depôt in Lahore. The sales through co-operative societies were disappointing because there were no special marketing officers. They tried to sell goods in England through an agent, but lost heavily. Recently they had sent goods to the British Industries Fair and the Leipzig Fair, but the results were yet unknown. They were also selling goods through the United Provinces Emporium and the Bihar Emporium on a consignment basis, but the results had not been encouraging. He supported the idea of a marketing board. Until there was a special marketing officer and arrangements to give advice to arts and crafts workers in the matter of marketing, nothing substantial could be achieved. Nothing satisfactory could be obtained by the provinces acting as separate entities. The marketing officers of the various provinces should act in co-ordination. In the Punjab they had the question of the appointment of a marketing officer under consideration.



1933.]

*Cottage industries.*

79

Mr. Bhalja said that in the Central Provinces weaving was the main cottage industry and so far attention had been devoted mainly to the improvement of appliances. They had achieved satisfactory results and their main problem now was marketing. The experiment of co-operative societies for the handloom weavers had not been encouraging. The Industries Department had not been able to do anything for lack of staff. The mere appointment of a marketing officer would not solve the problem. It would be necessary to have an industrial organization with branches at district headquarters and other important towns. In this respect the example of the Khaddar Production Association might be followed with advantage. The organization should be non-official, subsidized by Government. There was an Emporium in the Central Provinces attached to the Central Museum where products of village industries were stocked for exhibition and sale. The Emporium should serve as a centre for bringing the manufacturers and consumers together and not be merely a *dépôt* for sale. Manufacturers should be induced to leave their articles at the Emporium to be sold at a small margin of profit. Government should not undertake any purchase. An All-India organisation of the same type would be of advantage. As regards establishing Agencies abroad, the Central Provinces could not participate in the scheme as there are not many articles produced in the Central Provinces which could find a market outside India through such Agents.

The Hon'ble Dr. Narang thought that the problem of marketing could be solved to a very large extent if the purchases for each province were made in the province itself and preferably from cottage workers.

The Hon'ble Maulvi Abdul Hamid said that Assam was mainly interested in the weaving industry. The experience of an Emporium had not been very encouraging there. At first it used to purchase the products for sale but later on goods were placed by producers at the Emporium to be sold at a small profit. The Emporium also supplied looms of improved patterns to the weavers. Looms were now being supplied on the hire-purchase system. The question of marketing was partially linked with the question of finance. The Mahajans left very little profit to the producers. The difficulty in giving financial aid to the weavers on a large scale was that many of them could not offer landed property as security. Co-operative Credit Societies had given satisfactory results, but Co-operative Societies for sales had not proved successful. He supported the idea of an organization on an All-India basis.

Major Sir Hashmatullah Khan said that the weavers of Chandernagore, who made fine muslin, had been in trouble for want of marketing facilities, in spite of advances of money and the opening of roads to link up the place with the railways.

Mr. Pillay said that the Industries Department in Travancore was receiving a grant and was also given the staff for organizing the sale of such products. They had a Depôt which bought articles for sale from cottage workers. The experience was encouraging and another Depôt was started at Ootacamund, which was also doing well. Another small organization has been opened with a salesman in Madras and is doing well. Even larger manufacturers send their articles to the Depôt on consignment basis. A commission of about 12½ per cent. is charged, of which 2½ per cent. goes to the Government. There is a proposal to start a Depôt in Lucknow on the basis of exchange of articles. The average sale of the Depôt in Travancore comes to about Rs. 200 to Rs. 300 a day. The manager of the Depôt is paid Rs. 75 a month and a Committee of officials and non-officials has been appointed to supervise the work. The manager has to provide a security of Rs. 300.

Mr. Pandya said that in Baroda a Crafts and Arts Society was being organised which the Government would subsidize by giving financial and other help.

Mr. Rajagopalachari emphasised that the problem of marketing was the most important one for the cottage industries. For handloom weaving, a central Emporium for buying the cloth from weavers and then selling it was started but did not prove a success. They were now devoting their efforts to instructing the weavers about the important markets for the special class of goods they produced. Each district has a demonstrator in the weaving department whose business is not merely to demonstrate new methods but also to advise the weavers about new markets. Each demonstrator gets a salary of Rs. 75—100 a month. There were a large number of khaddar centres in Mysore. For artistic goods they had opened an Arts and Crafts Depôt in Bangalore. But for the establishment of the Mysore Arts Depôt, the sandal wood and ivory carving industry would have vanished long ago. Weavers were helped by the grant of advances also; they want money only to keep their stock till prices improve. Government have advanced Rs. 1,20,000 to the merchants to enable them to buy the stocks from weavers and keep them till more favourable time came. A special Committee was appointed to manage this business and, on the whole, money advanced on this account has been recovered. The Government of Mysore have established business relations with English Municipalities for the supply of hard granite for roads. The supply this year has been nearly 500 tons per month. The experiment of co-operative buying societies for weavers has not been a great success. The chief difficulty is due to the absence of an adequate financial organization. The provincial co-operative bank has not been able to lend large sums of money.

1933.]

*Cottage industries.*

81

Mr. Mohammadi said that the development of cottage industries had been one of the foremost objects in utilizing the income from the Industrial Trust Fund in Hyderabad. It has been recognised that the great need of the cottage worker, particularly the weaver, is the supply of raw materials at a reasonably cheap price and the quick sale of his finished goods. Efforts are made to assist him in both these directions. Marked success has been achieved in procuring a market for the carpets and rugs of Warangal in London. This is done after teaching the local carpet maker the importance of producing articles of standard quality and by seeing that this standard is not lowered. This industry has been revived mainly through the efforts of the Commerce and Industries Department. It is no use introducing improved appliances without making arrangements to sell the goods. At one place in Hyderabad the weavers took the vow never to touch the fly-shuttle again, because they could not find a market for the increased output. The Cottage Industries Sales Depôt has been working for the last three years in Hyderabad and its results have been encouraging enough to construct a separate building at a cost of about Rs. 40,000. There is a permanent staff costing about Rs. 7,000. The Depôt charges commission at the rate of 12½ per cent., and has been of great help to the cottage workers. One of the chief cottage industries, namely *bidri*, has received considerable impetus from the Depôt. This industry, which a few years ago was nearly dead, is now finding a market for its products all over Hyderabad State and in Bombay as well as in London.

The President summarized the main conclusions as follows :—

- (1) Marketing through co-operative societies has not yet been a success, but it is very necessary to continue to explore the possibilities of this agency.
- (2) More co-operation between the provinces is necessary and the Government of India should help as far as constitutional propriety permits.
- (3) The experience of those provinces which have marketing agencies shows the desirability of other provinces turning their attention to using the same agencies.

Friday, July 14th, 1933.

## VII.—VALUE OF CHEAP ELECTRICAL POWER TO RURAL DEVELOPMENT.

### MEMORANDA.

#### *Madras.\**

Among the many difficulties which have tended to restrict the development of industries—large and small—in South India are the high price and scarcity of fuel, but the position in this respect will be greatly improved in the areas affected when cheap electric power is available from the recently completed Pykara, as well as, from other hydro-electric projects in progress or in contemplation. It should then be possible to develop greatly in what are today purely rural areas, small scale industries for working up into manufactured or semi-manufactured form the agricultural products of the province and thus to improve the economic condition of the villages with a consequent increase in the amenities of life in the countryside. Electricity, where available at a reasonable price, will provide greatly improved facilities for the development of rural tracts. Electric power can be used for such varied purposes as pumping, sawing, fodder cutting and grinding, rice hulling, groundnut decorticating, oil milling, cotton ginning, bone crushing, sugarcane crushing and sugar manufacture. The development of textile industries in the home will also be fostered by a cheap electric supply, whilst the setting up of small textile factories of various descriptions should receive a stimulus. As is well-known the Department of Industries in the Madras Presidency was responsible, some quarter of a century ago, for demonstrating the advantages of irrigating small areas of land by oil engines and pumps. Oil engines were also installed under the advice and with the aid of the Department in rice mills and other small industrial concerns. The oil engines first used were worked by kerosene, but subsequent experience indicated that liquid fuel could equally well be used and as a result this gradually displaced kerosene for use in oil engines. The great reduction in the cost of generating power consequent upon this discovery gave a considerable impetus to the development of small power installations. These were principally applied, apart from pumping purposes, to the preparation of agricultural produce for the market and in the course of a few years numerous rice-hullers, oil mills and other forms of industrial machinery were installed. It is probable that in the areas served by the hydro-electric developments, liquid fuel burning oil engines will in their turn have to give way to electricity. The comparatively small number of acres irrigated

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\*Prepared by the Director of Industries.

1933.]

*Electrical power.*

65

from wells in this Presidency shows that only a limited use has been made of the great supply underneath. It is obvious, therefore, that if only more wells could be dug and the water lifted cheaply, agriculture would to a great extent become independent of the vagaries of the weather. The availability of electric power at Mettur, for instance, suggests the possibility of sinking wells along the banks of the Cauvey as well as in the vicinity of the transmission lines, and the carrying on of irrigation by means of motor pumps run by electric power. The current could be carried across country to the points at which the power is required; receiving stations being established there and the current transformed down to a reasonable pressure and from the sub-stations, radiated to the mills and irrigation wells in the vicinity at which motors would be installed to drive the various machines and pumps. The provision of wells on the banks of the river with pumps driven by electric motors does not seem impracticable, although it will be a matter for careful investigation within what area it would be advantageous to set up such installations. It may be possible to provide for irrigation by electric pumping from a group of wells in suitable areas within the radius served by the electric supply schemes, while it is conceivable that large areas of land could be brought under industrial crops thus facilitating industrial development. It seems safe to predict that within the next decade a marked expansion of irrigation from wells by means of electric pumping will be seen in the Madras Presidency.

*Bengal.\**

The provision of cheap power is essential for industrial expansion particularly in the rural areas. India abounds in rivers, falls and other sources of natural power. The extent to which these have been harnessed for securing cheap power has been very unequal in the different provinces. So far as this province is concerned, a scheme was examined about 10 years ago which was calculated to yield 6480 KWs. available for power; but no action was taken to utilise it for any industrial scheme as there was no chemical industry in the vicinity and it was considered that the cost of transmission to a distant district would be too high. Since then, with the introduction of an extensive use of the Grid system, hydro-electric theory and practice has been revolutionised with regard to the long distance transmission of power.

*United Provinces.*

A committee has been appointed by the local Government to examine the possibility of utilising cheap electric power for cottage

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\*The views expressed are those of the Department of Industries.

industries. The chief difficulties that appear to be encountered in this connexion are :—

- (i) Electric energy however cheap, is not as cheap as human labour.
- (ii) For many operations which might be carried on by electric power, there are at present no suitable machines which can be relied upon.
- (iii) There is no proper system for the supply of accessories or for the maintenance of a repair service.
- (iv) The firms supplying electric power have a tendency to consider the demands of the small man "unduly exacting and their attitude unaccommodating" or in other words they find it difficult to give satisfaction to a large number of petty artisans.
- (v) The use of electric power may result in increased production, but there is no market for such increased produce. This is really the fundamental problem—to what extent is it profitable for the small artisan to use electric power, spend money and increase his production, if he cannot find a sale for his produce.

#### *Bihar and Orissa.*

Bihar and Orissa is unfortunately not blessed with sources of cheap electrical power. As far as can be seen there is little scope for hydro-electric schemes and there is little likelihood of development of rural industries with the aid of electricity in the absence of cheap electrical power. The more important towns of the province have been electrified in recent years, while the more important industrial centres, *c.g.*, Jamshedpur and the coalfields have large electrical undertakings operating under sanctions and not under licenses. Practically no use is being made of electricity for the development of rural areas.

#### *Hyderabad.*

The State recognises this and is gradually developing its sources of electric power in districts.

#### *Mysore.*

In Mysore State the use of electricity has been extended to a number of villages. In the villages, 297 pumping installations are worked by electricity. But the industrial installations in villages are still few. In the cities and towns, 1,765 industrial concerns are worked by electricity.

2. The use of electricity for lift irrigation yields great saving in the cattle power which could be used with more economic advantage in other directions. Use of power can be extended to

1933.]

*Electrical power.*

85

the milling of rice and flour, sugar-cane and oil-seed crushing and power looms as in the cities and towns. Its further extension to the household and to laundry and other operations involving boiling will release cow-dung from being used as fuel, for use as manure.

3. But the advantages of the supply of electricity to the villages extend beyond its application to rural industries. Residents of villages using electric power exhibit greater dignity. Owners of electric installations exhibit greater mental alertness than the rest and can be picked out of a village gathering by their look and talk. The terms "bucolic" and "rustic" will lose their meaning as applied to a village when electricity has invaded village life more largely. The advent of electricity in the village increase the amenities of village life by making possible wireless reception, cinema shows, local charging of batteries for motor cars and other purposes. Eventually it will be possible to allow the use of departmental telephones by the public and thereby promote personal communication and close touch with cities and town and the market. It will help to attract back the landlord and the educated young man to the village.

4. An interesting development in Mysore is the utilisation of Lantana Charcoal for production of gas to generate electricity. The plant has succeeded as an experiment and is being tried on regular factory scale in the Shimoga Saw Mills.

#### *Travancore.*

At present electric power is supplied for small-scale industries in Trivandrum and Kottayam and a power station is nearing completion at Nagercoil. With a view to supply cheap power, the Government have sanctioned a hydro-electric scheme and work is already under way. It is hoped that when the scheme starts work, it will stimulate and improve agriculture and other industries throughout the State.

#### *Gwalior.*

The Darbar have recently made arrangements for the generation of cheap electrical power which is supplied to industrialist at 0.2-0 per unit and to other consumers at 0.4-0 per unit. This will be generally extended to other places to secure rural development.

#### DISCUSSION.

#### (Panel No. I.)

The Hon'ble Mr. A. H. Lloyd, C.I.E., I.C.S. (Finance Member, Government of India), Mr. B. C. Burt, C.I.E., M.B.E. (Offg. Vice-Chairman, Imperial Council of Agricultural Research), and Sir James Pitkeathly (Chief Controller of Stores, Indian Stores Department), were also present.

Sir James Pitkeathly said that the success of rural electrification largely depended on proper organization. The chief problems were the

collection of revenues and obtaining consumers in sufficient numbers to make the scheme pay. These were difficult enough in urban areas, but in rural areas the difficulties were manifold. Rural inhabitants, particularly in India, are simple people. They are not used to technical terms; their mechanical or electrical sense is not well developed, and there was therefore the need for some organization to help them to instal their appliances and to maintain them. The first important principle of a successful rural electrification is a good service organization. The second principle is that the system of charging must be simple. The aim should be to have a simple tariff based on understandable factors. For instance, if a cultivator wants to pump a well, the charge should be in terms of so many gallons of water and not in terms of units of electricity.

The Hon'ble Dewan Bahadur Reddiyar said that the Government of Madras were considering the use of electrical power for replacing oil engines which were at present being used by agriculturists for pumping water from tube wells. With regard to large scale industries, the Hydro-Electric Department has already started good work by giving the industrialists electric motors on hire purchase system. In the Coimbatore District a large number of factories were taking advantage of this system. Another point which was engaging the attention of the Government was whether aid could not be given to small industrialists by supplying electrical power on favourable terms.

Mr. Staig said that the Mandi Hydro-Electric Scheme in the Punjab did not contemplate primarily the supply of electricity to rural areas. At the moment the supply was confined to the town of Amritsar. In the next few weeks it would be extended to several other towns in the Punjab. A Committee appointed by the Punjab Government in connection with the scheme had considered *inter alia* the supply of cheap electrical power for rural development. The Committee was somewhat pessimistic regarding demand for energy for pumping purposes for irrigation and had recommended certain experiments on tube wells. Estimates for areas in the Districts of Gurdaspur and Amritsar indicated that wholesale pumping from tube wells with electrical power could not be achieved except at a prohibitive cost. The Committee also went into the question of the development of cottage industries, but its findings were not encouraging. One factor which was expected to militate against the use of electrical power by the Zamindar in the Punjab was that, even if he availed himself of electrical power for pumping, he would not be able to reduce the number of bullocks he maintained for agricultural purposes. Moreover, it had been argued that the Persian Wheel and the cultivator's bullocks were more efficient than tube wells driven by electrical power. Success in the United Provinces



1933.]

*Electrical power.*

87

Scheme necessitated further examination of the Committee's conclusion and the whole question is still under the consideration of Government. The Mandi Hydro-Electric Scheme was financed through a loan from the Government of India. The transmission system had been working only for a few months and energy was being transmitted on the range of the system from the power house in Joginder Nagar to Lahore, a distance of 200 miles. It was expected to give electricity from the scheme to Lyallpur, a distance of 230 miles from the source. The system of transmission adopted was all overhead.

The Hon'ble Mr. Srivastava said that an experiment was being made in Moradabad District with what might be called the "penny in the slot system" for providing water from tube wells to the cultivators. The average cost works out to Rs. 2 per acre-watering for wheat and Rs. 3 per acre-watering for sugar-cane. The villagers are very satisfied with this system, and there is a proposal to extend it to other areas. Efforts were being made to provide electricity at a cheap rate. The rate for domestic purposes was annas  $\frac{2}{3}$  per unit to the licensees. The licensees sell current at annas  $\frac{5}{6}$  per unit. For agricultural purposes the charges were 10 pies per unit to licensees who sold at the rate of an anna per unit. Industrial current was one anna per unit to the licensees who charged annas  $\frac{1}{6}$ . In the case of special industries, charges vary according to the consumption. The existing power stations generate 10,800 kws. but when the scheme is completed, there will be 39,000 kws. Current was being taken by various industries, such as flour mills, cotton gins, etc.

Mr. Rajagopalachari said that in Mysore electrical power was produced at Sivasamudram on the Kauveri. There were also power stations at Bangalore and Mysore. There were 297 pumping installations, and 1,466 industrial concerns were being worked by electricity. Formerly difficulties arose in dealing with individual persons, but now the Electric Department deals with village panchayats or minor municipalities. These guarantee to the Electric Department a net return of 5 per cent. which includes the cost of transmission, establishment, depreciation etc. The Electric Department makes collections from the consumers but panchayats and municipalities make good the revenue deficit, if any. The rates are—for lighting 4 annas per unit with a monthly minimum charge of Rs. 1-11-0, for cooking and heating purposes  $\frac{1}{2}$  anna without any minimum charge, for industrial purposes up to 10 h. p. the charge is 1 anna, from 11 to 50 h. p. 1.5 anna, 51 to 100 h. p. .9 anna, 101 to 200 h. p. .8 anna, 201 to 300 h. p. .7 anna, 301 h. p. and above .6 anna. The charge for flour mills and for pumping installations is one anna. But representations had been received that these rates were excessive. The system of guarantee has enabled the

Electric Department to go on with a large number of schemes for rural development. The funds are met from the capital side of the budget and each scheme is expected to pay 5 per cent. Till now steel poles were being used for transmission, but recently a local variety of hard wood (Balige poles) is brought in use in place of steel poles. The transformer station, with its establishment of Electrical Operators, etc., is made the centre for a certain area. Each station has got a telephone and the consumers of electrical energy get the free use of it. The staff goes round and sets right any defects that are found. No complaint has been received that the tariff is not easy to follow. In the case of rural parts a concessional flat rate of 8 annas per lamp per month is charged for not exceeding 3 lamps in each house. Experience showed that power can be transmitted through hydro-electric system to any distance. No financial difficulty had been felt as the system produces revenue almost immediately. An initial expenditure of about Rs. 78 lakhs was incurred and entire capital was recouped in about 8 years. The return at present is 12 per cent. on the capital invested. Out of 50,000 h. p., generated about 25,000 h. p. is utilized by the Kolar Gold Fields. Current is taken to any distance from the main transmission line provided the party concerned pays a net return of 5 per cent. of the cost of transmission. In special cases, connections have been given on a return of even 3 per cent.

Major Sir Hashmatullah Khan said that there were three power stations at Gwalior, Sipi and Ujjain. There is not much demand for electricity at present and it is not possible to give power at a cheaper rate.

Mr. Advani said that the Hydro-Electric Companies in Bombay were operating privately. The Government of Bombay considered the question of making cheap electrical power available for rural development, but on investigation the cost was found to be too high. Recently the Companies tried to persuade small town-ships to start small Companies and purchase power from them, but there also the rate was too high. Unless electrical power was available at the same or lower cost than that of oil engines, electrical power could not find a market.

Mr. Burt said that care should be taken not to encourage the development of uneconomically small units. The experience of the cotton-ginning industry during the past ten years pointed to the need for caution in this respect. There was a definite minimum size for an efficient cotton-ginning factory; in smaller factories bad ginning was common and difficulties were met with in the sale of the lint. Small units may prove to be uneconomical both from the point of view of management and supervision and the marketing of the products.

1933.]

*Electrical power.*

89

Mr. Pandya said that in Baroda power was generated by oil engines and it was found profitable to give power at 4 annas per light and 2 annas per unit for other purposes.

The Hon'ble Mr. Srivastava said that in the grid area of the United Provinces the rate at which current was supplied to industries and to agriculturists was cheaper than the rate at which they could get power from oil engines. Moreover, the capital cost had to be considered and the agriculturists or the small industrialists did not find it convenient to spend 2,000 or 3,000 rupees on oil engines. Those who had oil engines in the United Provinces were now giving them up.

Mr. Staig said that in order to make the power as cheap to the consumer as possible, local distribution in most of the towns in the Punjab had been retained by the Government in its own hands to eliminate the middleman.

The Chairman summarized the conclusions in the following terms :—

The experience so far accumulated was not sufficiently extensive to enable any very definite opinion to be expressed on the value of the electrical power in promoting rural development. The potentialities were great but it was not possible to express any more definite opinion. In any scheme for the application of electricity to rural development, there should be a good service organization and a simple system of charges and the units to which electrical development should be applied should be economic.

*Friday, July 14th, 1933.*

### VIII.—PRIVATE ENTERPRISE VIS-A-VIS GOVERNMENT INSTITUTIONS, INCLUDING JAILS.

#### MEMORANDA.

#### *Government of India.*

The policy of the Government of India so far as it bears on competition with private enterprise, in regard to jail manufactures, is briefly as follows :—

- (i) Jail industries should be adapted as far as possible to meet the requirements of the consuming departments of Government.
- (ii) Power-driven machinery may be employed in well-established industries, care being taken to avoid interference with nascent or unorganized industrial enterprise.
- (iii) The sale of jail manufactures to the general public should not be prohibited, but except in the case of well-established industries, should be reduced to the minimum.
- (iv) Consultation and co-ordination between the Jails and Industries Departments of local Governments should be adopted whenever any new industry is introduced into a jail.
- (v) The Jail Department should consult the Industries Department on the prices to be fixed for jail products.

2. In the case of Government factories and workshops, the Government of India have formulated the following principles for the regulation of their manufacturing establishments :—

- (i) The transactions of Government factories and workshops must be conducted in such a way as to interfere as little as possible with private enterprise ;
- (ii) The surplus output of such factories must be used in supplying other Departments of Government, and supply to private consumers should be a last resort ;
- (iii) Production should be confined as far as possible to articles which are not manufactured by private enterprise in India ; and
- (iv) Costing accounts should be maintained and fair prices fixed for stores produced in such factories.

*Madras.\**

The work of the Madras Department of Industries in regard to the direct promotion of industrial development falls into two stages—the demonstration stage and the pioneer stage. In the first of these, the object of the Department is to demonstrate that an article not hitherto manufactured in the Presidency can be produced of a standard high enough to enable it, as far as quality is concerned, to compete successfully in the market. Once this is established, it has to be decided whether Government should undertake the manufacture of the product on a commercial scale or should leave this to private enterprise. If Government undertake pioneer manufacture, their policy is directed to the ascertainment of the possibility of manufacture on a profitable basis. In view of the facilities now afforded by the State Aid to Industries Act, the Madras Government consider that the experimental work should not as a rule proceed beyond the stage of laboratory test and that pioneer manufacture on a commercial scale should in future be left mainly, if not entirely, to private enterprise.

2. The only manufacturing activity which is at present under the direction of the Department is soap. The object of the Government in establishing a soap factory at Calicut was to start an industry and not only a factory, to encourage the establishment of factories spread over the province in convenient localities and not merely a single monopolistic factory, and that it has largely fulfilled its object will be evident from the fact that the number of small factories which have sprung into existence in the Presidency as a result of the education and training imparted in the Kerala Soap Institute is believed to be well over 100. The Kerala Soap Institute continues to be run as a commercial concern, but its principal object is now to provide training to apprentices in the art of soap manufacture as also to carry out experimental research in connection with the refining and hydrogenation of oils and fats. It has been suggested that the Imperial Council of Agricultural Research should grant an annual subsidy to the Kerala Soap Institute to enable it to be developed into an oil technological institute for the conduct of research, experiment and demonstration on lines of work connected with the oils and fats industries for the benefit of Southern and Western India.

3. The industries carried on in the jails in the Madras Presidency included a cotton spinning, dyeing and weaving plant at Coimbatore and a wool spinning plant at the Bellary Jail whilst in the various other jails of the Presidency printing, carpentry, leather manufacture, handloom weaving and coir spinning and weaving are carried on. The main object under-

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\*Prepared by the Director of Industries.

lying the policy of the Government of Madras in regard to jail industries is the reformation of the prisoner. The policy of Government is generally not to compete with private enterprise and the articles manufactured in jails are primarily intended to meet the needs of the consuming Departments of Government although any small surplus that is left over after supplying consuming Departments of Government has of necessity to be sold to others.

#### *Bihar and Orissa.*

The question of jail competition with private enterprise was considered at the Second Conference of Directors of Industries in 1921 and the conclusion reached was that, generally speaking, the fear of jail competition with established industries was more imaginary than real. So far as the experience of this province goes, there is no reason to believe that circumstances have changed in any way. The position is that work has to be found for a large number of prisoners. This can take the form of unskilled and more or less useless drudgery or skilled labour. The latter alternative is infinitely preferable from a humanitarian and social point of view. If this is accepted, the jails must manufacture articles which may compete with private enterprise. Unhealthy competition is, however, avoided by concentrating on the production of articles required by the consuming Departments of Government. Most of the articles produced in jails do not find their way to the open market and every care is taken to avoid interference with nascent or unorganised industrial enterprise.

2. As a matter of fact the policy adopted by the Indian Stores Department in giving out contracts on the basis of public tenders has, in recent years, adversely affected the sale of jail goods. So much so that the Public Accounts Committee in course of its examination of the Bihar and Orissa Appropriation Accounts for 1929-30 considered that the local Government should bring to the notice of the Government of India the fact that the operations of the Indian Stores Department were throwing a considerable burden on provincial finances. The loss of orders from the Indian Stores Department has made a serious difference and the jails are finding it increasingly difficult to find profitable employment for prisoners. It is suggested that the Indian Stores Department should be required to divert part of its orders to the jails without throwing any additional burden on consuming Departments. The Chief Controller of Stores could ascertain fair and reasonable market rates by placing orders for a portion of his requirements by calling for tenders in the open market. The balance of his requirements should then be offered to jails at the rates so fixed. If the jails are unable to execute orders at the rates quoted it would be open to the Chief Controller to make other arrangements.

3. The question of unfair competition with private enterprise must be considered from the standpoint of world conditions. The State is now assuming functions which would not have been considered legitimate in the days of laissezfaire and which may bring it into conflict with private enterprise. But that alone is no reason why these functions should be discontinued. Each case must be considered on merits. For instance, co-operative purchase and sale societies ought not to be discouraged because they compete with local tradesmen. Where private enterprise is lacking, Government have obviously a right and a duty to enter the field. Thus the development of Bihar *purdahs* and the like are legitimate functions of the local Government in this province.

*Central Provinces.*

This subject is hardly a live issue in the Central Provinces and Berar. There is no Government institution which manufactures articles exclusively for sale to the public. The Government Industrial Schools, the Reformatory School and the jail supply both Government and the public, but the jails restrict themselves to certain kinds of articles which are normally not produced by private enterprise, such as carpets, rugs, cane chairs of superior quality, etc. No complaint of competition with private sources of supply has been received.

*Mysore.*

The important industries in jails which are likely to compete with private enterprise are manufacture of furniture, weaving of cotton and woollen goods, rattan work, dyeing, etc. It has been an accepted principle that the jail industries should, as far as possible, try to meet the requirements of the Government Departments, and the goods made in the jail should not be put on the market at prices unfair to the private industrialists. The Government's requirements are many. The industrial activities of the jails are now restricted to the production of only such things as are either directly consumed by the prisoners themselves or cannot be produced by private people at lower prices.

2. The only Government concerns in Mysore similar to private concerns are the Silk Filature and the Soap Factory. These concerns do not compete with the private concerns. They were started as pioneering ventures and are continued in the general interests of the industries to maintain a proper standard and to facilitate further research. The Government Weaving Factory was closed when its continuance in the interests of the industry was found unnecessary.

*Jammu and Kashmir.*

There has been considerable feeling on this subject created on account of the protest raised by the Chambers of Commerce about

manufacturing work already undertaken by Government institutions. It must be made thoroughly clear that Government is a consumer like any other consumer and there should possibly be no objection to a consuming unit employing any constituent part of it for turning out the things it consumes. That is self-contained economy. Secondly, the State has got certain industrial institutions. Students are trained there in the technique of manufacture, in costing, and in marketing, and in order that the mechanic can be properly trained he has to have experience of manufacturing things on workshop basis. This experience the mechanic can never get by working on what one would call class-room or laboratory basis. He must carry out an order which an ordinary factory undertakes and learn to effect those economies and pay that attention to details the neglect of which brings about ship-wreck of many a trained student undertaking business. The only precaution one has to take is that the Government institution should not employ paid labour except that which is required for the purpose of training students; that is to say only that much of outside orders may be undertaken which would help in giving the necessary training to the students. Nothing more than this be attempted because then the Government institution would trench on the domain of private industry. It would be desirable to have a formula on some such lines as the following :—

- (1) Government requirements can be met by manufactures in jails or Government educational institutions ;
- (2) Outside orders should not be taken up by Government institutions unless and until the undertaking of that work is necessary strictly for the training of the students in those institutions. As far as possible paid skilled workmanship should not be employed in turning out these articles required to meet outside orders unless as a method of training of students.

*Travancore.*

At present there is no competition between private industry and jail products in the State as the jail products are consumed by the Government Departments, and their output is not of such proportions as to become a positive menace to private enterprise.

*Gwalior.*

The jail industries of various kinds are also maintained solely to infuse in the convicts a spirit of civilization and propensity for spending their after-jail life in industrial pursuits.

DISCUSSION.

(Panel No. I.)

Mr. T. Sloan, C.I.E., I.C.S. (Home Department, Government of India), Lieutenant-Colonel P. H. Watson (Army Department, Govern-



1933.]

ment of India) and Sir James Pitkeathly (Chief Controller of Stores, Indian Stores Department) were also present.

The Chairman said that it would be advantageous to divide the subject into two parts, namely jails and other Government institutions. The case of jails stood to a large extent by itself; the conditions of labour were peculiar and work had to be provided.

Mr. Advani said that in Bombay the policy of the Government was that the jails should confine themselves to cottage industries and their products should be made principally for the Government Departments. There was no power-driven machinery in any of the jails in the Bombay Presidency.

The Hon'ble Mr. Srivastava said that this problem was very serious in the United Provinces. Private enterprises were very indignant about jail competition. Jails manufactured mainly for Government Departments, but there was a surplus to dispose of in the market. The main question was whether the jails should be permitted to sell in a market at all, and if so, what should be the system of pricing. No jail in the United Provinces used machinery, but the woollen mills in that province had complained that a jail in Bihar and Orissa which had machinery was competing with their products.

Mr. Gokhale said that in Bihar and Orissa until recently all the output of the jails was purchased by the consuming Departments of Government. Recently there had been a complaint that, on account of the policy of the Indian Stores Department in giving out contracts on the basis of public tenders, the sale of jail goods had been adversely affected. The difficulty about fair and reasonable selling prices could be got over by a part of the order being offered to tenders in the open market. The jails should then be given the choice of accepting contract for the rest of the tender at the same rate. The consuming Departments should give preference to jail products and should place orders with jails for whatever they produced. Except for tents and blankets, there was practically no other article which came to the market to compete with private enterprise. The fear of jail competition in established industries was still more imaginary than real.

The Hon'ble Dr. Narang thought that the jail population must be provided with work and that work must be of a productive nature. Jails should not compete with private enterprise. The products of jails should be such as to supply the requirements of Government consuming Departments and the jail population itself. Besides, there were certain industries which private enterprise could not venture upon because they were attended with a certain amount of risk. The jails should

explore industries of this description, thereby becoming pioneers of industries.

The Hon'ble Rai Bahadur Jaiswal said there had been no complaint in the Central Provinces because jails produced only articles which were not produced by private enterprise.

The Chairman remarked that there was one possible objection to the Hon'ble Dr. Narang's suggestion about jails experimenting with new and untried industries. There have been complaints that the cultivator cannot produce in his private farms the conditions that obtained on Government model farms. On that analogy, the results obtained in the special conditions in jails would hardly appeal to private enterprise.

The Hon'ble Dr. Narang replied that the apprehension that existed regarding Government agricultural farms had now disappeared.

The Hon'ble Mr. Abdul Hamid said that there were no complaints in Assam. Jail population should be given some useful work, even if they competed with private enterprise.

Major Sir Hashmatullah Khan said that the prisoners in Gwalior were taught weaving and woodwork to make them useful when they left the jail. The carpets made in Gwalior Jail were of very good quality.

Mr. Pandya said that in arriving at the sale price the cost of labour was added and it was found that in Baroda the jail articles could not compete in the open market. The jails produced articles for the Government Departments and complaints have been received from the Departments that jail products were dearer than those from the market.

Mr. Rajagopalachari said that in Mysore the jails supplied only to the Government Departments. The Bangalore Jail manufactured high grade carpets which did not compete with private enterprise.

Mr. Mohammadi said that in Hyderabad there was a system of charging a certain amount for labour on the articles produced in jails. Except in the press, only hand-driven machinery was used and most of the products were sold to State Departments. It might be of advantage for jails, in certain cases, to take up industries which were run by private people, because they would then be training workers for industries outside.

Sir James Pitkeathly remarked that to the Indian Stores Department the question of jail tenders presented considerable difficulty owing to the conflicting interests of the jails and the private industrialists. His Department treated jail tenders in exactly the same way as tenders from other suppliers. If the jail tender was the lowest, the question which next arose was about the share of the business to be given to the

1933.]

*Private enterprise and Government institutions.*

97

jail. In deciding this, he took into account the various principles which had been laid down by the Government of India. The suggestions from Bihar and Orissa, for fixing the prices of jail articles, he thought, might punish the indenting Departments very heavily.

The Chairman explained that that suggestion might prove to be unworkable; the concerns tendering in such cases would make either very high tenders to penalize the Departments or very low ones to penalize the jails.

Mr. Sloan said that one of the principles laid down by the Government of India in regard to jail manufactures was that there should be consultation and co-ordination between Jails and the Industries Departments of the local Governments whenever any new industry was introduced and also that the Jail Department should consult the Industries Department on the prices to be fixed for all jail products. If these two principles were strictly followed, the difficulties which had been mentioned would probably disappear. From the jails' point of view, the problem was to find work for some 134,000 prisoners, the normal number employed in jails at any time. They have to be employed in work that would bring in some income so as to reduce the cost of jails and, further, the work should be such as will have some educative and reformatory effect on the men themselves. The primary principle followed in this connection is that the articles produced should be chiefly articles required for Government departments, the surplus being sold in the open market. In 1930, the Government of India made inquiries from local Governments and the replies showed that jails were finding great difficulties in disposing of their products. This showed that the allegation that jails were quoting the lowest price, because their labour was cheap, was unreal. As regards the suggestion that the Central Departments should consume the jail products in the same way as the Departments of the local Governments did, the matter was considered about a year ago and it was decided that the Indian Stores Department, which purchased all textiles requirements of the Army and other Departments of the Central Government, must conduct its transactions in accordance with strict business principles. Its duty was to purchase stores at the lowest price with due regard to delivery and quality. Tenders from jails were invited on every important contract and, when received, were considered on equal terms with those of other tenderers. It was impossible in the existing circumstances to accord to the jails any preferential treatment in this matter. The question of costing for labour in prices was investigated by the Government of India a few years ago. The local Governments' replies showed that in some provinces the costing system was being introduced experimentally. The indications on the whole were that jails were not underselling private enterprise. There might

be a few stray instances, but they were not numerous enough to justify an apprehension that private enterprise is endangered.

The Chairman then invited the Panel to proceed with the second part of the subject dealing with Government factories and workshops.

The Hon'ble Dewan Bahadur Reddiyar said that there was an engineering workshop in Madras which produced mainly for the Industries Department. There was also the Kerala Soap Institute at Calicut. This Institute attracted students from different provinces, even from as far as the Punjab. The object of the Institute was to train apprentices for soap making, and there were now about 100 soap factories started by persons trained at this Institute.

The Hon'ble Dewan Bahadur Kambli said that there was a Government workshop in Bombay Presidency for the Public Works Department. Work for private parties also was done at this workshop. There were workshops too attached to the School of Arts in Bombay and to the College of Engineering at Poona and several weaving schools. All these were purely educational institutions and their output was small. No complaint had been received alleging competition with private enterprise.

The Hon'ble Mr. Srivastava said that there was no Government factory in the United Provinces. There were some technical schools about the sale of the products of which there had been complaints from private enterprise. The furniture-making school at Bareilly had a surplus after supplying the needs of the Government Departments. Outside orders for this School have now been stopped as far as possible.

Mr. Gokhale said in Bihar and Orissa there were only the Cottage industries Institute and a few technical schools. There have been no complaints of unfair competition from private enterprise. The Purdah Section of the Cottage Industries Institute exports about Rs. 1,20,000 worth of purdahs every year. An attempt was made to hand this over to some private firms of good standing, but although it yields a net profit of Rs. 20,000 per annum, no commercial firm has so far come forward.

The Hon'ble Dr. Narang said that the Punjab Government started a tannery a few years ago at a cost of about Rs. 4 lakhs. It worked at a loss and last year it was sold at 25 per cent. of its initial cost. The Weaving Institute at Shahdara had an educational side and a commercial side. The weaving workshop there wove 5,000 to 6,000 lbs. of yarn every week. It was not paying up to 1932, but the last balance sheet showed a small profit. Most of the technical schools in

the Punjab had weaving as an essential part of their curriculum, and were purely educational institutions. There were metal institutes, also educational, at Ambala and at Sialkot. The Woodwork Institute at Jullundur was equipped with machinery and the furniture made there had a ready sale in the market. There were no complaints against any of these from private manufacturers.

The Hon'ble Rai Bahadur Jaiswal said that in the Central Provinces there were three schools of handicrafts and a reformatory school. The articles produced in them are sold to the public without any complaints.

The Hon'ble Maulvi Abdul Hamid said that in Assam there were two technical schools with workshops attached to them. Fifty per cent. of the sale proceeds of these institutions went to the students. There were also two weaving schools for cotton and silk. No complaint has been received.

Nawab Rais Jung Bahadur said that a soap factory in Hyderabad was started as a demonstration factory. There was also a mint workshop where work was done for the Government Departments besides a Cottage Industries Institute, a Carpet Factory and a Central Press.

Major Sir Hashmatullah Khan said that there was a big workshop in Gwalior which did not pay up to 1931. Then it was amalgamated with a railway workshop and the result last year had been satisfactory. The State had three factories: one for leather tannery and two for potteries, one in Gwalior and one in Delhi. With the exception of the Delhi factory, the others were running at a loss. Unless some concessions were granted by the railways in freight and protection was given against Japanese competition, the outlook for these factories was not hopeful. These factories were not for demonstration.

Mr. Rajagopalachari said that in Mysore there were a large number of State concerns. There were complaints against the Industrial Workshop that it competed with private enterprise. The other concerns included a soap factory, a silk factory, a porcelain factory, iron works, etc. The iron works were maintained as a key industry for the State. Most of the concerns were started and are being managed by the State because private enterprise was not forthcoming either to start them, or to take them over from the State after they had been started.

Mr. Pandya said that there was no State factory in Baroda competing with private enterprise.

Mr. Pillay said that in Travancore the State factories and workshops were manufacturing articles for Government Departments only.

The Chairman summarized the conclusions in the following terms :—

- (1) The general conclusion on the question of jail competition with private enterprise is that there is no sufficient ground for a modification of the policy of the Government as stated in paragraph 1 of the Government of India Memorandum.
- (2) On the question of Government factories and workshops competing with private enterprise, the discussion showed that this subject was not a live issue in the Provinces and States. It appeared from the information available that, with the exception of a few pioneer factories, local Government and State factories and workshops existed purely for departmental training or demonstration purposes and that their competition with private enterprise was negligible.

1933. [ *Preparation of annual reports.*

101

*Friday, July 14th, 1933.***IX.—PREPARATION OF ANNUAL REPORTS OF INDUSTRIES DEPARTMENTS ON UNIFORM LINES.****MEMORANDA.***Madras.\**

It is no doubt desirable that, so far as possible, the annual reports of the several Departments of Industries in India should be drawn up on uniform lines, but the difficulty is that the activities controlled by these Departments differ widely in the various provinces. In some provinces Boiler, Factory, and Electrical Inspection are under the Director of Industries, whilst in others, including Madras, this is not the case. Again in some provinces both Technical and Industrial Education are under the Director of Industries, but in Madras the Department of Industries is responsible solely for Industrial Education, the control of Technical Education vesting in the Department of Public Instruction. On the other hand an important activity of the Madras Department of Industries is the control of pumping and boring operations, though in other provinces where an organization exists, for this purpose, the control vests, it is believed, in the Department of Agriculture. The difficulty of preparing the annual reports on uniform lines in the various provinces will be apparent from the foregoing although so far as possible it is desirable for them to conform to a common plan and arrangement. A uniform year should be adopted for the reports and this could most conveniently be the official or financial year.

*United Provinces.*

In order to facilitate comparative study, referencing and compilation, it would be convenient to have the usual subject-matter of the annual reports of the provincial Departments of Industries cast on uniform lines. The treatment might be different but the presentation might be on some uniform scheme—special features being relegated to a separate chapter.

A further question in this connexion is a periodical (quin-quennial) All-India report, presenting a comprehensive picture of developments in the field of industry and the connected trades and of the action taken in the different Provinces and States to encourage industrial development.

*Bihar and Orissa.*

This item was discussed at the Third Conference of Departments of Industries in May, 1921. It was then generally agreed :—

(i) that the official year should be adopted, and

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\*Prepared by the Director of Industries.

(ii) that it would be an advantage if these reports followed the same order.

The first recommendation has been adopted. As regards the second, the annual report in this province is arranged as follows :—

- I. Organisation, staff and tours.
- II. Technical education.
- III. Industrial training—teaching of handicrafts and cottage industries.
- IV. Sericulture.
- V. Industrial Engineering and Chemical Service.
- VI. Financial assistance to industries.
- VII. Progress of Fisheries.
- VIII. Enquiries relating to commercial and industrial intelligence.
- IX. General review of the economic position of the province during the year.
- X. Conclusion.

Further uniformity might be desirable by having specific separate headings for important subjects like exhibitions and fairs, facilities for marketing and the extent to which students who have received technical training are able to secure profitable employment on completion of their course.

#### *Central Provinces.*

The provincial report has recently been limited on grounds of economy to 16 pages. It deals with the following subjects which are under the control of the Director of Industries :—

Boilers ; Factories ; Electricity ; Industrial Education ; Reformatory School, Jubbulpore ; Industrial and Technical Scholarships ; Textile Branch including the printing and dyeing industry ; Leather Tanning School ; Emporium ; Museum ; Trade Statistics ; Condition of organized industries in the province ; Commercial and Industrial Intelligence ; Indian Trades Union Act ; Trade Disputes Act ; Industrial disputes or strikes and Cost of living index numbers.

Separate reports are published for Boilers (triennial), Factories (annual), Museum (triennial), Trade Unions Act (annual), and Trade Disputes Act (annual). Hence only brief references are made to these subjects in the industries report.

2. Reports of other provinces are on similar lines except that the information under certain heads is more detailed and that addi-



1933.]

*Preparation of annual reports.*

103

tional subjects such as aided technical institutions, sericulture, engineering, etc., find places in some of the reports.

3. It is to be doubted whether it is either desirable or feasible in the present circumstances to secure uniformity in these reports. Firstly, the matters under the control of Directors of Industries vary from province to province ; secondly, some provinces have more highly organised industries to which more prominence has rightly to be given in their reports ; and thirdly, particular industries in some provinces are being developed or improved by local Governments, *e.g.*, the soap and textile industries in Madras.

4. There is scope to secure greater uniformity from province to province in the Departments of which Directors of Industries are in charge. When this has been done the question of standardizing the annual reports can be examined.

## DISCUSSION.

(Panel No. II.)

Dr. D. B. Meek, C.I.E., O.B.E. (Director-General of Commercial Intelligence and Statistics, Government of India), was also present.

Mr. Shah thought that the object in view was to have as far as possible, a uniform Table of Contents. The peculiar features of individual provinces—for instance, the Stores Department in the United Provinces—might be relegated to special chapters towards the end. There should be a chapter relating to “Industrial Development” to make it easy for the readers to find out what each province was doing, without having to go through the whole report.

Mr. Lall said that provincial reports should also give an account of the extent to which the students who had received technical training had been able to secure employment and an account of the facilities available for marketing. Further, if any exhibitions were proposed to be organized, they should be announced in the annual report of the previous year to secure wider publicity and to make it possible for other provinces to co-operate.

Mr. Bhalja thought that all the reports should be on uniform lines and the subjects which were common to all provinces should come first, followed by subjects which were distinctive to each province.

Rai Bahadur Lala Ram Lal thought that it was not possible to have a uniform report in all the provinces because the activities of the Industries Departments in the provinces varied.

Mr. Dutt agreed that the standardization of the report would present great difficulties. He thought that each province should have latitude in drawing up its own report.

Dr. Meek said that as the object was to find out what was being done in every province, the report should have a full and complete index.

Mr. Shah suggested for consideration the issue of a Quinquennial Review on the same lines as the Quinquennial Review of Educational Progress in India.

Mr. Clow said that the only review of this kind published by the Government of India was "The State and Industry" which was prepared by him. He was placed on special duty for three months to do that work, but an officer preparing a second issue should not take the same amount of time.

Mr. Shah suggested that the Department of Industries and Labour, or any other appropriate Department of the Government of India, should undertake a review of industries, industrial developments and State aid to industries in various forms.

Dr. Meek thought that this work was more suited to private individuals. The material were available in the annual reports of the provinces.

Mr. Shah thought that such a compilation would only give a review of the work of the Departments of Industries in the provinces. The most important subject of State aid would be left out, because questions like tariffs, etc., were outside the competence of the provinces.

Mr. Clow thought that it was desirable to review from time to time, perhaps at intervals of five years, the industrial development of the country as a whole.

Dr. Meek said that a Quinquennial Review might be left over until more co-operation had been achieved among provinces by means of Conferences like the present one.

The Chairman summed up the general conclusions in the following terms :—

- (1) The annual reports of the Industries Departments in the provinces should be prepared on the basis of the financial year.
- (2) Variations in the activities of the various Industries Departments are too great to make it possible to prepare the report of all provinces on uniform lines.
- (3) The reports should preferably be printed in 8vo size.
- (4) Every report should have a detailed index, in addition to the table of contents.
- (5) It is desirable to have an All-India review from time to time, e.g., at intervals of 5 years, of industrial development and State action in respect of industries.

1933.

*Trade Commissioners.*

105

*Friday, July 14th, 1933.***X.—UTILIZATION OF SERVICES OF TRADE COMMISSIONERS.****MEMORANDA.***Government of India.*

With a view to meeting the increasing competition which the Indian export trade has to face in Western markets and to develop new markets nearer India, a scheme was sanctioned in 1930 for the creation on a temporary basis of Indian Trade Commissioners at Hamburg, Milan, New York, Alexandria, Durban and Mombasa (in addition to the Indian Trade Commissioner in London). In pursuance of that scheme, an office was opened at Hamburg in 1931 under the charge of Mr. S. N. Gupta, I.C.S., as Trade Commissioner, and another officer selected for the post at Milan has been placed under training in the Department of Commercial Intelligence and Statistics, Calcutta. But it has not been possible so far to open the Milan office or to proceed further with the scheme owing to the prevailing financial stringency.

2. The principal duties of Indian Trade Commissioners are :—

- (a) to answer trade enquiries which are directed to the development of markets for Indian goods ;
- (b) to compile an index of local firms of good standing dealing in goods such as India produces or could produce ;
- (c) to furnish commercial information directed to the development of Indian export trade required by the Government of India, local Governments, Indian States, or the High Commissioner ;
- (d) to report local developments likely to affect Indian trade ;
- (e) to represent to local firms the means of securing suitable Indian goods ;
- (f) to test the local markets for Indian goods by means of trial consignments, if so desired ;
- (g) to assist visitors engaged in the development of Indian trade ;
- (h) to take such steps as are possible to settle trade disputes arising in his area involving claims by merchants in India ;
- (i) to maintain a library of Indian trade publications ;
- (j) to organise exhibits of Indian goods at local exhibitions or fairs ; and

- (k) to represent the possibilities of Indian trade by means of lectures, the display of films and other suitable methods.

*Madras.\**

The primary object of the Indian Trade Commissioners is, it is understood, to maintain and extend India's commercial influence in foreign markets and to study foreign demands for goods which India can supply. During the year ended March 31st, 1933, nine enquiries were addressed to the Trade Commissioners at London and Hamburg by the Madras Department of Industries. These enquiries included the uses to which Japanese bamboos are put in Europe and the demand in the United Kingdom, and in some cases other markets also, for cashew kernels, granite curb stones, carved cocoanut shells, tapioca, plantain meal, rice bran, etc.

2. It is considered that one of the important functions of Trade Commissioners should be to study closely trade agreements and treaties entered into by India with other countries so as to ensure that the maximum possible benefits accrue from them, in the shape of an extension of the existing trade in some products and the opening up of a market for others. As a result of the Ottawa Agreement various preferences have been granted to India and it is very desirable that the utmost possible advantage should be taken of them. A case in point is groundnut oil which receives a preference of 15 per cent. A study of the statistics in regard to the several classes of vegetable oils imported into the United Kingdom shows that in 1931, the United Kingdom imported unrefined groundnut oil to the value of £317,814 of which £302,661 were derived from foreign countries, and £15,153 from British countries. Included in the former was a quantity of 5,921 tons valued at £138,057 from China. If China can export successfully to the United Kingdom unrefined groundnut oil there seems *prima facie* no reason why India should not do so. Accordingly the Indian Trade Commissioner has been asked to supply the Madras Department of Industries with as much information as possible in regard to the organisation of the trade between China and the United Kingdom in unrefined groundnut oil, and in particular as to the kind of containers in which the oil is sent from China, as also a list of importers in the United Kingdom. This example has been given merely to illustrate the way in which the services of Trade Commissioners abroad can, it is suggested, be utilised to advantage by provincial Departments of Industries.

*Punjab.*

Although the Government of India have agreed in principle to the appointment of Trade Commissioners in foreign countries, the

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\*Prepared by the Director of Industries.

1933.]

*Trade Commissioners.*

107

practical response has been somewhat halting possibly on grounds of economy.

2. It is stated under item XI A headed "Appointment of Indian Trade Commissioners in foreign countries" appearing in the proceedings of the Third Conference of the Departments of Industries that the specific duties which the Indian Trade Commissioners should perform in foreign countries would include, amongst others, the following—

"C. Finally, he would be able to assist with information of value to industrial development in this country. This is a question of particular relevancy to the present Conference. His activities under this head would follow two main lines. In the first place, he would report industrial developments in the country in which he is serving where such reports are likely to be of value to India. Secondly he would make a survey of the raw materials imported from India, and would report in detail processes employed abroad in working up such materials into manufactured articles. This information would be of value to manufacturers in this country, who could adopt these processes stage by stage, with a view ultimately to the export of finished goods in place of raw materials."

It appears, however, that the principal duties as laid down by the Government of India in the "Instructions" as actually issued, *vide* pages 5 and 6 of the Report on the work of the Indian Government Trade Commissioner, Hamburg, do not contain any reference to the duties as suggested in the Third Conference quoted above. It is for consideration whether in view of the peculiar position of India the Indian Trade Commissioners should not make themselves more useful by furnishing the information on the lines suggested above. It is also for consideration whether the Indian Trade Commissioners could not have been more useful. They do not appear to be in sufficient touch with the provincial Departments of Industries. If there were a closer connection between the Departments of Industries and the Indian Trade Commissioners, the Directors of Industries would be in a position to acquaint the Trade Commissioners with conditions prevailing in their provinces with regard to the availability of raw materials, prospects of exports of commodities and finished goods and new industrial developments, and the Trade Commissioners on their side would be able to advise the Departments of Industries as to the commodities and finished goods which could profitably be exported to their countries. They could help the Indian manufacturers and industrialists in selecting suitable types of plants and machines for various industries according to necessity. If it is agreed that Indian Trade Commissioners should be helpful in further-

ing industries of their country it is for consideration whether they should not be made to cultivate an industrial mentality which can be acquired by work in an Industries Department for a certain period before appointment as a Trade Commissioner.

*Bihar and Orissa.*

Trade Commissioners can be of immense assistance in securing a foreign market for Indian arts and crafts. The Trade Commissioner in the United Kingdom has taken keen interest in the export of Bihar textiles and the suggestion made by him for the establishment of a combined warehouse and show room in London for the display of Indian goods deserves serious consideration. The proposal involves capital and recurring expenditure which should not press heavily on individual local Governments, if others co-operate. Such a scheme is necessary if the Trade Commissioner is to be in a position to develop foreign markets for Indian arts and crafts.

2. The Trade Commissioner is also of assistance in giving timely intimation of exhibitions and fairs in other countries. To some of these exhibitions and fairs this Government has sent exhibits with profitable results.

3. Difficulties have sometimes been experienced in securing practical training abroad for technical scholars particularly in factories and workshops. The Trade Commissioner, in consultation with the Director-General, London Stores Department, might be able to overcome these difficulties.

*Hyderabad.*

For the development of export trade, the services of Trade Commissioner are quite essential. The State is greatly interested in sending its marble out, of which it has large deposits of excellent quality and variegated hues.

*Mysore.*

Government have appointed a Trade Commissioner for Mysore in London. He helps the Government Departments with regard to the purchases of their requirements and businessmen in finding a market for their goods in London or in purchasing machinery required by them. The Trade Commissioner also keeps himself in touch with scientific and technical developments in foreign countries. He selects and forwards commercial and industrial information that might be required by Government Departments and the public.

DISCUSSION.

(Panel No. II.)

The Hon'ble Mr. T. A. Stewart, I.C.S. (Commerce Department, Government of India) and Dr. D. B. Meek, C.I.E., O.B.E. (Director-General of Commercial Intelligence and Statistics) were also present.

1933.]

*Trade Commissioners.*

109

The Hon'ble Mr. Stewart said that the comparatively slow progress in the scheme of appointing Trade Commissioners in foreign countries was due mainly to financial difficulties of the Central Government. While he could see no objection to amending the instructions to provide for direct official correspondence between the Directors of Industries and the Trade Commissioners, it did not seem altogether desirable that, in communicating with the Trade Commissioners, the Director-General of Commercial Intelligence and Statistics should be short-circuited. The latter had a considerable mass of commercial intelligence in his office and at times the inquiries from the Directors of Industries could be answered by him without unnecessary correspondence outside India.

Dr. Meek emphasized this consideration by adding that in his opinion in 95 cases out of 100 the information could be obtained from his office at Calcutta. A copy of every letter sent by the Trade Commissioner was kept in his office properly indexed. From these, it should be possible to obtain information more readily than by direct communications with the Trade Commissioners.

Mr. Shah pointed out that inquiries about financial status or technical capacities of firms abroad and similar questions were not likely to be answered by a reference to Calcutta.

Mr. Clow suggested that the Directors of Industries should be able to correspond directly with the Trade Commissioners, but should not ordinarily ask for information without consulting the Director-General of Commercial Intelligence and Statistics.

The Hon'ble Mr. Stewart referred to the question raised in paragraph 2 of the Memorandum from the Punjab about the activities of the Trade Commissioners and remarked that the present instructions relating to Trade Commissioners were drawn up in 1931 in view of the prevailing circumstances. It was undesirable to ask the Indian Trade Commissioners to undertake any activity which could possibly be construed as in the nature of industrial spying. To attempt such work would almost destroy their utility.

Rai Bahadur Lala Ram Lal pointed out that German Trade Commissioners and Consuls had been found to be of considerable assistance and there had been no trouble of complaints of industrial spying. He added that it was desirable that the number of Indian Trade Commissioners should be increased and that they should make themselves more useful.

Mr. Shah inquired whether private persons could address inquiries to the Trade Commissioners.

M154DIL

Dr. Meek replied that the Trade Commissioner's reply to such inquiries is sent to his office to be passed on to the inquirer.

The Chairman summarized the general conclusions as follows :—

- (1) In the instructions to Trade Commissioners it should be made clear that the reference to local Governments and Indian States includes the Heads of Departments of such Governments and States.
- (2) It is desirable that Directors of Industries should have information of replies sent by the Director-General of Commercial Intelligence and Statistics to inquirers in their Provinces and States.



Saturday, July 15th, 1933.

## XI—ENCOURAGEMENT OF EXHIBITIONS AND INDUSTRIAL FAIRS.

### MEMORANDA.

#### Government of India.

Broadly speaking, exhibitions may be roughly divided into three classes :—

- (i) permanent exhibitions ;
- (ii) long period exhibitions extending from six months to a year ; and
- (iii) short period exhibitions lasting from a few days to a few weeks.

The objects of these various types of exhibitions are different. The permanent exhibitions, which are more in the nature of museums, are mainly of an educational or cultural value. Long period exhibitions are a mixture of the museum and short period types. The object of such exhibitions also is on the whole mainly educational though advantage is taken of the collection of exhibits to bring purchasers and producers together in varying degrees. It is, however, difficult to keep interest alive in exhibitions of this kind for a period of more than a month or six weeks. As regards short period exhibitions, they are principally organised for the purpose of bringing the producers and purchasers together to transact actual business.

2. The Stores, Printing and Stationery Sub-Committee of the Retrenchment Advisory Committee in dealing with the Indian Stores Department made the following recommendation :—

“ The idea of an organised display of India's important manufactures should be fully developed and the Indian Stores Department should establish in due course a Central Exhibition of Indian manufactures at a place in New Delhi in charge of an intelligent officer of the Department.”

The recommendation is at present under the consideration of the Government of India, who are provisionally of the view that exhibitions which are of a permanent nature or extend over long periods are not likely to serve any useful purpose. If exhibitions of any kind are to be organised which are likely to prove useful to Indian industries, a display of India's important manufactures might, instead of taking the form of a *standing* exhibition (which tends to become a mere museum) be more on the lines of an annual fair like the British Industries Fair in England. The principal object of

such an exhibition would be to bring the producers and dealers into contact with each other. The exhibition would be open to the public but it must be remembered that the sale of a few odd articles to the public in general is not likely to be of much value in the development of industries or the development of markets for industrial products.

3. The Government of India are also provisionally of opinion that the organisation of industrial fairs or exhibitions should be primarily the concern of the business interests concerned though in the initial stages Government might assume a certain amount of liability as a guarantor reserving the right of control over the finance of the exhibition.

#### *Madras.\**

One of the recommendations of the Indian Industrial Commission was that Departments of Industries should organise and take part in exhibitions, and it is recognised as part of the policy of the Madras Department of Industries that the organisation of industrial and agricultural exhibitions at district headquarters or other suitable places should be encouraged and assisted as far as possible. A great deal of public interest is almost invariably evinced in the departmental exhibits and it has been found that, as a result of the publicity given to the facilities offered, the services of the Department have been more frequently resorted to in the districts concerned.

2. In view of the industrial development that has taken place in India during the last few years, it would seem advantageous to hold at periodical intervals an All-India Industrial Exhibition or Fair at which manufacturers could exhibit their goods and improved machinery and appliances for carrying out various agricultural and industrial operations and processes could be displayed and demonstrated. The question whether Indian goods could not with a view to developing trade be sent in greater quantity and variety to international exhibitions and fairs in overseas countries is also worthy of consideration. The British Industries Fair and the Leipzig International Industries Fair, as well as other international fairs and exhibitions held in the last few years, have been brought to the notice of firms in this Presidency and their attention invited to the advantages of participating in them, but the response has been disappointing.

#### *Bombay.\**

The value of exhibitions to industries cannot be over-estimated. In many industrial countries Industrial Fairs are regularly held by the Governments concerned. In England the Board of Trade organises each year British Industries Fair in London and Birmingham. It is suggested that the Conference should consider as to whether the various Departments of Industries can undertake

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\*Prepared by the Director of Industries.

the work in connection with Industrial Exhibitions in India. This work may be classified under two headings : (1) Annual All-India Exhibitions, and (2) Work of co-ordination in connection with smaller exhibitions held by private or semi-government bodies.

2. As regards the Annual All-India Industrial Exhibitions, it is suggested that each year or each alternate year there should be an All-India Industrial Exhibition organised by one or the other of the Departments of Industries in British India in rotation. For instance, in one year it may be organised in Calcutta, the following year it may be organised in Bombay, Cawnpore, Lahore or Madras, etc. In each case the exhibition should be organised by the Department of Industries. Government of India should give a guarantee to meet the deficit, if any, upto, say, Rs. 50,000 and the local Government should give a guarantee to meet the deficit, if any, upto, say, Rs. 25,000. This guarantee will be enough to enable the organising Department to get the necessary finance from a Bank for the purpose of meeting initial expenses. If the exhibition is properly organised there is no reason why either of the Governments should be called upon to make good any part of their guarantee. Under this scheme while the Director of Industries of the province whose turn it is to organise the exhibition will be responsible in conjunction with the local Exhibition Committee to organise it, the Directors of Industries in other Provinces will bring the exhibition to the notice of industries and institutions in their provinces and act as local agents in every respect for the organising Director of Industries. Under this method the exhibition will be really of an All-India character.

3. As regards work of co-ordination of local exhibitions, there has been of late a tendency on the part of the public to organise small Industrial Exhibitions haphazard. These shows are given grandiose names such as "All-India Industrial Exhibitions" when actually they are comparatively very small concerns embodying a small number of firms. The question to consider is whether it is feasible for the local Department of Industries to act as a co-ordinating agency for the exhibitions held in the province, with a view to ensure that they are organised on some standardised methods and under generally accepted rules and conditions. If this is done, the co-ordinating agency would only recognise those exhibitions which are held at relatively important centres of trade, which make no distinctions as between one prospective exhibitor and another, and give a correct idea in their printed literature of their magnitude and scope. It would arrange so that exhibitions in the different centres are held at different times of the year. If this is done there can be little doubt that larger number of concerns will with greater confidence take part in these exhibitions than is the case at present and the value of these local exhibitions to local industries will by this means increase very considerably.

*Punjab.*

The Indian Industrial Commission recommended that the holding of industrial exhibitions and the management of commercial and industrial museums should form one of the important functions of the provincial Departments of Industries. In the Punjab the Department encourages the holding of small scale exhibitions of local industrial objects on the occasions of fairs, etc., and it is under consideration to hold a provincial Industries Fair next winter. It is considered, however, that this does not go far enough, and falls much short of the actual requirements and what, for instance, other countries are attempting in this behalf. They have regular international or countrywide Industries Fairs. The United States of America is at present arranging an International Industries Fair at Chicago. In England they hold the British Industries Fair every year. Similarly in Germany they hold an annual Industries Fair known as Leipzig Fair, and in Austria they hold the Budapest Industries Fair, and so on. Some of these fairs attract trade buyers from many parts of the world. In India attempts are at times made by private enterprise to hold industrial fairs but owing to their limited financial resources they cannot achieve the same good results as would have been possible if they had been held under the auspices of the Government of India. The reason for the non-participation of the Government of India in this matter possibly appears to be the fact that "industries" is a provincial subject, but as an All-India Industries Fair will help not only local industries but also the trade and commerce of the country, the furtherance of which is one of the primary functions of the Government of India, it appears to be their duty to take up this matter. It is important to bear in mind in this connection that India is necessarily a country of cottage industries, and that owing to their poor finances the cottage workers cannot afford the expense necessary to advertise their wares adequately, or to study and compare the work of other workers in the same line, with the result that many an enterprising venture dies an unnatural death owing to want of encouragement in this direction. The Government of India have, in the past, encouraged participation in the Fairs held outside the country, but it appears to be more important to have an All-India Fair, which, it may be hoped, will in course of time attract trade buyers from other countries.

*Bihar and Orissa.*

The Wembley Exhibition and the annual British Industries Fair prove what an important part exhibitions and industrial fairs play in the development of industries. The Wembley Exhibition enabled the province to find a market in Europe for its textiles made by handloom weavers, and the subsequent growth of this market may be attributed to participation in the British Industries Fair and in foreign exhibitions at Leipzig, Budapest and Lyons.

2. India is capable of producing a large number of articles of every day use which she is still importing in large quantities and a wide expansion of Indian production may be achieved by following the example of the British Industries Fair and holding similar fairs and exhibitions in India. In recent years a number of such exhibitions by private organizations and individuals have been held which show the awakening of industrial consciousness. Unfortunately, Government have done nothing and, with few exceptions, private enterprise has been haphazard and disorganised. So far as this province is concerned, the few minor exhibitions held were generally organised in haste with inadequate advertisement and inadequate preparation.

3. There is no reason why Government should not take the initiative in organising provincial exhibitions on a large scale with representative committees consisting of officials, industrialists and the public. Provincial exhibitions are, however, mainly of local importance and they should be supplemented by central exhibitions in which the Central and Provincial Governments should co-operate. It is suggested that, in the course of the next two years, provincial exhibitions should be organised by all local Governments followed by a Central Exhibition at Delhi organised by the Government of India acting in co-operation with local Governments, leading commercial and industrial organisations and representatives of the public. The experience gained would determine how these exhibitions should be run in future. But it is necessary that central exhibitions should be held periodically and that the venue should be changed each time, if the best results are to be secured.

#### *Central Provinces.*

No industrial exhibition has been held under the auspices of the Central Provinces Government since 1908. The industrial products of the province do not justify the holding of exhibitions at regular intervals. But agricultural shows and fairs organized by local bodies and associations in co-operation with the district officials are held periodically, and advantage of these is taken to show the articles manufactured in the industrial schools and to demonstrate modern methods and appliances.

#### *Assam.*

In addition to having provincial shows at shorter intervals, it is necessary to hold All-India Exhibitions and Industrial Fairs in suitable centres if not annually at least once in two years.

2. The All-India Cottage Industries Exhibition held in Patna in 1921 was a success. Such exhibitions were discontinued on financial grounds but their utility had never been doubted. Even now with the prevailing trade depression, it is necessary to hold such exhibitions and fairs to advertise the products of the manu-

facturers and cottage workers as widely as possible. An exhibition of a representative character, besides helping to co-ordinate the departmental activities of the various provinces, will furnish useful information to the industrialists, which otherwise could not be gathered without much trouble and loss of time. Such meetings will encourage a healthy spirit of rivalry amongst the workers and thereby bring about a general improvement in the quality of their products.

3. During such exhibitions, a conference of experts entertained by the provinces, to discuss common technical problems in detail and compare notes of their work, besides keeping the officers informed of the successes achieved by the different experiments tried, may help them in avoiding failures.

#### *Mysore.*

Every year an All-India Industrial and Agricultural Exhibition is held during the Dasara Season. Local bodies also arrange District and Taluk Exhibitions on the occasion of important Jattras or Fairs. The exhibitions and fairs mainly serve for publicity and sale. They are not oriented towards the effective utilisation of the available resources of the tract and of the latent technical ability of local people.

#### *Travancore.*

The Department conducts an annual agricultural, Industrial and Art Exhibition in co-operation with other Government Departments and also gives grant to local exhibitions organised by private bodies during festivals and fairs in various parts of the State. The State also invariably participates in exhibitions conducted outside the State.

#### *Gwalior.*

Annual Fairs are held in important centres of the State, in which the concession of half customs duty is given to the traders who bring their goods for sale. In Gwalior, Agricultural Exhibition is also held during the fair and pucca buildings have been provided in place of stalls in order to save the traders from winter rains. It will be advisable to hold exhibitions in every province after five years; so it is very important to hold annual fairs in important towns as is done in Gwalior where it has been very successful both from commercial and financial point of view. Much of the success attendant on these fairs depends of course on the transport facilities and if the railways manage to offer reduced freights for all goods coming to the fairs a great impetus to the revival of trade will be assured.

1933.]

*Exhibitions and Industrial Fairs.*

117.

## DISCUSSION.

*The Conference met at 10 A.M.*

Dr. Meek said that the Commerce Department of the Government of India had taken steps to obtain information from the High Commissioner for India in London regarding British Industries Fair in England with a view to considering further the recommendations of the Stores, Printing and Stationery Sub-Committee of the Retrenchment Advisory Committee, mentioned in paragraph 2 of the Government of India Memorandum.

The Hon'ble Dewan Bahadur Reddiyar said that in Madras the Government did not at present organize exhibitions but there were a number of exhibitions held in the Presidency in which the Government participated by sending exhibits from Agricultural and Industries Departments. He advocated an exhibition on an All-India scale, to be held annually in different provinces by rotation. The Government of India, in his opinion, should organize these exhibitions, if there were no constitutional objections.

Mr. Advani agreed that once a year, or once in two years, industrial exhibitions of an All-India character should be organized in the provinces by rotation, the local Governments and the central Government co-operating financially. He also suggested co-ordination between exhibitions at present being held in various parts of each province.

Mr. Dutt supported the proposal of an All-India exhibition and also suggested that the Government should help exhibitions conducted by private agencies. Government should send exhibits wherever it was possible.

The Hon'ble Mr. Srivastava endorsed generally the views expressed by Mr. Dutt.

Mr. Lall thought that exhibitions should be held for the purpose of bringing buyers and sellers together. There should be an exhibition of an All-India character and as a preliminary to that it was desirable that the provinces should have small exhibitions of their own. A start should be made with short-term exhibitions, and the site of the exhibition should be changed from time to time from one province to another. If there were constitutional objections to the Government of India running exhibitions at provincial centres, the exhibition might be left to the local Governments concerned to organise but the Government of India should act in co-operation with them. The establishment of a central co-ordinating agency, he thought, would assist exhibitions by providing a suitable agency for their management. He was doubtful if a private

organization would be able to run an exhibition efficiently without Government assistance. The Provinces and the Government of India should co-operate as regards the finances.

The Hon'ble Dr. Narang thought that local Governments should arrange exhibitions, in co-operation with private organizations if necessary, once a year, or oftener if funds permitted, and the central Government should hold one big exhibition at a central place once a year, in which co-operation of all the provinces should be invited.

The President was doubtful whether an annual exhibition in Delhi and an annual exhibition in each province would not impose too great a strain both on the Government of India and on the local Governments and whether it was not better to hold a fairly big exhibition in rotation in the different provinces, the Government of India coming in in their turn.

The Hon'ble Dr. Narang said that that would be better than having no exhibition, but the Government of India should not withhold their co-operation and assistance from provincial Governments when they were holding exhibitions in their own provinces. The cultural and educational value of exhibitions should not be ignored, but the commercial aspect should be emphasized, as there were no proper marketing arrangements in India.

Mr. Bhalja said that the Central Provinces being mainly an agricultural province could not afford to hold an industrial exhibition every year. Agricultural exhibitions were held in connection with local fairs annually throughout the province and to these exhibits were sent from the Departments of Industries. Neighbouring provinces might co-operate with advantage in provincial exhibitions. An All-India exhibition under the auspices of the Government of India, held in various provinces in rotation, would be the best plan. The provincial Departments of Industries should be made to act as the agent of the Central Government to organize the exhibition, the Government of India meeting the greater portion of the cost. He thought that too frequent exhibitions would deteriorate into ordinary fairs. It was better to hold the exhibitions once in two years or even once in five years. Non-official organizations holding exhibitions should also be helped by local Governments by sending exhibits and by making small grants.

The Hon'ble Maulvi Abdul Hamid said that local fairs were held in Assam, but an All-India exhibition under the auspices of the Government of India, by rotation in different provinces, should be preferred. He was opposed to provincial exhibitions as his experience showed that such exhibition lost all interest after two or three weeks. The possibility of financial loss could be reduced by selecting a suitable centre.



Major Sir Hashmatullah Khan said that in addition to an agricultural exhibition, an All-India exhibition was held in Gwalior every 5 years. In the districts, annual fairs were held under the management of local officers and the cost was met from the rent of shops and the receipts from the customs duty. These fairs had been a great success.

Mr. Pillay said that the Government of Travancore participated in the exhibitions held in British India and in the United Kingdom, whenever it was possible. The proposed All-India exhibition, he suggested, should be held in Delhi once in three or five years, to avoid the strain on the provinces.

Mr. Pandya said that Baroda would be prepared to participate in an All-India Industrial Exhibition. Baroda had a long experience of exhibitions and a large industrial exhibition, combined with an agricultural show, was organized in 1911. In 1923, an industrial exhibition was organized through a private agency to which the Government gave a subsidy. In 1932, a large exhibition was held at Government expense. He commended the model of the Leipzig Fair and suggested that provincial Governments might set aside suitable sites, provide the buildings and start the nucleus of a show to be developed later on. An exhibition lasting a week or 10 days once or twice a year should meet the present purpose.

Mr. Rajagopalachari said that in Mysore annual exhibitions were held since 1907, except for an interruption of 8 years. The educational object was kept closely in view along with the desire to bring the buyers and sellers together. There was a rule that sales should take place only to a very small extent, sales being generally postponed to a date later than the close of the exhibition. Special arrangements were made for the exhibition of machinery. During the last two or three years the exhibitions have been self-supporting, although previously Government had been giving a grant to meet the cost. The cost of the exhibitions comes to about Rs. 20,000, exclusive of the free use of a very big building provided by the Government. Mysore would be prepared to participate in an All-India exhibition.

Mr. Gokhale mentioned that in Bihar a very big fair was held at Sonpur every year which lasted for about a week and all kinds of commodities were brought to it. It had been going on from time immemorial. It might be possible with a certain amount of organisation to utilise these fairs to advantage on the lines of the Leipzig Fair.

Mr. Mohammadi said that Hyderabad had a permanent exhibition for the last 10 or 15 years. Hyderabad would be willing to co-operate in the All-India exhibition and would prefer if it were held at Delhi

once in 3 or 5 years. During the interval the provinces may hold their own exhibitions.

The President summarized the main conclusion in the following terms :—

- (1) The Conference is generally in favour of an annual All-India Industrial Exhibition organized under Government auspices and held in rotation in the provinces, at the centre and in such States as are willing to come into the scheme.
- (2) The holding of such exhibitions should in no way preclude local Governments from assisting in all directions possible provincial or local exhibitions, organized departmentally or by private enterprise.
- (3) The primary object of the exhibition should be to bring sellers and buyers in contact, though the cultural and educational aspect should not be overlooked.

1933.]

*Middle-class unemployment.*

121

*Saturday, July 15th, 1933.***XII.—MIDDLE-CLASS UNEMPLOYMENT.****MEMORANDA.***Madras.\**

In accordance with a resolution moved and passed at a meeting of the Madras Legislative Council held in August 1925, the Madras Government appointed in the following year a Committee with the Commissioner of Labour as President to investigate the question of unemployment among the educated middle-classes. After considerable discussion the Committee decided that for the purpose of the enquiry the educated middle-classes should be defined as those persons who have received some form of secondary or higher education and are not sufficiently well off to dispense with earning their own living. The report was submitted in 1927. Some interesting evidence was tendered. For instance, one of the witnesses expressed the view that unemployment is the natural result of the steady growth of population which has come in the wake of the long period of peace and prosperity which the country has enjoyed, whilst a University Professor of Economics considered that unless the standard of life of the general population is advanced the hope of educated middle-class youths finding remunerative employment is very slender. The existence of unemployment among the middle-classes was admitted on all hands. Many witnesses regarded the present system of education as defective on account of the over-emphasis on literary training which befits the recipients for clerical work and does not dispose them to practical or executive work, although one well-known industrialist opined that 'there is no use of giving technical education without creating openings'.

2. From the general survey undertaken by the Committee, they arrived at the conclusion that there is very serious unemployment among the educated middle-classes and that this unemployment tends to increase with the larger number of persons, who, every year, take a course of secondary education and that among those who have professional qualifications of some kind or other, there is less unemployment than among those who have received a mere general education, that the greater the professional qualifications possessed by individuals the lesser the chances of unemployment amongst them and that unemployment in different professions is due to different causes.

3. The local Government in passing orders on the Report of the Committee recognised that the problems of middle-class unemployment could not be solved at once, and that there is, in fact, no single panacea for the evil. The Government agreed with the Committee

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\*Prepared by the Director of Industries.

that the two main causes which lie at the root of the problem, *viz.*, the prevailing misconception of the object of education and the habit of regarding agricultural occupations as beneath the dignity of an educated man, could best be eradicated by the propagation of sounder ideas as to the economic structure of all civilized societies. As regards the recommendation of the Committee that steps should be taken to popularise agriculture as a means of livelihood, the local Government stated that public interest in the importance and possibilities of agriculture had been stimulated by the work of the Royal Commission on Agriculture, and it might be expected that practical results of great value would be achieved by the labours of that body.

4. An attempt was made at the 1931 census of Madras to conduct an enquiry into educated unemployment. To this end a separate schedule was distributed and collected at enumeration time, but results were disappointing as the figures are in no way complete. They are not even numerous enough to give reliable indication of relative distribution among districts. The majority are shown as sons of cultivators, the next most important item being clerical or professional. That so large a proportion should be the sons of cultivators may possibly be taken as an indication of how the educated youths are turning from the land. The great majority showed unemployment lasting over a year, a significant fact. The largest proportion was between ages 20 and 24. Bachelors of Arts were a sixth of the total number.

5. As far as Madras is concerned there is every reason to hope that consequent on the hydro-electric developments recently completed, in progress or in contemplation, industrial development generally will receive a distinct impetus. Madras is not rich in minerals and the development of the industries in the Presidency is likely to be chiefly in the direction of working up into manufactured or semi-manufactured form the agricultural and forest products of the province. For instance, there is scope for the setting up of additional cotton spinning and weaving mills and for the development of the oil crushing and oil manufacturing industry. Nevertheless under the changing conditions, the question of developing other industries is bound to receive attention, and during the next decade an increase in industrial employment should be seen provided that economic conditions generally improve.

#### *Bengal.\**

The solution of the problem of middle-class unemployment is admittedly one of great importance in every province and particularly in Bengal. Recent experience shows that partly as a result of the permeation of the modern industrial mentality and partly owing to

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\*The views expressed are those of the Department of Industries.

1933.]

*Middle-class unemployment.*

123

the pressure of economic necessity educated young men of the middle-class are anxious to adopt industrial occupations provided the necessary preliminary vocational training and pecuniary assistance in setting up in business can be provided. The Government of Bengal have accordingly sanctioned a scheme which is calculated to provide such vocational training in a number of small industries to youths belonging to the middle-class. Special care has been taken in selecting the industries in which such training is to be given with reference to the following considerations, *viz.* :—

- (i) those in respect of which there is a steady and widespread market with comparatively little fluctuation in prices ;
- (ii) those in which the cost of production of articles on a cottage industry basis is considerably less than those of the factory products ;
- (iii) those in respect of which the officers of this Department have, as a result of their research, devised special processes and special appliances suitable for small industrialists with a view to reducing cost and increasing output and quality.

2. Having selected such industries the programme consists in giving intensive vocational training in selected centres spread over a period of about 6 months to young men of the *bhādrolok* class specially selected by local committees appointed for this purpose. The course of training aims at imparting the scientific and manipulative skill as well as the necessary business training in each of the industries in question. The industries at present selected for training in accordance with this scheme consists of the following :—

- (1) Manufacture of umbrellas.
- (2) Manufacture of brass and bell-metal articles.
- (3) Manufacture of cutlery goods.
- (4) Manufacture of glazed pottery.
- (5) Manufacture of washing soap.
- (6) Manufacture of boots and shoes.
- (7) Manufacture of jute and woollen articles of common use.

3. Four training parties have been constituted for each of the above industries. The training period will not ordinarily exceed 6 months out of which 3 months will be devoted to the purely practical side of the industry, *viz.*, the manufacturing processes and the remaining 3 months in periods of 1½ months each in the commercial side of the industry. It has been provisionally decided to supply raw materials to the young men from the Department for the first 3 months during which time it is expected that they will thoroughly master all the intricacies of the manufacturing processes. For the

first 1½ months of commercial training it is proposed that the students will bring in their own raw material. The idea of requiring the students to bring in their own raw material is to enable each student to learn the art of purchasing his own raw material for consumption in his factory at the best possible economical rate and the necessity of practising the greatest possible economy in his methods of operation. At the end of this training period all the finished products will be sold in the market and the value of the raw material together with the profit will be returned to the young men. During the remaining 1½ months of commercial training the young men will continue to bring in their raw materials but will manufacture them with their own set of equipments—a procedure which will give them a training in mobilising the necessary equipment and raw materials for their own manufacturing concerns. Two Industrial Surveyors have been appointed who will help to bring the trained pupils in touch with the market, particularly with the retail shopkeepers who are scattered throughout the rural areas.

4. This scheme has been drawn up mainly on the basis of actual experience obtained during the last 3 or 4 years as a result of the vocational training given by demonstration parties in some of the above industries. It has been found many of the young men who received such training have secured vocational employment both on an independent basis as well as in the capacity of wage earners in existing factories. If the scheme proves successful it is proposed to select other industries in its scope.

5. The problem of middle-class unemployment is so vast in its magnitude, however, that this scheme can hardly do more than point the way to one aspect only of a comprehensive attack which is required to be made if it is to be dealt with successfully. The ultimate solution of the problem of middle-class unemployment must await the general industrial development of the country. It would be interesting to know if in any province the system of pioneer factories has been found helpful in this connection. Many of the predisposing causes which give rise to this perpetual unemployment problem amongst the middle-classes in India are perhaps inherent in the present educational and social systems of the country. The notoriously unpractical and academic character of the system of general education is admittedly one of these predisposing causes. The adoption of a scheme of systematic training in the industrial arts in all stages of primary and secondary education would appear to be a condition precedent to the creation of an industrial mentality and a vocational bias towards trade, commercial and industrial careers among the middle-classes. This is a matter, which it is suggested, should be considered jointly by the Department of Industries, Agriculture and Education in the various provinces so as to evolve a concerted scheme of action in every province in the light of such experience as has been already gained in this connec-

tion from experiments made in certain institutions in various parts of India. A re-examination of the present system of vocational education in the Government technical schools with a view to securing better openings for the trained students as well as a consideration of the question of framing of a correlated scheme of vocational education to attract pupils from different stages of the general educational system would also appear to be called for.

#### *Punjab.*

The question of unemployment is not peculiar to India. Russia alone claims that it does not contain a single unemployed person. Unemployment does not appear to be troubling Japan to any appreciable extent owing to its peculiar social and industrial systems. Other countries have their national insurance schemes, etc. India does not appear to have tackled the problem of unemployment seriously though the numbers of the unemployed have increased considerably. The Punjab Government appointed a Committee in 1927 to examine the problem of unemployment in the province and to report—

- (a) the extent of the existence of unemployment among the educated and uneducated classes of the community in the Punjab,
- (b) the causes of unemployment,
- (c) the possible remedies for unemployment.

2. The results of the investigations of the Committee as embodied in the Report on Unemployment in the Punjab showed that there was no evidence of serious and wide-spread unemployment among the uneducated classes, but that there was very extensive unemployment among those of the educated classes whose education had been purely literary and who had proceeded to higher education through the anglo-vernacular course. The general trade depression which has since set in and the increase in the number of persons going up for the higher literary education have further accentuated the problem of unemployment among the middle-classes and considerable distress is visible among the classes whose education has been confined mainly to literary subjects and who are fit merely for clerical jobs. An investigation recently carried out by the Industries Department with particular reference to industrial workers showed that although there was no acute unemployment among such workers, there was a certain amount of unemployment and particularly amongst those employed in seasonal industries. Government Departments and other institutions have no scope for the absorption of all or even a fair proportion of the educated persons passing the University examinations. Among other recommendations for allaying unemployment, the Unemployment Committee advocated the provision of increased facilities for technical and industrial

education. With this end in view and also with a view to creating a class of skilled workmen capable of being absorbed readily into the various industries, the schemes of studies in all the institutions under the control of the Department of Industries, Punjab, are being revised in such a manner that the existing institutions will start functioning on the lines of trade schools and the trainees will be enabled to acquire proficiency in the manufacture of articles of utility for which considerable demand exists and raw materials are readily available.

#### *Bihar and Orissa.*

Middle-class unemployment is part of the wider problem of employment or rather under-employment among the increasing agricultural population. The latter has resulted in the continuous drain of young men from rural to urban areas, which the spread of education has encouraged. Students from rural areas are competing with each other and with old residents of towns for clerical appointments and professions not requiring manual labour. The number of such appointments and the scope offered by these professions being strictly limited, the problem of middle-class unemployment is now assuming alarming proportions.

2. A successful solution of this problem involves both a reduction of the prevailing under-employment in rural areas and an expansion of employment in urban areas. Under-employment in rural areas can only be mitigated by the improvement of agricultural methods and practices, which is outside the scope of this memorandum and is being dealt with by other agencies, and also by the development of cottage industries—the subject of a separate memorandum. Here it is necessary to consider the possibility of expanding the scope of employment in urban areas. The only hope lies in industrial development which will absorb both the unemployed middle-class and the surplus rural population. Industrial development must, however, go hand in hand with the proper training of the personnel to be employed in industry. The middle-classes are at present ill-fitted to take their proper share in industry and their psychology requires a new orientation.

3. The psychological factor is very important. Most of the unemployment among the educated middle-classes is unemployment only in the sense that the candidate is unable to secure the kind of employment for which his education, in his own estimation, has fitted him. The Indian student's inherent dislike of manual labour was at one time considered a formidable obstacle to his employment in industry, but this prejudice is breaking down under the stress of modern conditions. Only recently it was reported that some graduates in Calcutta were working as rickshaw coolies. The process of diverting the flow of candidates from the clerical to the industrial line has, however, to be accelerated.



4. Vocational training is being given in a few middle schools, but on a very small scale and with the indifferent success. A serious attempt should now be made to develop vocational training so as to divert the flow of students from secondary schools and colleges to industrial and technical schools, including polytechnics. The acquisition of a diploma or a degree is popularly regarded as the goal of education and failure to secure this generally involves a loss of prestige. To pander to the student's sense of self-respect, it would be desirable to provide that industrial and technical training should lead to a diploma. The training must, however, be intensely practical.

5. It may be argued that the proposed diversion to industrial schools would be no guarantee against unemployment as the output of these schools may outstrip the requirements of industry. The answer is that even if middle-class unemployment is inevitable, it is far better that the unemployed should have technical training rather than literary education. The chances of employment for practical people are greater in view of possible industrial expansion. The growth of the sugar industry may be cited as a case in point. The numerous sugar factories recently started in this province are finding it difficult to secure the requisite technical staff though the volume of middle-class unemployment is large.

6. Another point which merits serious consideration is whether the multiplication of special institutions such as engineering and veterinary colleges, has not partly been responsible for adding to the volume of middle-class unemployment. Such institutions have been set up in most provinces since the Reforms, and the output of passed students is now much in excess of requirements. The better policy would be for provinces to combine and maintain joint institutions, the standard of which could then be raised.

#### *Hyderabad.*

Middle-class unemployment is a growing problem with the growth of University education here and development of technical and industrial education is considered to be the only remedy for it.

#### *Mysore.*

The problem in Mysore presents more or less the same features as it does in British India. Considerable increase in the number of educated men of the middle-class on the one hand and the restricted demand for their services by Government or the professions has been responsible for this unemployment. The present economic depression has accentuated the trouble. Several of the remedies suggested are such as are of no immediate benefit to those now unemployed. Special efforts should be made to place them in private employ, within the limits available. Some suggestions in this respect are noted below to raise discussion :—

- (1) Organising special courses for adult training in cottage and organised industries and in elementary

- mechanics and electrical work, accountancy, auditing and commercial practice.
- (2) Provision of bounty, grant of interest charges and purchase of output for public purposes in respect of educated men starting industries.
  - (3) Grant of land and subsistence allowance for a limited period to graduates in arts or science, engineering, medicine or agriculture, agreeing to live in villages.
  - (4) Compelling merchants indirectly through Income-tax Laws or directly by fresh legislation to maintain proper accounts, so as to find employment for accountants and also promote public welfare and reduce litigation.
  - (5) Enacting a Money-Lender's Act as in the Punjab and compelling money-lenders to maintain accounts in the local language and give half-yearly ledger extracts to the debtors in that language.
  - (6) Increased facilities for study of technical subjects in S. S. L. C. Course (i.e., agriculture, sericulture, cabinet-making, electric wiring, mechanics and weaving).

#### *Jammu and Kashmir.*

The problem has assumed special acuteness on account of the fact that there is slump in the market. It is certain that on the revival of normal times, the acuteness of the situation would be less felt. All the same, the problem is staring one in the face. The number of young educated men is increasing and the avenues for their employment are not keeping pace with their growing numbers. New class of persons are coming in to compete with those belonging to the urban and city areas. The question will have to be dealt with on a comprehensive basis. First, the exaggerated importance that is attached to the pursuit of High School course on the English side is the result of extra emphasis that is laid on the knowledge of English for clerks everywhere. The future clerks would receive their training much more cheaply and would remain less dissatisfied with the pay offered to them, if a full vernacular course was the only one laid down as the standard for employment in offices. Secondly, if effort is made to fix a terminus at the Intermediate stage for entry into Government service into higher clerical ranks, a large number would not proceed beyond the Intermediate stage. The Calcutta University Commission made one point clear, namely, that the Intermediate stage must be definitely separated from the University stage. Unfortunately, though the Intermediate classes were separated from the University and tacked on to the High School classes in some

provinces, the object the Commission had in view, namely, to make Intermediate twelfth class a converging point from different directions for young men to be trained for definite professional employment was lost sight of. The Intermediate classes continue to be merely feeders of the University and with the multiplication of Universities, the growth of intellectual middle-class proletariat has been the tragedy we are witnessing.

2. There must be a definite policy for training students in industrial schools co-ordinated under conveniently situated technical schools, still further grouped under technological institutions. A definite agricultural and industrial bias has to be given to the courses of studies pursued in villages and urban areas. Emphasis has to be laid on Nature study, Drawing, Mensuration, etc., which would fit people to make better use of hands and eyes than they are doing at present. It has become apparent that the volume of middle-class unemployment should not be measured by the number of applications that are received when a post is advertised. The applicants are not all unemployed. A majority of them are already employed on other jobs which they consider less suitable. The problem will have to be faced by making education in rural areas of a character that would improve the country-side and bind the peasant down to the soil instead of encouraging him to undertake a journey townwards for a more interesting, more varied, though it may be a slightly less comfortable career. This policy could only be undertaken by the co-ordination of the activities of the various Departments, namely, that section of the Director of Public Instruction's office which controls rural education, training classes, normal schools; then the Agricultural Department, Co-operative Department and other Departments interested in the development of rural areas like the Irrigation and the Hydro-Electric Departments. The other remedies are well known to most Administrations, namely, every effort being made to develop the resources of the country and to replace foreign imports by production of local manufacture. This task is proceeding at a pace which has been faster than people could have imagined it a generation ago. There are certain careers which the educated classes have not taken to kindly. In this direction, denominational Universities can do a great deal. If educated young men get themselves trained in Theology and take up the work of administering to the religious needs of people in the truly earnest and religious spirit, keeping clear of political or communal considerations, there is a great deal of scope of work for them and great many avenues of employment for eligible young men.

#### *Travancore.*

The State have in recent years taken up the question of middle-class unemployment in the State which became unavoidable as Travancore is well advanced in education as in other progressive

movements, and conducted an extensive enquiry into the problem some time back. With a view to re-organise the present educational system so as to minimise unemployment, the Government entertained the services of Mr. Statham from Madras Government to preside over a Committee appointed for the purpose. Mr. Statham's Report has been submitted to the Government very recently and it is now under the consideration of the Government. The possibility of giving a vocational bias to education in the State has been fully explored by the Statham Committee.

#### DISCUSSION.

Mr. Rajagopalachari said that a Committee had been appointed in Mysore to go into this question but had not yet reported. The figures in the Census Report relating to unemployment among educated classes indicated that in Mysore the main cause for unemployment was the decrease in the number of persons engaged in home and cottage industries. People in rural parts had left their hereditary occupations and were crowding into the cities in search of Government employment. The best plan seemed to be to send these people back. This would revive certain industries which were now in the process of extinction. Another method of relieving unemployment is to start new industries. It could also be of assistance to give a vocational bias in schools and colleges.

Mr. Pandya said that a rambling census taken last year showed that a very large number of literate people in Baroda were in search of employment. A remedy lay in turning the attention of these men to other occupations, involving possibly manual labour. As a test measure, he had inserted an advertisement in a local paper about two years ago asking middle-class and other qualified people to come to him for occupation in certain cottage industries. There was no response, which showed that the middle-class young men were not willing to turn their hands to manual labour. Similarly, a millowner in Baroda about 5 years ago had advertised for educated young men to be trained as foremen in the Weaving Department of his factory but not one application was received.

Mr. Pillay said that Travancore was an agricultural State and agricultural schools had been started. In some cases Government had given 5 acres of land with small capital to individuals for starting agricultural operations. Some of them had done fairly well, but the majority had still the mentality of looking for Government employments. A technological institute had been started with the object of promoting industries.

1933.]

*Middle-class unemployment.*

131

Major Sir Hashmatullah Khan thought that an improvement in the present conditions could be obtained through the general development of industries.

The Hon'ble Maulvi Abdul Hamid thought that the problem of the middle-class unemployment was partially due to the aversion of the middle-class people to manual labour. Technical education alone would not solve the problem so long as opportunities were not found for absorbing the trained people in industries. Some students were trained in Assam in technical branches and were also helped with loans to set up industries but the experience had not been encouraging. A scheme was now under consideration to settle unemployed young men on agricultural lands, of which large areas were available in Assam. Unless there was industrial development in the country and unless the mentality of the people changed, the problem, in his opinion, would baffle solution.

Mr. Bhalja thought that a radical change in the educational system of the country was necessary to induce vocational bias in the training imparted. Secondly, he urged the development of industries with all the resources that were available. The sugar industry in the last one or two years had provided employment to a large number of persons. He also suggested the organization of Employment Bureaux, because, although there was no dearth of applicants for Government offices, in business firms people employed were not usually of sufficient qualifications.

The Hon'ble Dr. Narang thought that the money spent on purely literary education should be diverted to industrial education. The Universities should be reserved only for two classes of people; those who were exceptionally brilliant, and those who were rich. In addition to this, industries and agriculture should be developed. Moreover, attempts should be made to discover new careers for the unemployed, for instance, in the Army, Navy, Air force, etc.

Mr. Lall said that the growth of sugar industry had given employment to several unemployed young men in Bihar.

The Hon'ble Khan Bahadur Saiyid Muhammad Hussain thought that the number of the High Schools should be reduced and technical and vocational schools started in their places. In Bihar each High School costs Rs. 20,000 a year. Their maintenance should be left to private persons and the money should be devoted to technical education.

The Hon'ble Mr. Srivastava did not agree with the proposition that High Schools should be closed down and technical schools started in their places. There were a large number of technical schools in the United

schools did not all find employment. The mere presence of trained men was not likely to create industries. The first thing to do was to find openings for employment before facilities for technical education were provided. In talking of reducing the output of Universities, there should be no attempt to curtail primary and secondary education which had great cultural value. A Departmental Committee appointed in the United Provinces to go into this question recommended that Government should open Bureaux for the registration of those seeking employment. Such a Bureau was opened but it had done no good. The only solution lay in the development of industries. The sugar industry alone had, according to his information, found employment for 10,000 men. A Committee in the United Provinces was now exploring the possibilities of sending young men back to the land, but the difficulty was that no spare land was available. It had been suggested that improved farming might provide a suitable outlet.

Mr. Dutt said that in Bengal the purely literary education had caused the present state of unemployment. Bengal was now reduced to an entirely clerical nation which, combined with a vicious estimation of social values, had bred a completely de-industrialized mentality. The remedy lay through re-creating an industrialized mentality. The Government of Bengal had recently inaugurated a scheme of industrial education which had received a very encouraging response from the public. It was not a scheme of technical education which may bring in more unemployment, but it was a scheme of industrial crafts education. The idea was to make a comprehensive attack on all fronts industrially to remove the present de-industrialized mentality of the young men. In that scheme the resources of the Government in the sphere of industrial research, industrial education, financial aid, business guidance and marketing guidance were all focussed. The beginning was made on a small scale about two or three years ago and young men were now beginning to start on their own; employment had been found for a large number of boys which although it does not bring them big incomes every month, succeeded in making them into craftsmen and in re-orienting their mentality. Employment has been found in each line for 50 or 60 persons in the last two years. Some of them started on their own, some had found employment in the factories and some had turned into middlemen. A comprehensive scheme for 23 demonstration parties in seven different industries has been launched this year. The scheme has not adversely affected the castes and guilds, it being a part of the scheme to select centres where caste craftsmen were working and to give the traditional craftsmen also the benefit of the training. The demand for entry exceeded the available accommodation by about 200 times and the applicants were B.Sc.s., Intermediates, Matrics and so on.

1933.]

*Middle-class unemployment.*

133

The Hon'ble Dewan Bahadur Kambli thought that the money now spent on schools could better be utilized in giving an industrial bias to the education. Facilities for industrial education and openings for employment should go hand in hand. More openings should be provided in the Army, the Navy and Aviation.

Mr. Ramakrishna thought that the main cause of the present unemployment was the habit of regarding agricultural and industrial occupations as beneath the dignity of educated men and the failure on the part of parents and guardians to realise that the public services and the learned professions could not absorb more than a small fraction of the men educated in schools and colleges. Agriculture and animal husbandry being the largest industries, could absorb the largest number of the unemployed middle-classes. Agriculture should be made a compulsory subject in the case of at least 50 per cent. of the students in High Schools. In the case of the majority of the rest some handicraft should be made compulsory.

Mr. Clow thought that it was a mistake to deal with this question in compartments, those in charge of industries saying that it was purely an educational problem and those in charge of education saying that it was a problem for the Departments of Industries. The existing situation was largely due to the fact that both educationally and socially India was at a middle stage. A generation or two ago, education was regarded from the utilitarian point of view and every one who had a literary education was certain of finding a literary or clerical job. Things now had gone far beyond that, but unfortunately the stage had yet to be reached when education would be regarded not only as a means of getting a livelihood but as a permanent enrichment of life. In the same way, socially there was a movement away from the old economy to the western tendency for every one to follow the profession he thinks he is fitted for, irrespective of his tradition and upbringing. Here again India was at present at the middle stage. A great many people from the classes which a generation ago would not have thought of entering the clerical and learned professions were now wanting to crowd into them. At the present stage the cure lay much more with the educationist than with the industrialist. There was no doubt that the system of education had to a large extent been responsible for producing an evil in the body politic. The suggestion had been made that there should be a reversion from literary and cultural education to technical education. On the other hand, it was suggested that industries could not be created by education. There was something in both these views. But in the matter of technical education things were not very far from the stage when the same difficulties would be felt as were now being experienced in the matter of literary education. Further, if a man is technically trained for a particular job and cannot get employ-

ment, he has wasted far more than the man who has had a general University education ; because the latter has a general qualification, and if he is a good man, can turn to a great variety of occupations. At the same time, the giving of an industrial bias and to some extent even a manual bias, from an early age would be doing something on the right lines. His criticism of the Universities was not that they were producing too many good men, but that an enormous number of men who go into them did not get value out of them. Too many men in the Universities to-day stopped their course half way. First-class men even in India to-day could get a livelihood and could become valuable members of society. What was wanted was to ensure as far as possible that the men going into the University had a reasonable guarantee of coming out fully qualified, and that more men did not go in than the University could absorb in that way. The suggestions for openings in the Army, Navy and the Air Force were, in his opinion, merely palliatives. At best these were small and unproductive professions. In India to-day the villages were crying out for the services of educated men in many directions. They wanted doctors and others who could guide them into a higher cultural and a higher economic existence. The real problem was to ensure that what the towns were turning out could bring itself to bear on the villages of India.

Dr. Meek remarked that the population of the country during the 40 or 50 years, had been increasing at the rate of .8 per cent. per annum while the agricultural production had been increasing at the rate of .4 per cent. per annum only. The result had been a pressure from the land to the town and to the Universities. The solution lay in developing the resources of the country at a rate which would be in keeping with the growth of the population. Unless this is done, there is bound to be a falling off in the standard of life and an aggravation of the unemployment problem. He was opposed to the cutting down of literary education, at the same time agreeing that technical education should be expanded.

The President summed up the main conclusions as follows :—

- (1) The true remedy for unemployment amongst the middle-classes, as indeed among other classes, is the rapid development of the resources of the country.
- (2) In most provinces an undue proportion of the resources available is being devoted to purely literary education, particularly in the higher grades.
- (3) An industrial bias from the earliest stages would be useful in changing the general outlook of the educated classes.
- (4) All possible new careers for instance, in the Army, the Navy, Mercantile Marine, Civil Aviation, etc., should be opened up to Indian educated young men as rapidly as possible.



1933.]

*Middle-class unemployment.*

135

*Saturday, July 15th, 1933.***I.—STATE AID TO INDUSTRIES—*contd.***

The Conference approved of the following Report\* of the Sub-Committee of the Conference which was appointed to consider the best means of granting direct financial aid :—

“ It was generally agreed that, in the case of small industries, Government should continue to advance direct loans up to a maximum of Rs. 10,000 in each case. The loans should be given at low rates of interest which should not exceed the rates at which the Governments themselves borrow.

2. In the case of larger industries, as an alternative to the present method of direct loans by Governments, the following two methods are recommended as an improvement :—

Either (a)—The scheme of Industrial Corporation on the lines of that recommended in the Central Banking Enquiry Committee (Majority) Report.

The Sub-Committee were generally of the opinion that the provinces might start Industrial Corporations for the purpose of providing finance to industries and also for enabling intending industrialists to secure machinery on the hire-purchase system. The capital of the Corporation may be subscribed partly by Government and partly by the public. In order to attract public subscription the Government may guarantee a certain minimum dividend on the shares taken up by the public. The Corporation would be a limited liability concern with a strong Board of Directors on which the Government would be adequately represented.

Or (b)—A scheme more or less on the lines of that suggested by the Committee for Organizing Financial Assistance to Industries in the Mysore State, presided over by Sir Brajendranath Seal.

The Mysore scheme aims at the creation of new banking facilities and indicates that for this purpose and as a first step, it may be desirable to make arrangements with a local Commercial Bank under definite stipulations to serve as an agency, for administering the industrial development fund for the supply of long-term credit to particular industries and on the recommendations of a Committee on which Government should be represented. This industrial loan department of the bank should be worked as a detachable branch which in course of time may be combined with the balances of the Industrial Development fund to form the nucleus of an Industrial Bank under a specific law.

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\*See also Appendix.

3. Mr. Gokhale is not satisfied that the alternative (a) to float Industrial Corporations is practicable. He thinks that the second alternative (b) to enlist the services of a Commercial Bank might, however, be considered in provinces where large Commercial Banks exist”.

In this connection Mr. Rajagopalachari explained that the essence of the Mysore scheme was that loans above a certain amount should be given not directly by the Government but by a bank. The bank is employed to administer the fund placed at its disposal by the Government. The reason for adopting this course was that it may not be possible to start a new bank at once, and a new bank will not have the requisite experience when started. It was, therefore, desirable to utilize the services of some existing commercial bank, with the help of a specially constituted Committee to advise the bank in dealing with applications for loans. If Governments were to offer to finance such banks at easy rates of interest, it should not be difficult to find them willing to undertake this work. The bank should be required to have a separate account for the industrial portion of the work it was doing for the Government, the aim being that this industrial portion of the bank would be constituted, when circumstances become favourable, into a separate Industrial Bank. This scheme was for large-scale industries. For smaller industries, the intention was that loans below Rs. 10,000 should be administered by the Government direct.

*Saturday, July 15th, 1933.*

### **XIII.—CO-ORDINATION OF INDUSTRIAL RESEARCH.**

#### **MEMORANDA.**

#### *Government of India.*

In 1919, following a recommendation of the Indian Industrial Commission, a Chemical Services Committee was appointed with a view to formulating proposals for the organization of the chemical service and for the location and equipment of research laboratories. The Committee prepared proposals for an Indian Chemical Service and for a series of Provincial Research Institutes, together with a Central Imperial Research Institute at Dehra Dun. Among the duties assigned to the latter were to "assist in the co-ordination of the work in progress in the provinces, both by means of personal discussion between the officers of the Central and Provincial Institutes..... and by means of periodical conferences of Provincial and Imperial officers". Subsequently, however, the proposal to form an Indian Chemical Service met with general opposition from provincial Governments and was therefore abandoned, and the chain of Provincial Research Institutes envisaged by the Committee failed to materialize. As the scheme for a Central Research Institute was closely linked with the proposals for a Chemical Service and for Provincial Institutes, the Government of India subsequently decided not to proceed with it and the land acquired for the purpose at Dehra Dun has been converted to other uses.

2. The question of Co-ordination of Industrial Research in India was considered by the Government of India in connection with the recommendations of the Imperial Conference, 1926. In April 1928, local Governments were asked to give their views regarding the establishment of central agencies and institutions for industrial research. There was general agreement among the local Governments as to the desirability of some co-ordination of industrial research in India and one of them suggested the appointment of an Imperial Council of Industrial and Scientific Research on the lines of the Imperial Council of Agricultural Research. In view of the general financial stringency and the impending constitutional changes, the consideration of these questions was not pursued.

#### *Madras.\**

The question whether any useful steps can be taken with the object of co-ordinating industrial research in India is obviously one of the first importance. The success attained and the stimulus given to agriculture by the Imperial Council of Agricultural Research in the short period of its existence clearly points to the desirability of

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\*Prepared by the Director of Industries.

setting up a Council of Industrial Research or alternatively of converting the present Council of Agricultural Research into a Council of Agricultural and Industrial Research.

2. Central agencies for research offer considerable advantages and in fact it is generally recognised in industrial countries that the case for centralised research has been made out. As regards research institutions there seems to be a consensus of opinion among authorities who have had experience of fundamental research as to the very great importance of centralised research so as to avoid overlapping and to concentrate on matters of vital importance. This is the way in which the Department of Scientific Research in England has always worked. Central research institutions can obviously afford to employ a greater number of specialists and may therefore be expected to deal with problems involving research more efficiently than a provincial laboratory, unless the latter were equipped on a scale which the number and range of problems arising in any one province may hardly justify. For instance there should be no need for more than two oil technological institutions in India, one for Northern and one for Southern and Western India. A single leather trades institute should be sufficient to serve the needs of all the provinces. The agency which could best co-ordinate the various activities connected with industrial research in India appears to be a Council of Industrial Research of the kind advocated in this note. The stimulus of such an organisation, which would guide and co-ordinate the provincial industrial activities and enable them to be directed into the most fruitful channels could not but be beneficial. The several Departments of Industries in India could look to such an organisation for guidance in the same way as the Agricultural Departments look at present to the Council of Agricultural Research for assistance in carrying out schemes of All-India importance. Much could be done to co-ordinate the industrial research and experimental work at present being carried on in India in the different provinces and to ensure that the results of experimental and pioneer work carried out in one province are made available to other provinces in which they could equally suitably be applied. There are in India several Industries Departments which are carrying on experimental work of various descriptions and which control technical institutions where research is conducted on various subjects. There is, however, at present no ready means whereby one department or institution can ascertain what work is being carried on elsewhere or whether a particular piece of research work has already been taken up or is proposed to be taken up by another institution. The problem of developing the handloom weaving industry and evolving improved textile appliances requires co-ordination in the various provinces as by this means results could be obtained here quickly than is possible by isolated effort. Most Departments of Industries in India have from time to time to draw up detailed schemes with estimates for various

1933.]

159

factories and plants, and some co-ordinated scheme whereby details for factory installations can be prepared in such a way as to obviate overlapping and so as to utilise the past experience of the different provinces is needed.

3. Financial considerations are likely to preclude the constitution of an Imperial Council of Industrial Research nor perhaps is it necessary for a separate Council of Industrial Research to be organised. The question of industrial research is closely bound up with the agricultural industry since many subjects are of industrial as well as of agricultural importance, *e.g.*, the Council of Agricultural Research, it is understood, proposed to constitute an Oil Seeds Cess Committee which would administer a cess on oil seeds the proceeds to be applied not only to improve the cultivation of oil seeds but also to develop the oil seed crushing and oil manufacturing industry in this country. Again the Council of Agricultural Research is responsible not only for stimulating the cultivation of sugarcane but also for developing the manufacturing side of the sugar industry for which purpose it has an expert sugar technologist on its staff. In view therefore of the close connection between agriculture and industry in India it would seem to be a positive advantage to vest the control of Industrial Research in the Council of Agricultural Research as this would ensure the fullest practical co-operation between the provincial departments respectively responsible for agricultural and industrial research. If the functions of the Council of Agricultural Research are developed in this manner, the principal executive officer of the Council will obviously require in addition to his present Agricultural Adviser the services of an Industrial Adviser.

4. The Council of Agricultural Research may undertake the function of co-ordinating industrial research in India until such time as the industrial development of the country justifies the creation of an independent organization, for the purpose. When the necessity arises for the setting up of a separate Council of Industrial Research, this could, it is suggested, be financed by the levy of a surcharge of 1/8 per cent. on the customs duties, such an impost would be too small to be burdensome to the consumer, whilst the amount of about Rs. 5 lakhs which it would yield would be ample for the purpose.

#### *Bombay.\**

The Indian Industrial Commission (1916-18) in Chapter IX of their Report have given at length the reasons why the carrying out of research devolves upon Government. The Industrial, Agricultural and Medical Research work is now conducted in this country both in Provincial and Central Government institutions. For the latter, *viz.*,

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\*Prepared by the Director of Industries.

agricultural and medical, a good deal of co-ordination exists. This, however, cannot be said to be the case so far as industrial research is concerned. Apart from the co-ordination of industrial research it must be said that comparatively only small sums of money are spent on this form of research either by the Provincial Governments or the Central Government. The need for such research is universally recognised and the need for its co-ordination is also generally recognised.

2. As mentioned before, it is now generally accepted that co-ordination of the various industrial research activities in progress in India is desirable. It would appear that the work in connection with co-ordination can be done efficiently and continuously only if a separate central agency for the same is established. The experience of the working of an analogous agency for Agricultural Research which has now been functioning satisfactorily for some time, viz., Imperial Council of Agricultural Research, shows that a similar body for industrial research is desirable. The functions of this agency should be to co-ordinate industrial research carried out in the existing institutions both Provincial and Central, suggest new fields of research, make available in bulletin form results of research carried out in India and abroad showing how the results can be applied to Indian industries, make grants for industrial research to colleges, associations and individuals and train research workers. It should, when necessary, make recommendations to the Provincial and Central Governments regarding strengthening of the existing technical colleges and establishment of new ones, mainly with a view to the prosecution of industrial research and training of research workers.

#### *Bengal.\**

Since "industries" were made a provincial subject as a result of the Montagu-Chelmsford Scheme, the whole subject of treating India's industrial development on broad scientific lines has been hindered by the absence of co-ordination of research and of adequate financial resources at the disposal of the Provincial Governments. It was pointed out long ago in the Industrial Commission's report that there are institutions and bodies in India with capacity for research and investigation on the larger economic and industrial problems common to the provinces of India. The position has developed much further since then. The Institute of Science of Bangalore is an outstanding example. There are also other institutions such as the Bengal Tanning Institute, the Bengal Industrial Research Laboratory, the Forest Research Institute, Dehra Dun, as well as departments of the various Universities which are in a position to carry on research on problems

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\*The views expressed are those of the Department of Industries.

of All-India interest. There is however at present no co-ordination of ideas or policy or any means of effective contact between any of these bodies, at any rate outside the provinces in which they are located. It is an undoubted fact that there are vast opportunities of economic development awaiting the application of science to Indian resources and materials. Mention may be made in this connection of the following :—

- (1) Paper pulp industry.
- (2) Lac manufacture.
- (3) Production of tanning extracts from forest materials.
- (4) Development of coal distillation products including pitch for road surface.
- (5) Oil seed crushing industries.
- (6) Cotton industrial problems common to Bombay, United Provinces, Central Provinces, Madras and Bengal.
- (7) The Canning of fish and fruit.
- (8) Scientific instruments standardization.

All these industries are of sufficient All-India importance and suitable for co-ordinated research and it seems imperative that some central machinery should exist for co-ordinating the work of such research and for providing adequate funds for carrying out such research by suitable agencies on lines similar to those followed by the Imperial Council of Agricultural Research.

2. It is suggested that a scheme of central co-ordination should be adopted with regard to research for the development of natural resources while research in matters of improvement of techniques should continue to be carried on on an independent basis and to be supported by Provincial Governments, Universities and other Organisations as at present.

#### *United Provinces.*

As most institutions for industrial research are also partly training institutions, it is perhaps necessary to consider here both aspects of the matter. Such institutions are very few and tend to work in isolation from each other. There is in this province a technological institute which has begun to function in part as an All-India centre ; its sugar section is already on an All-India basis and it is hoped that the oil section will be in the same position shortly. Other institutions such as the Wood Working Institute at Bareilly, the Dyeing School at Cawnpore, etc., can also perhaps be developed on somewhat similar lines so as to avoid duplication of effort.

#### *Punjab.*

It has been said that the material well-being of mankind may be increased by only two causes, *viz.*, " better natural sources of supply

and better methods of turning these sources to account". India possesses enormous resources for the production of raw materials, but only a small portion of them is utilized in the country in the manufacturing industries. As remarked by the Industrial Commission, the main reason why India still continues primarily to be an exporter of raw materials is the lack of scientific knowledge on the part of the people, for the industrial utilization of most of her raw materials to their best advantage : indigenous methods are generally wasteful and the finished goods produced do not compare favourably with imported goods in quality or price. The Commission remarked that it was the duty of the State to provide increased facilities for industrial research. Scientific experts and chemists are attached to a large number of Government Departments and special surveys and researches are undertaken in special industries by the appointment of experts. Owing, however, to lack of co-ordination "the result is waste of money in duplicating equipment, absence of combined effort to form satisfactory reference libraries, overlapping of research work on some questions with consequent neglect of others, absence of authoritative check as to the value of results, confusion among general public and a disconcerting variety of isolated or short-lived serial publications".

2. The necessity for co-ordination is being felt in a more pronounced form. It is very necessary to formulate ways and means for the co-ordination and direction of industrial research generally in the country. For that purpose a body to be known as the Imperial Council of Industrial Research appears to be indicated. One of the functions of the body would be to co-ordinate research bearing on industries from all quarters, including Government Departments, throughout India. With such a central agency it should be possible to formulate a definite national programme of systematic research. It is also for consideration whether in addition to research laboratories in the provinces which must conduct researches on the spot mainly with reference to local conditions and local requirements, there should not be a central institute of research.

#### *Bihar and Orissa.*

The value of co-ordination and stimulation of industrial research has been fully recognised by all progressive countries throughout the world. Vast sums of money are being spent for the purpose in the United Kingdom and other parts of the Empire. Hardly anything has, however, been done in this country. Most of the industrial intelligence work carried on by the Central Government has been discontinued and the Board of Scientific Advice created in 1902 is in a state of suspended animation. Some co-ordination of the various activities in progress in India was desirable so as to avoid duplication of effort, enable research to be directed into the most fruitful channels and ensure that the results of individual research are made fully available to workers in the same field.



2. The first few steps which appeared necessary for the co-ordination of industrial research are as follows :—

- (1) To consider the type of organization for the control, co-ordination and stimulation of industrial research throughout India ;
- (2) To estimate the financial requirements to give effect to the scheme and the source or sources from which the expenditure is to be met ;
- (3) To enquire what research, either organised or independent, is already being carried on in the country ? Clearly, a research inventory throughout India is indicated ; and
- (4) To investigate the existing facilities in the country for the supply of trained research workers who, with some further post-graduate training, would be qualified to undertake research on various problems applicable to Indian industries.

3. The co-ordination of industrial research pre-supposes the existence of organised industry and of influential bodies or organisations engaged in original research. It also implies the existence of trained research workers and adequate facilities for research in the shape of fully equipped laboratories, libraries and workshops as in the most advanced countries in the West. With the possible exception of Committees dealing with cotton, coal and lac, which are the main organised industries of the country, there are hardly any organised bodies carrying on research in the industrial field. It is organised industry which alone can supply the necessary incentive and funds to encourage research and research workers. It seems, therefore, necessary to go to the root of the matter and concentrate on the general organisation of industry coupled with the requisite amount of research for development. No original research of a high order is required to master the technique of minor industries such as the manufacture of soap, ink, cigarettes, pencils, etc. In view of the present economic condition of the country, stress must be laid on general industrial development rather than fundamental research.

4. The best way of tackling the problem would be to create an Imperial Council of Industrial and Scientific Research on the lines of the Imperial Council of Agricultural Research to co-ordinate the entire process of industrial development and research throughout the country. The Council should undertake research inventories, provide and create facilities for the training of research workers and prevent the waste of money and effort which is inevitable under present conditions when each provincial Department of Industries is working in isolation. The Council can engage eminent technical experts to advise local Governments on problems affecting industries whose services it would obviously be impossible for

individual local Governments to secure at their own cost. It will, of course, be necessary to have on the Council representatives of commercial, banking and other interests.

#### *Mysore.*

Laboratories attached to the Mysore University and the Agricultural, Geological and Industries Departments have been conducting a certain amount of research work. Problems relating to exploitation of forest and mineral resources and agricultural products have been engaging their attention. The Indian Institute of Science in Bangalore is an All-India institution and it provides facilities for higher research. It is desirable to co-ordinate and direct research work on industrial problems. The difficulties which the Indian industrialists have to overcome should be carefully studied, experiments conducted and the results of research published as widely as possible among Chambers of Commerce and Industrial Associations.

#### *Jammu and Kashmir.*

The idea underlying Sir Thomas Holland's scheme for an All-India Chemical Service was to secure co-ordination of industrial research and avoidance of overlapping in the work of research. These trained chemists were to work on All-India problems and they were to be provided in all provinces to look after local problems. It is a truism that geographical barriers are not barriers in the domain of research and the work of the researcher as apart from pure research is to apply results known to science to local problems that is to say manipulation of materials available in India under conditions of Indian climate and the human element available for working the manipulative processes. The results available to any industrial researcher therefore in any part of India has special interest to other parts of India unless the material the researcher is working on is a speciality of that part or there are certain conditions of climate which make the experience of that part inapplicable to other parts. Keeping this factor in view it would not be difficult to take stock of the problems confronting different parts of the country and to divide up the work of industrial research between different provincial Governments and Indian States. In this way the work of duplication of research of problems that are uniform over certain areas will be avoided and a scheme could be worked out under which each province would be taking its share in the working out of general problems and would also be devoting attention to the special problems of that province or that province and one or two other provinces combined. Technological Institutes have been started in Cawnpore, Calcutta, Madras, Mysore and Bombay and there has been work done on special problems. It would be desirable if the result of the work done and the data so far collected are available to other provinces and it would not be a

bad idea to have some kind of All-India Journal of Industrial Research issued biennially or once a year which would publish information collected by researchers up-to-date. What may have appeared on laboratory basis to be a paying proposition may when tried on factory scale have proved a failure or there might be marketing difficulties which would inhibit the expansion of the industry. Any experience of this nature collected by one province would be very useful to another. We have got now in the country a large number of general and specialist researchers and if they could be given an opportunity of meeting together the pace at which industrial research is carried on would be quickened and the all told sum total of conquest made in the industrial field would be greater. The Governing Body of Agricultural Research has secured to a certain extent co-ordination in agricultural research. Different provinces are working at problems which would throw considerable light on improvement in agriculture in all its aspects. Repetition and overlapping is avoided. Without the existence, however, of some sort of industrial research journal it would be difficult to register progress from year to year or to evaluate the conquest so far achieved.

#### DISCUSSION.

The President remarked that the suggestions put forward in some of the provincial memoranda scarcely concealed the desire on the part of local Governments that the Central Government should set up a Council of Scientific and Industrial Research on the lines of the Imperial Council of Agricultural Research.

A very serious difficulty in these days was the financial one. There was also little prospect of the Federal Government having a margin at the outset of its existence if any part of the income-tax had to be surrendered to the provinces. The present seemed to be a very inopportune time for a new scheme for industrial research. Apart from this the question that comes up foremost was : what is there to co-ordinate ? Prior to the establishment of the Imperial Council of Agricultural Research, agricultural research was conducted on a large scale at Pusa and on a smaller, but still an extensive, scale in all the provinces. There was thus the need for co-ordination and something to co-ordinate. On the other hand, such industrial research as exists to-day relates mainly to small local problems and there was hardly enough of it to justify a co-ordinating superstructure. Moreover, industrial research on a big scale should be conducted in connection with big industrial establishments and should, therefore, be done locally where the industries exist. It could not be carried on in isolated patches like agricultural experiments. Therefore the argument for a co-ordinating organization for industries which is based on the analogy of the Imperial Council of Agricultural Research loses a

great deal of its force. Regarding the suggestion that the Imperial Council of Agricultural Research might be enlarged so that it might assume responsibility for the co-ordination of industrial research, the Council was already a rather unwieldy body and the clash that might ensue between the claims of industrial and agricultural interests for such funds as are available with the Council should not be overlooked.

Apart from these differences relating to the present state of organization, there were more fundamental differences between the agricultural and industrial research. The average agriculturist was not in a position to conduct scientific experiments on his own account; he worked generally on too small a scale and had not the training to carry out experiments. On the other hand, such experiments could be conducted on a comparatively small scale with an infinite choice of available sites. Industrial research, as soon as it got beyond the scale of small investigations into cottage industries had to be conducted in conjunction with industrial processes. Isolated institutions of this kind are generally costly and are not likely to be of much assistance in advancing industrial development. In addition to these difficulties, agricultural research, though involving examination of a number of questions, had those questions very closely co-ordinated with each other; there were in fact only two main subjects; crop raising and animal husbandry. In the case of agriculture there was no such similarity and the technical questions were infinite in their variety. In consequence, while a Council containing representatives of agriculture was competent to exercise general supervision over the work of agricultural experts, it would be very difficult to convene a Council containing industrialists which could exercise any intelligent control over industrial research.

The difficulties at present experienced in the development of industries through the provinces working in isolation and in ignorance of the developments elsewhere might be remedied to an appreciable extent if the Conferences of the Provincial Departments of Industries which used to be held annually in the past were again resumed, with additional arrangements that the Directors of Industries should meet together outside the main Conference to discuss their problems amongst themselves. Another possibility was the establishment of a Bureau of Information somewhat similar to that which existed in Irrigation. This Bureau might take over the Bulletins and Monthly Circulars which formerly used to be issued and publish useful information in regard to the results obtained at the various institutes operating to-day in the field of industries.

Mr. Advani said that although there was not much industrial research work being done in the provinces, he still thought that a Central Council of Industrial Research was necessary and could do very useful work. It

1933.]

*Co-ordination of industrial research.*

147

was not for mere co-ordination that he wanted such an agency, but for the sake of research on a large scale which the growing development of industries in India now demanded. The proposed Council should initiate researches of an All-India character, not necessarily in the institutions directly under its control, but also in other institutions in the country. It should also encourage the industries themselves to form research associations. The Council should be the thinking machine for industrial research, which would initiate researches and bring the provinces together to think on those problems and enable them, if necessary with grants, to carry out researches in their existing institution. A Bureau of Industrial Information would be of some assistance to the provinces but should not be given priority over an industrial research organization.

Mr. Dutt associated himself with the views expressed by Mr. Advani and added that if the present financial stringency was in the way, at least the principle involved should now be accepted and a beginning made on inexpensive lines. Further expansions could follow the advent of improved conditions.

Mr. Shah said that the need for State aid to research in India had been accepted by the Holland Commission. In the industrial sphere co-ordination of research was perhaps even more necessary than in the case of agriculture. For instance, the Hide Cess Committee had found that in leather research plenty of work was being done at Calcutta, Madras and Cawnpore, but the work was not being carried out in a spirit of mutual co-ordination. The organization contemplated should also undertake the training of scholars in methods of research.

Mr. Gokhale said that a new organization was required to encourage the development and objective discussion of economic problems. The need for co-ordination in India was greater than in countries with centralized Governments. Research in this country was still in a very elementary condition and it was essential that there should be proper facilities for co-ordination to advance on the right lines. The proposed organization should deal not only with research but with all the various aspects of the industry, because industries could not be dealt with in water-tight compartments.

The Hon'ble Dr. Narang agreed with Mr. Gokhale's views because industrial research was a vast subject and provincial experts could not adequately and successfully deal with every problem.

The Hon'ble Rai Bahadur Jaiswal agreed with the previous speaker.

The Hon'ble Maulvi Abdul Hamid, also agreeing, said that the Indian industry will have to face very intense competition and it

could not maintain its position unless there was a Central body to encourage research to keep pace with the progress made in other countries.

The Hon'ble Mr. Lloyd said that the present financial conditions of the Central Government were well-known and with the prospects of reforms outlined in the White Paper, those conditions would be, if anything, accentuated. Before undertaking new activities, the Government of India must see whether they are of more value than those works of proved utility which were cut off for retrenchments. The duties of scientific research were partly to direct the institutions engaged in research, partly to assist them in those researches, and partly to sift, arrange and disseminate the information they produced. He thought that efforts should at present be made to concentrate on the third item.

Mr. Mohammadi said that there was an industrial laboratory in Hyderabad where certain amount of research work was being carried on. He supported the proposal of a Central organization.

Mr. Rajagopalachari also welcomed the suggestion for an Industrial Research Council but was inclined to think that in the early stages it should be started as an Information Bureau and developed afterwards. While agriculture was a unified subject, there would be difficulties in the case of industries and the cost would be much more.

Colonel Kumar Shivraj Singh said that it was desirable to have a Central organization.

Mr. Pillay also welcomed the idea of a Central Industrial Research organization.

Major Sir Hashmatullah Khan thought that although the idea was good, in view of the present financial conditions, the time was not opportune for such schemes.

Mr. Burt said that the Imperial Council of Agricultural Research had fully worked out research schemes waiting for allocation of funds and it could not undertake more research until more funds were available. It could not spare funds for industrial research. It had been able to assist the Sugar industry because special funds had been provided by the Central Government. The activities of the Council were circumscribed definitely by its Memorandum of Association. The Council could do a little to aid research in those industries which used agricultural raw materials, if funds permitted and co-operation from provinces continued. Beyond that the Council could not well go, especially in matters relating to the bigger industries like steel, paper, etc. If the Council were to be expanded to undertake industrial research of a general character, the expansion might have an adverse effect on the efficiency of the present organization. It was already big enough and its range was

very wide. He also expressed the view that industrial research could not be carried on *in vacuo*; it should be done in very close contact with the industries and it was essential that the leaders of the industry should define their problems. It would often be necessary to build up a team of specialists to attack an industrial problem from several aspects and unless the closest contact were maintained with the industry, there was the possibility of very great waste both of energy and of money.

The President summarized the main conclusions as follows :—

- (1) Some Central co-ordinating authority should be set up for the collection and dissemination of industrial intelligence, co-ordination of research and the organization of industrial exhibitions.
- (2) The Imperial Council of Agricultural Research could not suitably undertake these functions.

The following addition was also agreed upon in the conclusions under item No. I of the Agenda :—

“ Direct financial assistance under the present provincial State Aid to Industries Acts could only be partially effective in the development of industries in the absence of a Central agency of co-ordination, particularly in respect of methods not available to provincial Governments ”.

The conclusions reached by the Panels were placed before the Conference, and endorsed with the following addition to the conclusions on “ Technical scholarships abroad ” :—

“ The Central Advisory Agency should also advise on the centres at which adequate facilities exist for training in the subjects recommended ”.

After a vote of thanks to the President from the representatives of the Provinces and States, and a reply by the President, the Conference dispersed.

## GENERAL CONCLUSIONS OF THE CONFERENCE ON THE SUBJECTS ON THE AGENDA.

### I.

(1) Experience showed that, with the exception of some Indian States, larger loans had nearly always been unsuccessful. Smaller loans had been successful in probably the majority of the cases. The Conference did not wish to express any opinion against the grant of large loans. This matter should be left over for decision as occasions arose, but in the case of large loans a more strict inquiry into the prospects of the concern and the nature of the security offered was essential, as also a closer scrutiny of the working of the concern.

(2) The loan procedure should be as expeditious as possible and there should be less rigidity in its working.

(3) The loans should be advanced for a reasonably long time.

(4) The hire-purchase system is useful, but collateral security is essential on account of rapid depreciation.

(5) Direct financial assistance under the present provincial State Aid to Industries Acts could only be partially effective in the development of industries in the absence of a Central agency of co-ordination, particularly in respect of methods not available to provincial Governments.

(See also Report of the Sub-Committee on this subject—Appendix).

### II.

The provinces should co-operate as far as possible in the proposals which were being placed before them by the Government of India. In view of the different circumstances of the provinces, some would be in a position to give a greater measure of assistance than others. All were, however, anxious to help in this important matter as far as they could.

### III.

(1) There is need for technical scholarships abroad. Those provinces which have a quota for such scholarships were generally in favour of retaining it so far as financial conditions permitted.

(2) It is essential that the utmost care should be taken in selecting scholars and the courses of training that they should undergo, and great importance should be attached to the candidate's previous training and experience and to his prospects of obtaining employment on the expiry of his scholarship.



(3) A Central Advisory Agency to co-ordinate the subjects for which the scholarships should be granted would be of value. The Agency should also advise on the centres at which adequate facilities exist for training in the subjects recommended.

(4) The wishes of the local Governments should be met as far as possible in making scholarships available for courses of study in countries other than Great Britain.

#### IV.

(1) The most desirable system would be the preparation of Industrial Gazetteers on a district basis, reviewing the industries and trades and containing particulars of the firms engaged in the industries and trades with the extent of their establishments, labour force, production, etc.

Such surveys would provide material for

(a) reviews by industries and trades, and

(b) a directory of industrialists and trades.

(2) This information should be brought up-to-date at intervals of three to five years; but even if this were not possible, a survey of the kind mentioned would remain of considerable value for a number of years.

(3) It is essential for the success of such surveys that they should be undertaken by a qualified staff, adequate for the plan and purpose of the survey.

#### V.

(1) A publication either on the lines of the Journal or of the Circular is desirable, and should be on a quarterly basis.

(2) For the publication of an Industrial Journal of any value, it would be necessary to have a central co-ordinating authority. An un-co-ordinated collection of provincial notes would be of no great value.

#### VI.

(1) Marketing through co-operative societies has not yet been a success, but it is very necessary to continue to explore the possibilities of this agency.

(2) More co-operation between the provinces is necessary and the Government of India should help as far as constitutional propriety permits.

(3) The experience of those provinces which have marketing agencies shows the desirability of other provinces turning their attention to using the same agencies.

## VII.

The experience so far accumulated was not sufficiently extensive to enable any very definite opinion to be expressed on the value of the electrical power in promoting rural development. The potentialities are great but it was not possible to express any more definite opinion. In any scheme for the application of electricity to rural development, there should be a good service organisation and a simple system of charges and the units to which electrical development should be applied should be economic.

## VIII.

(1) In respect of jail competition with private enterprise, there is no sufficient ground for a modification of the policy of the Government as stated in paragraph 1 of the Government of India Memorandum.

(2) On the question of Government factories and workshops competing with private enterprise, the discussion showed that this subject was not a live issue in the Provinces and States. It appeared from the information made available that, with the exception of a few pioneer factories, local Government and State factories and workshops existed purely for departmental training or demonstration purposes and that their competition with private enterprise was negligible.

## IX.

(1) The annual reports of the Industries Departments in the provinces should be prepared on the basis of the financial year.

(2) Variations in the activities of the various Industries Departments are too great to make it possible to prepare the reports of all provinces on uniform lines.

(3) The reports should preferably be printed in 8vo. size.

(4) Every report should have a detailed index, in addition to the table of contents.

(5) It is desirable to have an All-India review from time to time, *e.g.*, at intervals of 5 years, of industrial development and State action in respect of industries.

## X.

(1) In the instructions to Trade Commissioners it should be made clear that the reference to local Governments and Indian States includes the Heads of Departments of such Governments and States.

(2) It is desirable that Directors of Industries should have information of replies sent by the Director-General of Commercial Intelligence and Statistics to inquirers in their Provinces and States.

**XI**

(1) The Conference is generally in favour of an annual All-India Industrial Exhibition organized under Government auspices and held in rotation in the provinces, at the centre and in such States as are willing to come into the scheme.

(2) The holding of such exhibition should in no way preclude local Governments from assisting in all directions possible provincial or local exhibitions, organized departmentally or by private enterprise.

(3) The primary object of the exhibition should be to bring sellers and buyers in contact, though the cultural and educational aspect should not be overlooked.

**XII**

(1) The true remedy for un-employment amongst the middle-classes, as indeed among other classes, is the rapid development of the resources of the country.

(2) In most provinces an undue proportion of the resources available is being devoted to purely literary education, particularly in the higher grades.

(3) An industrial bias from the earliest stages would be useful in changing the general outlook of the educated classes.

(4) All possible new careers, for instance in the army, the navy, mercantile marine, civil aviation, etc., should be opened up to Indian educated young men as rapidly as possible.

**XIII**

(1) Some Central co-ordinating authority should be set up for the collection and dissemination of industrial intelligence, co-ordination of research and the organisation of industrial exhibitions.

(2) The Imperial Council of Agricultural Research could not suitably undertake these functions.

APPENDIX.

*Report of the Sub-Committee of the Industries Conference to consider the best means of granting direct financial aid.*

*Chairman.*

The Hon'ble Mr. J. P. Srivastava, M.Sc., A.M.S.T. (United Provinces).

*Members.*

The Hon'ble Dr. Gokal Chand Narang, M.A., Ph.D. (Punjab).

Mr. G. S. Dutt, I.C.S. (Bengal).

Mr. V. Ramakrishna, M.A., I.C.S. (Madras).

Mr. S. P. Rajagopalachari, B.A., B.L. (Mysore).

Mr. A. B. Pandya, B.A., LL.B. (Baroda).

Mr. G. A. Mohammadi (Hyderabad).

Mr. B. K. Gokhale, I.C.S. (Bihar and Orissa).

Mr. K. Sanjiva, Rao, M.A., of the Government of India, Finance Department in an advisory capacity).

*Recommendations.*

It was generally agreed that, in the case of small industries, Governments should continue to advance direct loans up to a maximum of Rs. 10,000 in each case. The loans should be given at low rates of interest which should not exceed the rates at which the Governments themselves borrow.

2. In the case of larger industries, as an alternative to the present method of direct loans by Governments, the following two methods are recommended as an improvement:—

Either (a) the scheme of Industrial Corporation on the lines of that recommended in the Central Banking Enquiry Committee (Majority) Report.

The Sub-Committee were generally of the opinion that the provinces might start Industrial Corporations for the purpose of providing finance to industries and also for enabling intending industrialists to secure machinery on the hire purchase system. The capital of the Corporation may be subscribed partly by Government and partly by the public. In order to attract public subscription the Government may guarantee a certain minimum dividend on the shares taken up by the public. The Corporation would be a limited liability concern with a strong Board of Directors on which the Government would be adequately represented.

Or (b) A scheme more or less on the lines of that suggested by the Committee for organising Financial Assistance to Industries in the Mysore State, presided over by Sir Brajendranath Seal.

The Mysore scheme aims at the creation of new banking facilities and indicates that for this purpose and as a first step, it may be desirable to make arrangements with a local Commercial Bank under definite stipulations to serve as an agency for administering the industrial development fund for the supply of long-term credit to particular industries and on the recommendations of a Committee on which Government should be represented. This industrial loan department of the bank should be worked as a detachable branch which in course of time may be combined with the balances of the Industrial Development fund to form the nucleus of an Industrial Bank under a specific law.

1933.]

*Report of the Sub-Committee.*

155

3. Mr. Gokhale is not satisfied that the alternative (a) to float Industrial Corporations is practicable. He thinks that the second alternative (b) to enlist the services of a Commercial Bank might, however, be considered in provinces where large Commercial Banks exist.

J. P. SRIVASTAVA.

A. B. PANDYA.

S. P. RAJAGOPALACHARI

G. A. MOHAMMADL

G. C. NARANG.

B. K. GOKHALE.

V. RAMAKRISHNA.

G. S. DUTT.

*Simla, the 14th July 1933.*

2

BULLETINS OF INDIAN INDUSTRIES & LABOUR

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No. 52.

PROCEEDINGS

OF THE

SIXTH INDUSTRIES CONFERENCE

*(Held in Simla on the 9th, 10th and 11th July 1934)*

---

SEPTEMBER 1934



Published by order of the Government of India

## CONTENTS.

	PAGE
Agenda .. .. .	1
Representatives who attended the Conference .. .. .	1-4
Business conducted .. .. .	4-5
Chairman's opening speech .. .. .	7-13
I. The Central Industrial Intelligence and Research Bureau .. .. .	14-33
II. Hand-loom Industry .. .. .	34-116
III. Sericultural Research .. .. .	117-167

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BULLETINS  
OF  
INDIAN INDUSTRIES AND LABOUR

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No. 52]

1934

[September

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PROCEEDINGS OF THE SIXTH INDUSTRIES  
CONFERENCE.

*Held in Simla on the 9th, 10th and 11th July 1934.*

**AGENDA.**

- I.—The establishment of a Central Industrial Intelligence and Research Bureau.
- II.—The utilization, by distribution among the provinces which put forward acceptable schemes, of an annual grant of about rupees five lakhs for the development of the hand-loom industry.
- III.—The utilization of an annual grant of rupees one lakh in giving effect to approved schemes of sericultural research.

PRESENT :

[Members having the letters H or S after their names constituted the Hand-loom and Sericultural Sub-Committees, respectively.]

*Government of India.*

Department of Industries and  
Labour.

The Hon'ble Sir Frank Noyce, K.C.S.I.,  
C.B.E., I.C.S., Member of the Govern-  
or General's Executive Council—  
*Chairman. (H & S).*

Mr. E. W. Perry, C.I.E., I.C.S., Offg.  
Joint Secretary.

Mr. M. Ikramullah, I.C.S., Under  
Secretary.



- Indian Stores Department .. Sir James Pitkeathly, Kt., C.M.G., C.I.E., C.V.O., C.B.E., D.S.O., A.M. I.E.E. (Lond.), M.I.Mech.E. (Lond.), M.I.E. (Ind.), Chief Controller of Stores, Indian Stores Department.  
 Mr. A. G. Khan, B.A., B.Sc. (Hons. Manch.), M.Sc. (Tech. Manch.), M.I.E.E. (Lond.), A.M.I. Mech.E. (Lond.), M.I.E. (Ind.), Deputy Director of Inspection, Indian Stores Department.  
 Rao Sahib D. Sadasivam, B.A., B.Sc. (Tech. Manch.), A.M.C.T. (Manch.), Offg. Deputy Director of Purchase (Textiles), Indian Stores Department. (H).
- Department of Commerce .. Dr. D. B. Meek, C.I.E., O.B.E., D.Sc., Director General of Commercial Intelligence and Statistics. (H & S).
- Department of Education, Health and Lands. Mr. M. S. A. Hydari, I.C.S., Offg. Joint Secretary.
- Imperial Council of Agricultural Research Department. Mr. B. C. Burt, C.I.E., M.B.E., I.A.S., Agricultural Expert. (S)  
 Colonel A. Olver, C.B., C.M.G., F.R.C.V.S., Animal Husbandry Expert. (S).  
 Mr. A. M. Livingstone, Marketing Expert. (H).
- Railway Department (Railway Board). Mr. J. M. D. Wrench, C.I.E., Chief Controller, Standards.
- Madras.*
- Mr. L. B. Green, M.B.E., M.I.E. (Ind.), Deputy Director of Industries. (H).
- Mr. D. M. Amalsad, Assistant Director of Industries (Textiles) and Principal, Textile Institute. (H & S).
- M. R. Ry. Diwan Bahadur A. Appadurai Pillai, Avl., M.A., M.L.C. (*Non-official*). (S).
- Bombay.*
- The Hon'ble Diwan Bahadur S. T. Kambli, B.A., LL.B., J.P., Minister. (H & S).

1934.] *Proceedings of the Sixth Industries Conference.* 3

Mr. M. E. Haskell, M.A.S. Mech. E., M.A.I.E.E., A.M.I., Mech. E.  
(Lond.), In charge of the duties of Director of Industries. (H & S).

Mr. K. L. Punjabi, B.A., I.C.S., Registrar, Co-operative Societies. (H).

*Bengal.*

Mr. A. T. Weston, M.Sc., M.I.C.E., M.I.E. (Ind.), Director of Industries.  
(H & S).

Mr. P. C. Chaudhuri, I.A.S., Deputy Director of Sericulture. (H & S).

*United Provinces.*

Mr. P. M. Kharegat, I.C.S., Secretary, Industries Department. (H)

Mr. S. P. Shah, I.C.S., Director of Industries. (H & S).

*Punjab.*

The Hon'ble Dr. Gokal Chand Narang, M.A., Ph.D., Minister. (H & S).

Mr. F. C. Bourne, I.C.S., Secretary, Industries and Electricity.

Rai Bahadur Lala Ram Lal, M.B.E., P.C.S., Director of Industries.  
(H & S).

Khan Bahadur M. Fateh-ud-Din, I.A.S., Director of Agriculture. (S).

Rai Sahib Lala Gopal Das, M.L.C. (*Non-official*).

S. Sadiq Hassan, M.L.A. (*Non-official*). (H).

*Bihar and Orissa.*

The Hon'ble M. Saiyid Abdul Aziz, Bar.-at-Law, Minister. (H & S).

Mr. S. Lall, I.C.S., Director of Industries. (H & S).

Rai Sahib Bhikhari Charan Patnaik. (*Non-official*). (H & S).

Rai Bahadur Bansidhar Dhandhanian. (*Non-official*).

*Central Provinces.*

Mr. G. S. Bhalja, I.C.S., Director of Industries. (H & S).

Rai Bahadur Mathura Prasad, O.B.E. (*Non-official*). (H).

*Assam.*

The Hon'ble Maulavi Abdul Hamid, B.L., Minister. (H & S).

Mr. I. Majid, M.A., I.C.S., Bar.-at-Law, Director of Industries. (H & S).

Mr. N. M. Sundram, Weaving Superintendent. (H & S).

*Delhi.*

Sardar Sahib Mehtab Singh, M.Sc., F.C.S., Industrial Surveyor. (H).

Mr. Bishan Narayan, B.A., LL.B. (*Non-official*). (H).

*Hyderabad.*

Mr. Ghulam Ali Mohammadi, Director of Industries. (H & S).

*Mysore.*

Mr. A. V. Ramanathan, B.A., Director of Industries and Commerce. (H & S).

*Baroda.*

Mr. A. B. Pandya, B.A., LL.B., Director of Commerce, Industries and Labour. (H & S).

*Gwalior.*

Colonel Sir Hashmatullah Khan, Kt., Home Member. (S).

Mr. J. Iyer, Officer in charge of Sericulture Plantation. (H & S).

*Jammu and Kashmir.*

Mr. T. C. Wazir, M.A., Deputy Director, Sericulture. (H & S).

*Indore.*

Mashir Bahadur N. S. Rahalkar, B.A., Commissioner of Customs, Commerce and Industries. (H & S).

Mr. J. B. Hutchinson, Officiating Director, Institute of Plant Industry. (S).

*Travancore.*

Mr. N. K. Padmanabha Pillay, F.R.S.A., Director of Industries. (H & S).

**BUSINESS CONDUCTED.**

*Monday, July 9th, 1934.*

**MORNING.**

1. Opening speech by the Chairman.
2. Speech by Sir James Pitkeathly on the proposed Central Industrial Intelligence and Research Bureau.
3. Appointment of Sub-Committees on Hand-loom Industry and Sericultural Research.

**AFTERNOON.**

Preliminary discussion on the development of the Hand-loom Industry.

*Tuesday, July 10th, 1934.*

Meeting of the Sub-Committee on Hand-loom Industry.

1934.] *Proceedings of the Sixth Industries Conference.* 5

*Wednesday, July 11th, 1934.*

MORNING.

Meeting of the Sub-Committee on Sericultural Research.

AFTERNOON.

1. Discussion on the proposed Central Industrial Intelligence and Research Bureau.
2. Adoption of the Reports of the Sub-Committees on Hand-loom Industry and Sericultural Research.

[Summary of discussions and the conclusions of the Conference will be found under the appropriate subjects placed before the Conference].

H100DIL

Monday, July 9th, 1934.

### CHAIRMAN'S OPENING SPEECH.

GENTLEMEN, I welcome you to Simla. I am not going to offer you the usual apology for having brought you here from long distances and at considerable inconvenience for two reasons. The first is that, having had recent experience of a rather long tour myself in the plains, first to Bombay and then to Calcutta, I know that a journey to Simla at this time of the year does not present the terrors that it would have done a month ago when, as you know, we had two other Conferences. The second is that, when we parted last year, several of you expressed the hope that this Industries Conference, which was then being revived after an interval of eleven years, would become an annual event. I think you will gather from the agenda before you that there appears every likelihood of that hope being fulfilled.

I should like, at the outset, to express my appreciation of the presence of so many provincial Ministers here to-day, which shows that they realize how important these Conferences are ; and I should also like to express my deep regret, which I am sure will be shared by you all, at the absence of Sir Jwala Prasad Srivastava, the Industries Minister of the United Provinces. He was, as you know, an outstanding figure at our Conference last year, and we should have been very glad indeed to have his advice and experience in dealing with the problems which are before us to-day. The United Provinces Government have, as in my experience they always do, placed before us some very interesting memoranda, and it would have been very helpful to us if Sir Jwala Prasad Srivastava had been here to comment on them. I am sure that it will meet with your wishes if I send him a message of deep regret at his absence and express our hope that he will soon recover from his illness.

Now gentlemen, we have a very short agenda before us to-day. There are only three subjects included in it as against thirteen last year. But I have no doubt whatever that the consideration of those three subjects will take us as long as did the whole thirteen that we discussed last year. I should like to remind you at the outset of the way in which this Conference has originated, and I do not think that, for that purpose, I can do better than read to you a passage from the Resolution of the Finance Department of the 5th May of this year, which Resolution again was the outcome of the Provincial Economic Conference. It reads as follows :—

“ Special attention was given to industrial research and the question was discussed of establishing a central organisation for this purpose, on the lines of the Imperial Council of Agricultural Research. The general feeling of the provincial representatives was that the most immediate need was for a central

clearing house of industrial intelligence which could keep abreast of industrial developments, both in India and other countries, and be in a position to give information and advice to industrialists and persons seeking industrial openings. The functions of such an institution might be somewhat as follows :—

- (1) The collection and dissemination of industrial intelligence.
- (2) Collaboration with provincial Directors of Industries and industrialists in all matters relating to industrial research.
- (3) Publication at intervals of bulletins relating to industrial research and other matters connected with industrial development.
- (4) Assistance to industrialists in India by giving advice and making suggestions as to the directions in which research should be undertaken.
- (5) To collaborate with the various organisations of the Central and Local Governments with a view to ensuring that specifications prepared or issued by them provide as far as possible for industrial standardisation.
- (6) To assist in the organisation of industrial exhibitions in India.

The officer at the head of such an institution could also be charged with the duty of organising future Industries Conferences.

The Government of India have decided to establish a central bureau on the above lines, and in order to give it an essentially practical character, and to ensure that it shall keep in close contact with industrial markets and current business it is proposed that the bureau should be attached to the Indian Stores Department, the establishment of which has already had a very marked effect in promoting the development of Indian industries.

While a plan on these lines seems likely to meet the most immediate practical requirements, the Government of India do not fail to recognize that further public assistance for the promotion of industrial research may be necessary. Occasions may arise when *ad hoc* grants to scientific institutions for research on a special problem may be required, while in the case of one particular industry—the sugar industry—they have already acknowledged the need for the establishment, with Government support, of a central research institute. In this connection it may also be recorded that the Government of India have decided to give a grant for sericultural research, and another grant for the encouragement of the handloom industry. The experience gained from the working of the Central Intelli-

gence Bureau described above may indicate what are the needs for further steps in the way of industrial research."

Gentlemen, that is the reason why we are here. We are here to implement those passages of that resolution, to endeavour to constitute a Bureau of Industrial Intelligence and Research on sound and practical lines and to decide on the best way of distributing the grants which the Government of India have given—all too small I am afraid you will think but all they can give in present financial conditions—for sericultural research and the development of the hand-loom industry.

I now propose to deal in rather more detail with the three items. The first is the establishment of the Bureau of Industrial Intelligence and Research. The reason why we have brought you here is that we are anxious that that Bureau should be of the utmost value to you and that we want you to tell us how we can make it of the utmost value to you. One question which was put to me in my recent tour, both in Calcutta and Bombay, was "Why are you attaching this Bureau to the Indian Stores Department, and would it not be better to have it as a separate organization?" I think that a perusal of the note that the Chief Controller of Stores, Sir James Pitkeathly, has placed before you will give a sufficient answer to that question. We are attaching it to the Indian Stores Department because the Indian Stores Department, under the very able guidance of Sir James Pitkeathly whose work on behalf of the development of Indian industries and especially of the smaller Indian industries, has been recognized throughout the length and breadth of India (*hear, hear*)—we are attaching it to his Department, because it is a live department. In giving him this additional work which he has very readily undertaken to carry through, we are placing at your disposal the benefit of the experience and knowledge of all the officers of his Department, and we are also placing at your disposal the resources of the Test House which that Department maintains. If any of you would like a closer acquaintance with the working of the Indian Stores Department, if you would like to know what it does in the way of testing and reporting on the different products manufactured in this country, I would suggest to you that, if you are ever in Calcutta, you should visit the Alipore Test House where you will receive a very warm welcome and everything will be explained to you. You will have gathered that we are not starting a scheme on the very extensive lines suggested in the course of our discussions last year. Some of you, gentlemen, would have liked to see us start a Council of Industrial Research somewhat on the lines of the Imperial Council of Agricultural Research. I explained the objections to that last year. I need not repeat them; most of you were here last year, and you know what they are. One very great objection is of course the financial one.

Another is that, if we were to start an Imperial Council of Industrial Research, we should not really know at present the best lines on which to start it. It is for these reasons, amongst others, that we are proposing to start on this small scale. Although it is on a small scale and although the money we have at our disposal only amounts to Rs. 5 lakhs to be spent in three years, I cannot myself help thinking that a very great deal can be done with that money if we use it in the way foreshadowed in Sir James Pitkeathly's note.

There is one very important point, and that is the position of the Indian States in respect of this Bureau. The position of the Indian States differs very greatly in regard to the three questions which are coming before us to-day. But in respect of this Bureau of Industrial Intelligence and Research, we hope that they will come in as full collaborators and co-operators in the scheme. We are anxious that they should come into the scheme on exactly the same terms as the Indian Provinces. I may say that there is no question, at any rate at this juncture, of charging any fees for the utilization of the services of the Bureau. Those will be placed at the disposal of the Provinces and of the Indian States without any charge whatever. But we hope that in return for our doing so, they will also place their own sources of information and their own research institutes, if they have any, at the disposal of the Bureau, so that it may work for the greater good of India as a whole. I hope it will be obvious to you that this Bureau may form the nucleus of a much bigger organization in the years to come. What we are asking you to do is to let us try out this experiment and if, as I hope and have no doubt, it proves successful, then to decide in consultation together in what directions its operations can be extended and how it can be made more useful.

Now I turn to the question of sericultural research ; and before I go any further, I had better make it perfectly clear that the position of the States in that matter is not the same as it is in regard to the Bureau of Industrial Intelligence and Research. I may here bring in for a moment the question of hand-loom weaving and show you where the difference lies. In regard to sericultural research, we are, it is true, dealing with an all-India question, but the money available is British-India money, and we should not be willing to make any grants to States, unless it is for research work which will be of use to British India. The money we have available for sericultural research is apparently, as shown by a close study of the memoranda which have been placed before us by the States and the Provinces, a mere drop in the ocean and it will be a very difficult matter indeed to decide how it is to be used to the best advantage. I think you may consider it desirable that we should appoint a sub-committee of our members to consider this matter, and it will be for us to consider whether a large portion of the one lakh available could not be best utilised in obtaining the services of a first



class sericultural expert who could come out to India and advise us how best to spend what little money we have. The second question which will have to be considered is whether it is advisable that we should appoint a Sericultural Committee, more or less a permanent Sericultural Committee, to deal with the administration of this grant and generally to co-ordinate effort in regard to sericultural development. The third question is whether again, in view of the small amount of money we have, it would not be advisable to spend the greater part of it on the production of disease-free seed. These seem to me, gentlemen, the three main questions which arise in regard to sericultural research.

Now I turn to the last, and not the least important, of the three questions, that of hand-loom weaving. There, as I have explained, we are dealing with British-India money, and I am afraid that as things are at present, though they may be different under the Federal Constitution to which we are all looking forward there is no money available for expenditure in Indian States. But if the States would like, as I hope they will, to take part in our discussions on this subject, if they would like to give us the benefit of their experience and of the work they have done, if they would also like to learn if they can, as I hope they can, from British India, and profit by the experience of British India, they will be very welcome indeed to do so. The amount we have at our disposal in this case is, I am glad to say, considerably larger than in that of sericultural research. I cannot say exactly how much it is. The Government of India have promised that they would spend on the hand-loom industry an amount equal to the proceeds of an import duty of a quarter anna per pound on imported yarn up to 50s. We do not yet know what that amount is likely to be. The estimate which Sir Joseph Bore gave in the Assembly was about Rs. 3½ lakhs, but we have reason to think that it will probably be a little more. This year we shall only get 11 months' proceeds, but I think we can work more or less on a figure somewhere in the neighbourhood of Rs. 5 lakhs for a complete year.

I shall deal with the question of procedure in a moment, but I would say now that the questions which seem to me most important are the extent to which the co-operative movement can be utilized in saving the hand-loom industry, whether there are any matters of common interest such as the question of designs and that of improved machinery which could with greater advantage be undertaken at the centre, and the extent, if any, to which the grant should be used for instructional and similar purposes. There is one very important point we have to bear in mind in regard to both sericultural research and also the hand-loom industry, and that is that the grant which is being placed at our disposal is for five years only, and that any schemes which we approve will have to be based on that assumption. Another point which should be mentioned is

that we are here to-day really in the position of Advisers to the Government of India. The Government of India stipulated, in promising this grant, that it must be spent on approved schemes, that the schemes should be placed before the Government of India for consideration. This is not, therefore, entirely a matter for my Department, though I have, no doubt, that the recommendations of a Conference such as this of which I am a member will carry the utmost weight with the Government of India and will receive their most sympathetic consideration.

That, gentlemen, is all I think I need say about the three items on the agenda. We now come to the important question of procedure. I would suggest to you that it is not necessary to consider the first question, that of the establishment of the Bureau of Industrial Intelligence and Research, in a Sub-Committee. I think what we want your opinion on is on the general principles and on the extent to which you will be willing to work with this organisation and to support it ; and these are matters which we can discuss here in full Conference. I would also suggest that we do not take up that discussion immediately. I would ask Sir James Pitkeathly, as soon as I have finished, to add a few comments to what I have said on this subject, so that you may be better able to understand the full scope of the proposal. But as you got his memorandum only this morning, it will perhaps be well if you have a little time for its consideration and if we were to discuss it on Wednesday (*hear, hear*). The question of sericultural research and hand-loom weaving had, I think, better be discussed in Sub-Committees on which we shall be very glad to have the presence of those who have made a special study of the subject and of the Ministers who are specially interested in them. As soon as Sir James Pitkeathly has finished dealing with the first question, we might consider who should be on the Sub-Committees. But I think before we proceed to Sub-Committees, it would be valuable if the full Conference would give us some indication of their views on the points I mentioned in the case of sericultural research—whether we should have an Imperial Specialist and whether we should devote our small funds to disease-free seeds, and in the case of hand-loom weaving, the question of some central organisation in regard to designing and improved machinery and the value of the co-operative movement. I think we might very well discuss these this morning in full Conference before we break up into Sub-Committees. If, as last year, it had been possible to have the two Sub-Committees sitting simultaneously, it would have saved time, but I am afraid it is not possible as I think—I hope that I am not flattering myself when I suggest it—that you will wish me as the representative of the Government of India to preside over both of them and I cannot be in two places at once. The Ministers may also wish to be on both Committees. I think we should get through our main business this morning, and, if this

1934.] *Proceedings of the Sixth Industries Conference.* 13

course meets with your approval, we could take up hand-loom weaving this afternoon and to-morrow morning, and deal with sericultural research to-morrow afternoon, leaving Wednesday free for the discussion of the Bureau of Industrial Intelligence and Research and the reports of the Sub-Committees by the full Conference. It is possible the Sub-Committees may go on to Wednesday morning, but in that case I hope that the full Conference will be able to deal with the problems on Wednesday afternoon ; I think you would not wish to be detained any longer than that.

In conclusion, gentlemen, I hope it will meet with your approval if we adopt the same procedure that we did last year in regard to the communication of our proceedings to the press and give them a verbatim copy only of what I have now said. Our discussions will then proceed in camera, so that the press will be given, as they were last year, a summary of them at the end of the day. Before asking Sir James Pitkeathly to deal with item I of the agenda, I would ask if this procedure meets with your approval (*Applause*).

There were no dissentients : the Chairman asked Sir James Pitkeathly to comment on his note.

## I.—THE CENTRAL INDUSTRIAL INTELLIGENCE AND RESEARCH BUREAU.

### MEMORANDA.

#### *Government of India.*

The subject Co-ordination of Industrial Research was discussed at the Fifth Industries Conference held at Simla in July 1933 (*vide* Bulletins of Indian Industries and Labour No. 50), and the following conclusions were arrived at :—

- (1) Some central co-ordinating authority should be set up for the collection and dissemination of industrial intelligence, co-ordination of research, and organisation of industrial exhibitions.
- (2) The Imperial Council of Agricultural Research could not suitably undertake these functions.
- (3) Direct financial assistance under the present Provincial State-aid to Industries Acts could only be partially effective in the development of industries in the absence of a central agency of co-ordination, particularly in respect of methods not available to provincial Governments.
- (4) The Central Advisory Agency should also advise on the centres at which adequate facilities exist for training in the subjects recommended.

2. The subject was discussed again at the recent Provincial Economic Conference, and as a result of these discussions the Government of India have in their Finance Department Resolution No. F. 16 (1) F./34, dated the 5th May 1934, announced their decision to establish a Central Bureau of Industrial Intelligence and Research which will be attached to the Indian Stores Department.

3. It has been held that it is at present not a practicable proposition to endeavour to set up in India an industrial research organisation on the lines of the great research organisations which exist in some of the more advanced industrial countries, but that something could and should be done to make a beginning and to lay the foundations on which a research organisation suitable for the needs of the country could later on be constructed. The Indian Stores Department in its day to day work is in very close touch with many of the important industries in India, and particularly with many of the industries which have only been established within recent years, and will be able to obtain the goodwill and interest of manufacturers in the new venture. The Department has at its disposal well-equipped laboratories which are almost wholly engaged on the work of examining the products of these industries, and, as a pur-

1934.] *The Central Industrial Intelligence and Research Bureau.* 15

chasing authority, it has the power to assist industries by purchasing their products. It is also in a position, from the inspection and examination of the articles which it deals with, to indicate directions in which research should be undertaken in order to improve standards and qualities. It is essential that the industrial research authority that may be set up, should prominently keep in mind the necessity of giving the greatest attention to research which will yield practical results rather than research of a purely academic character. For these reasons it has been decided that the Indian Stores Department could most appropriately be entrusted with the duties of organising and supervising the new venture. The Bureau will, for the present, form a branch of the Indian Stores Department and will be under the general control of the Chief Controller of Stores, but with a large measure of independence in its day to day operations. It will be organised on self-contained lines in order that in time it can be separated from the Indian Stores Department and formed into an independent department. The duties which it is proposed to entrust to the new Branch or Bureau are enumerated in paragraph 13 of the Finance Department Resolution of the 5th May 1934 referred to above. Full details of the cost of the organisation have not yet been worked out, but on the figures which have been placed before them, the Government of India have tentatively decided to provide funds in the first instance to the extent of Rs. 5 lakhs spread over three years. This expenditure, it is anticipated, will suffice to give the Bureau a fair start and to enable the Government of India to test the value of such an organisation.

4. One of the main sources of information relating to industrial development in the country are the provincial Departments of Industries, and unless the Government of India have the full co-operation of these Departments the full benefit which can be obtained from the scheme will not materialise. It is, therefore, essential to know to what extent the different Local Governments will co-operate with the Government of India in making the scheme a success, and the extent to which the new organisation can expect assistance from the provincial Industries Departments.

*Note by the Chief Controller of Stores, Indian Stores Department, on the proposed Central Industrial Intelligence and Research Bureau.*

In this brief memorandum I shall endeavour to indicate the broad lines on which the Central Industrial Intelligence and Research Bureau should be organised, and the manner in which the functions it is proposed to entrust to the Bureau should be discharged. In considering this matter it must be kept prominently in mind that the funds immediately available are very limited, and that it will not be possible at the present time to set up an organisation of

an elaborate character. The views expressed herein are my personal views. The proposals which I put forward have not been submitted to the Government of India, and they must be regarded only as tentative proposals subject to such modifications as may be required in the light of criticisms and suggestions which I hope this Conference will freely make.

2. It has been explained in paragraph 3 of the Government of India's Memorandum that for the present the Bureau will form a Branch of the Indian Stores Department under the general control of the Head of that Department, but that it will be organised on self-contained lines, and will be largely independent in its day to day operations. It may be desirable to make it perfectly clear that the only object of attaching the Bureau to the Indian Stores Department is to place at its disposal all the available resources of the Department in the form of information regarding industries, accumulated technical knowledge and experience, facilities for research work, etc., which that Department possesses, and there is no intention of centralising in the Indian Stores Department the work which will be undertaken by the Bureau.

3. In paragraph 4 of the Memorandum the Government of India have laid great stress on the importance of the fullest co-operation with the provincial Departments of Industries, and have stated that without this, the full benefit which can be obtained from the scheme will not materialise. I go further than this, and say that unless the provincial Departments of Industries are given an active part in the direction and control of the Bureau, its usefulness to the country as a whole will be seriously impaired, and the chances of success of the organisation will be jeopardised. If this view is accepted, it follows that the scheme for the Bureau must be such as will closely link it up with all the Directors of Industries and industrialists in the provinces. I have considered the various ways in which this essential condition can be met, and the conclusion I have reached is that the organisation should be framed on the following lines.

The Central Bureau will be in the direct charge of an officer designated "The Director of Industrial Intelligence and Research". He will be assisted by an Assistant Director, and provided with the necessary technical and clerical staff, but in order that the Bureau may be closely linked up with the Central Government Departments, Provincial Governments and Indian States, I propose that an Advisory Council designated "The Advisory Council of Industrial Intelligence and Research" should be constituted for the purpose of advising and collaborating with the officer in charge on all matters connected with the work of the Bureau.

4. My provisional views in regard to the personnel of this Advisory Council are :—

Three or four members to be nominated by the Government of India to represent the Departments directly interested

1934.] *The Central Industrial Intelligence and Research Bureau.* 17

in industrial development (Industries and Labour, Railways and Army) ;

The Director of Industries of each province, or the provincial officer entrusted with industrial affairs ;

Two or more representatives from Indian States ;

Six or more non-officials from the provinces, who should, if possible, be gentlemen directly connected with industries.

The Advisory Council should meet once a year at a convenient centre, and as most, if not all, of the members I have suggested will be delegates to the Annual Industries Conference, the meeting of the Council could conveniently, and without much additional expense, be arranged to form part of the Conference.

5. With an Advisory Council such as I have suggested, the Bureau will be a position to maintain the closest contact with the industrial activities throughout India. Co-ordinated action on all matters relating to Industrial Development and Research will be ensured, wasteful overlapping will be avoided, and all provincial Directors of Industries will be secured a definite and active part in the working of the Bureau.

6. With regard to the actual methods to be adopted by the Director in charge of the Bureau when referring matters to the Advisory Council, details will have to be worked out by the officer, when appointed, but I visualise that it will be possible to dispose of a great part of the work by the simultaneous circulation of papers to each Member of the Council, and it will only be the larger matters, such as an important research or investigation, in which there are many and varied considerations, that would require discussion at the annual meeting of the Advisory Council. It is possible that the Advisory Council which I have suggested, may be criticised on the grounds that it is too large and will tend to slow down the disposal of work. There may be some grounds for this criticism, and any alternative proposals which will ensure complete co-ordination of all interests concerned will be welcomed.

7. The next important point for consideration is the arrangements to be made for the research work which the Bureau may be asked to undertake. The Government of India have in the Test House at Alipore and the Metallurgical Inspectorate at Tatanagar well-equipped laboratories in which a wide range of tests and analyses can be undertaken. At present research work in these institutions is limited to investigations into the causes of failures of or defects in materials. In order to provide for research it is proposed to establish at the Test House, Alipore, a Research Branch which will be placed at the disposal of the Director of the Bureau.

The Research Branch will be under the general superintendence of the officer in charge of the Test House, but the control and direction as to the actual research work to be undertaken will be vested in the Director of the Bureau. The object in establishing the Research Branch at the Test House is to make the utmost use of the facilities which are immediately available without incurring additional expenditure.

8. It is estimated that the Research Branch at the Test House will absorb approximately Rs. 1,85,000 of the proposed grant of Rs. 5,00,000.

9. In a later paragraph of this memorandum I shall explain in somewhat greater detail the proposals in regard to the Research Branch, and the procedure to be followed in obtaining its services for industrial interests. In framing my proposals for the Research Branch in the Test House, I have assumed that all research organisations at present under the control of Provincial Governments will continue to function as at present, and that the Director in charge of the Bureau will be given freedom to make use of all facilities and services which these institutions can give, and that he will be kept continuously in touch with all research work being done in each province.

10. The Government of India have provisionally accepted a proposal that Mr. N. Brodie, M.Sc., F.C.S., A.I.C., Superintendent of the Government Test House, should be selected for the post of Director of the Bureau. Mr. Brodie possesses high scientific qualifications and has had wide and varied experience of Indian industrial matters. In his present post he has been engaged in the examination of many of the products of Indian industries, and it is felt that in his new post as officer in charge of the Bureau he will be able to render great assistance in furthering the purposes the organisation is designed to serve. Mr. Brodie is at present on leave and returns to duty in November 1934. It is the intention that, as soon as possible after his return to duty, he should visit the headquarters of various provinces and Indian States interested in the scheme for the purpose of discussing with Directors of Industries and others the details of the working of the Bureau and the directions in which the greatest possible assistance can be given to local industrial interests. He will also examine with the Directors of Industries what assistance and facilities for research each province can give to the Bureau. It is anticipated that the remaining months of present financial year will be taken up in these visits, the preparation of a detailed working scheme, the recruitment of the necessary staff, etc., and it is considered that the earliest date on which the organisation can begin to operate is the 1st April 1935. It is, therefore, proposed that the three years experimental period for which the Government of India have



1934.] *The Central Industrial Intelligence and Research Bureau.* 19

decided to make a grant of Rs. 5 lakhs should be reckoned from that date, and that the remaining months of the present year should be regarded as a period for preparation and organisation.

11. The grant of Rs. 5 lakhs will be distributed approximately as follows :—

				Rs.
1934-35	..	..	..	26,000
1935-36	..	..	..	1,63,000
1936-37	..	..	..	1,59,000
1937-38	..	..	..	1,52,000
				<hr/>
			Total	5,00,000
				<hr/>

12. In framing the above estimates of expenditure year by year I have assumed that no expenditure on account of travelling and other allowances of Provincial and Indian States representatives (official and non-official) attending the Advisory Council will be borne by the Central Government. I have also assumed that no charges will be levied against the Central Research Bureau on account of work done on behalf of the Bureau in research institutions, experimental factories, etc., under the control of the Provincial and States Governments. It may prevent future misunderstandings if the Provincial and States representatives will take due note of these assumptions.

13. The duties to be entrusted to the Central Industrial Intelligence and Research Bureau have been indicated in general terms in paragraph 13 of the Finance Department Resolution of the 5th May 1934. It will be helpful if the representatives of this Conference will state their views as to the most appropriate way in which these duties can be discharged, and indicate the extent of the assistance that they will be able to give to the Central Bureau.

14. There are three points to which I may briefly refer.

It is proposed that one of the duties to be entrusted to the Bureau should be—

‘Publication at intervals of bulletins relating to industrial research and other matters connected with industrial development.’

In order to encourage those connected with industrial and research activities to collaborate with the Bureau, and to come forward with contributions dealing with their investigations and researches, I propose that a sum of money should be set aside every year from the grant of Rs. 5,00,000 for the purpose of giving honoraria or prizes to

those whose contributions have been found to be of general value and help to industrial development, and also to research workers whose work is found to be of outstanding merit.

15. I suggest that, to start with, this sum should not be less than Rs. 10,000 per annum divided into the following units :—

20 prizes of Rs. 250 each,

20 prizes of Rs. 150 each, and

20 prizes of Rs. 100 each.

I also suggest that selections of the contributions or work for the purpose of awarding the prizes should be undertaken by the Advisory Council or a Sub-Committee appointed by the Council. The views of the representatives present are invited on this proposal.

16. A very important duty to be entrusted to the Bureau is—

‘ Assistance to industrialists in India by giving advice and making suggestions as to the directions in which research should be undertaken.’

Many of the industries in India, particularly the smaller industries, have little or no scientific back-ground, and have no facilities for undertaking research work, and the application of science to their operations is not a considered factor in their make up. In such cases it is considered that a Central Bureau of Research to which reference could be made for advice and help in solving problems arising often from the lack of scientific knowledge, would be of very real practical value to the industries. It is, therefore, proposed that, as far as practicable, the Central Research Bureau should, when called upon, give advice and assistance to industrialists in the solution of problems confronting them.

17. Requests for advice and assistance of this kind will in many cases involve research and investigation work, and, in order to place the Bureau in a position to deal with this part of its activity, it is proposed to set up in the Central Government Test House at Calcutta, a Research Branch which will carry out, on behalf of the Bureau, such scientific investigation as may be necessary. As the funds for the Research Branch are very limited, it is hoped that the Head of the Bureau will also be able to enlist the co-operation of all research organisations under the control of the Provincial Governments, and on this point I should like to obtain the views of the provincial representatives.

18. On the assumption that the full co-operation of the Provincial Governments is assured, a comparatively small staff of research workers at the Test House, Alipore, will suffice for the first year or two of operation, and in the provisional proposals which I have framed, I have provided for a staff of two superior officers and six Chemical

1934.] *The Central Industrial Intelligence and Research Bureau.* 21

and Physical Assistants with the necessary clerical and inferior establishment.

19. It is impossible at this stage to frame any accurate estimate of the volume of demands for advice and assistance, which may reach the Bureau, but the proposed Research Branch in the Test House, combined with the facilities for research already in existence in various provinces, should, in my view, be adequate to deal with all investigations which may be necessary, but I shall welcome any criticisms and suggestions the provincial representatives may desire to offer.

20. An important point for consideration here is the procedure to be followed in obtaining for industrialists the advice and assistance of the Bureau. It will be necessary to lay down a procedure which will ensure that only demands for assistance from people genuinely interested in industrial activities are entertained. My provisional proposal is that all requests for advice and assistance should be submitted to the Bureau through the provincial Directors of Industries or other officers nominated by the Provincial Governments. It should be the duty of the forwarding authorities to satisfy themselves that the requests for assistance are genuine, and that the provincial industries seeking advice are such as deserve encouragement and assistance. By the adoption of some such procedure we shall be able to ensure that the Bureau is not called upon to undertake useless research work, but what is more important we shall be able to associate very closely with the work of the Bureau the Directors of Industries and other authorities in the provinces, who are interested in the development of industries. I shall be glad to hear the views of the provincial representatives on this proposal.

21. A question which will most certainly be asked is, Will any charge be made for the advice and assistance given by the Bureau? This matter is one for the Government of India to decide, but my recommendation will be that if the Provincial Governments are prepared to place at the disposal of the Head of the Bureau, free of charge, any research organisations under their control, no charges should be made for any services rendered in the shape of advice and assistance given to industrialists. My personal view is that the levy of charges for assistance that may be sought by industrialists, would deter them from seeking the help of the Bureau, and would prevent the attainment of the object in view. The views of the provincial representatives on this point will be of the greatest value.

22. With regard to the duty detailed under—

‘To collaborate with the various organisations of the central and local Governments with a view to ensuring that specifications prepared or issued by them provide as far as possible for industrial standardisation.’

I may explain that at present there are various organisations in the  
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Central and Provincial Governments, which undertake the preparation of specifications required to guide manufacturers. Every endeavour is made by the Departments of the Central Government, when framing specifications, to ensure that their specifications take into account the manufacturing possibilities of India. Certain instances have come to light, particularly in specifications relating to textile supplies, where minor modifications in the specifications in no way taking away from the value of the article to the user would permit the articles to be made in India. It is considered that the Bureau could do very useful work by collaborating with all Departments of the Central and Provincial Governments in this matter. It is not suggested that the Bureau should endeavour to undertake the preparation of specifications, or that standardisation should be centralised in the Bureau. The proposal is that all Departments in which specifications are framed, should afford the Bureau an opportunity of scrutinizing their specifications, mainly from the point of view of possibility of manufacture of the specified articles in India before the specifications are officially brought into force. In carrying out this duty the Head of the Bureau would find it necessary to obtain the assistance of the provincial Departments of Industries, and it will be of value to know how far these Departments are in a position to assist. I shall be glad to obtain the views of this Conference on the proposal, particularly on the practical results likely to be secured by its adoption.

23. I have endeavoured in the foregoing paragraphs briefly to indicate the main points on which, in my view, the criticisms, advice and assistance, of this Conference will be particularly helpful. Many other points will no doubt occur to the representatives present, and it is hoped that these will be brought forward to help us to organise the Central Bureau of Industrial Intelligence and Research on lines which will ensure its maximum usefulness to the industries of the country.

#### *United Provinces.*

The Sugar and Oil Sections of the *Harcourt Butler Technological Institute* are fairly well equipped for industrial research relating to those branches of industry, and will be prepared to assist the Central Bureau in every practicable manner. If the Bureau can assist in enhancing their scope and utility, they can function in effect as specialised branches of the Central Bureau for both (a) research and (b) intelligence. The General Chemistry Section will also offer such co-operation as it can within the limits of its resources.

2. Among the other *instructional* institutions which can co-operate with the Central Bureau in both research and intelligence are :—

- (i) *The Central Wood Working Institute, Bareilly.*—(Grant for 1933-34 was Rs. 1.14 lakhs.) This institution can

carry out specified investigations relating to the technology of wood and allied problems and the problems of commercial utilisation of various timbers. It is one of the few places with a well-equipped kiln for artificial seasoning.

(ii) *The Dyeing and Printing School, Cawnpore.*—(Grant for 1933-34 was Rs. 49 lakh.) Though the designation of this institution refers to only dyeing and printing, its scope really covers almost the whole field of textile and tinctorial chemistry. It can assist the Bureau as regards both research and intelligence relating to textile and tinctorial chemistry including the manufacture of artificial silk (*rayon*).

(iii) *The Textile School, Cawnpore.*—(Grant for 1933-34 was Rs. 39 lakh.) This institution can handle secondary problems of research relating to the spinning and weaving of cotton and other fibres on modern factory lines. Like the other institutions it can also undertake "intelligence" work. This institution deals with "textile manufacturing" work—i.e., power-spinning and hand and power weaving, sizing, calendaring and ordinary finishing.

(iv) *The Central Weaving Institute, Benares.*—(Grant for 1933-34 was Rs. 35 lakh.) This institution was intended to be an All-India Institute for research into the problems of the hand-loom industry. With its present staff it cannot usefully take up intelligence work of a superior order. But it is in a position to carry on adaptive, applicative or secondary research. In fact it can already claim a certain amount of useful work in this direction; e.g., the introduction of jacquards, dobbies, a specially designed apparatus for preparing the warp, a sley operating half a dozen shuttles carrying yarns of different colours and so on. It is favourably situated to perform intelligence work relating to the hand-loom industry at its most important centre in the United Provinces, *vis.*, Benares.

(v) The other institutions can at best carry out adaptive research of a local character and can help to demonstrate its technical and commercial practicability.

3. The headquarters of the Department cannot do original research, but it can help a little with intelligence relating to industries in general. The Department has already agreed to co-operate within the limits of its resources, with the Statistical Research Branch of the Government of India Department of Commerce. But the following serious difficulties must be pointed out :—

- (i) The Department has no special staff for the collection and compilation of industrial and commercial intelligence. Whenever necessary, special investigations are undertaken under the guidance and control of the superior staff of the Department or the Bureau of Statistics and Economic Research. This bureau, however, consists of only one officer, *viz.*, the Statistician and clerk and a chaprasi. If the work is to be properly done the need for special extra staff is clearly indicated.
- (ii) At present industrialists are not bound to supply a good deal of the information which is generally desired and necessary. The Department has made numerous attempts to get such information by appeal and persuasion; such attempts have not however always been successful.

#### DISCUSSION.

*Monday, July 9th, 1934.*

(See also the opening speech of the Chairman.)

Sir James Pitkeathly explained that the Central Industrial Intelligence and Research Bureau would be really an organization of the provinces without whose fullest co-operation and assistance it would not be possible for the Bureau to attain the success that it could. At the headquarters there would be a Director and an Assistant Director with the necessary technical and clerical staff but the most important part of the organization was the Advisory Council composed mainly of provincial Directors of Industries and industrialists in the provinces. The Advisory Council would control the Bureau, indicate the directions in which investigations should be made and also give instructions as to how intelligence should be conveyed to the various units in Industrial India. Most of the reasons which led to the Bureau being attached to the Indian Stores Department were stated in paragraph 2 of his note. The Indian Stores Department hoped to place such facilities as were available at the disposal of the Bureau and arrange methods of contact with the various industrial activities in the provinces, without exercising detailed control on the day to day working of the Bureau: that would be done in consultation with the Advisory Council by the officers of the Bureau. The Bureau was not intended to replace the existing research institutions under the Central or Provincial Governments. It was merely to be supplementary to them, acting as a co-ordinating medium under the control and direction of the Advisory Council. The Bureau was not expected to be of very great help to some of the well-established industries, such as jute or cotton. They were large enough to have their own research organizations. It was

1934.] *The Central Industrial Intelligence and Research Bureau.* 25

primarily meant for the smaller industries in India which could not afford the expense of setting up their own research organizations. It was hoped that the Bureau might establish contacts with some of the larger research institutions in other countries in order to obtain the results of their researches and place them at the disposal of Indian industries. The Government of India had already placed Mr. Brodie on special duty so that he could get in touch with the Departments of Scientific and Industrial Research at home. If the establishment of the Advisory Council was approved, it was possible that by adding on to its personnel it might be used for dealing with subjects such as sericulture and hand-loom weaving.

With regard to the procedure to be followed in dealing with demands for research, it was expected that cases of important industrial research involving probably additional expenditure in the way of capital should be considered by the whole Bureau. The meetings of the Advisory Council would be part of the Industries Conference, which was likely to be retained as an annual measure. It was proposed to allocate certain sums of money every year to give honoraria and prizes for good work done and papers contributed. The question of industrial standardization was a very important one. By making minor alterations in specifications, it was already found possible in a number of cases to get the articles made in India without any loss of efficiency to the user and a great deal more could be done if the provincial Departments of Industries would help in this very important matter.

*Wednesday, July 11th, 1934.*

The Chairman said that it would probably tend to focus the discussion if he were to deal with the question immediately before the Conference in the form of a series of questions. The first question was—

*“Is the proposal to establish a Central Bureau of Industrial Intelligence and Research on the lines suggested in the Chief Controller of Stores’ note generally accepted?”*

The Hon’ble Dr. Narang said that there could be no disagreement on the proposal to establish a Central Research and Intelligence Bureau.

The Chairman then enquired whether the organization proposed was agreed to.

Rai Bahadur Lala Ram Lal wanted to know whether a staff of chemists with a Director in charge would be all they would have under the scheme.

Sir James Pitkeathly said that the organization sketched out included the complete organization of the headquarters staff with

an expert Chemist, supported by a technical staff, an assistant and various clerical members necessary for the general administration of the Bureau. In addition to that, and as supplementary to the work done in the provinces it was proposed to have a separate research organization consisting of two officers and up to six assistants to deal with the research work in the Test House.

Rai Bahadur Lala Ram Lal said that he understood from paragraph 7 of Sir James Pitkeathly's note that the present work in the Test House was mainly analytical and confined to finding out defects in materials and enquired if on the chemical side they would be able to investigate the problems put to them regarding the adoption of an industry to suit the conditions in a particular part of the country and whether they would also have a staff of Industrial Engineers at the Test House.

Mr. Khan replied that the organization would have a staff of two officers and a few assistants to carry out research work and that they had in the Test House, as well as in the Metallurgical Inspectorate, men who could tackle problems requiring mechanical knowledge.

The Chairman remarked that one of the objects of attaching the new organization to the Indian Stores Department was to place the resources of that Department in the matter of technical expert knowledge at the disposal of the provinces.

Mr. Bhalja wanted to have some idea of the expert staff of the Test House.

Mr. Khan said that they had a Superintendent with more than 20 years' experience, a Chemist in charge of the Chemical Section, and a Physicist in charge of the Mechanical Section. Each section had a large number of assistants. Similarly, in the Metallurgical Inspectorate, they had a staff, including an officer who was also technical adviser in many problems connected with the manufacture of steel.

Rai Bahadur Lala Ram Lal enquired if information and advice would be supplied free of charge.

The Chairman explained that there was no intention whatever of charging any fees for the services of the Bureau.

Mr. Pillay wanted to know if the institute would admit students to carry on research work.

The Chairman said that they were not setting up a research institute.

Mr. Weston enquired whether the Bureau would be able to produce something like the Tariff Board reports on various problems referred to it, giving an economic description of the industry.

Sir James Pitkeathly said that that was what the Bureau was expected to do provided it was assured of provincial co-operation.



1934.] *The Central Industrial Intelligence and Research Bureau.* 27

Mr. Weston enquired if the Directors of Industries would be called in conference continuously.

The Chairman pointed out that it was hoped that the Director of the Bureau would go round the provinces from time to time and get all the information he could and that he would also be in constant communication with them. The Advisory Council would meet once a year with the Industries Conference in order to review the Bureau's work.

Mr. Weston enquired whether the Bureau would be of help in such an industry as the rice milling industry.

Mr. Burt giving a purely personal opinion, said that the Imperial Council of Agricultural Research would be very glad to come in on the agricultural side and co-operate with the Bureau.

The Chairman remarked that the Bureau would work in the closest co-operation with the Imperial Council of Agricultural Research and between them they should cover the whole field.

Mr. Burt further explained that all the problems connected with paddy and rice would be specially surveyed by the Marketing Expert in the very near future.

Diwan Bahadur Appadurai Pillai enquired if the problems of research connected with highly organized industries could be dealt with by the Bureau.

Mr. Khan pointed out that it was not the intention to undertake research on problems connected with large-scale industries because they were sufficiently organized to look after themselves. The Bureau would undertake only those problems which faced the smaller industries and in which the provinces required its assistance, and would determine, in consultation with the Advisory Council, what research work was to be undertaken.

Sir James Pitkeathly added that, in certain cases, the research conducted by the Bureau would be of great assistance to large-scale industries for instance by raising the standard of the materials which they required.

Mr. Lall enquired whether they could obtain the co-operation of the Indian School of Mines, Dhanbad, where some research was being done.

The Chairman replied that, as the School happened to be under the Industries Department there would be no difficulty about this.

The Chairman then put his second question to the Conference, namely—

*“Is the proposed organization of the Bureau agreed to?”*

The Conference answered the question in the affirmative.

The Chairman next put his third question, namely—

*“ Is the constitution of the Advisory Council approved ? ”*

He stated that the proposal was that there should be three or four members nominated by the Government of India to represent Departments directly interested in industrial development, *i.e.*, Industries and Labour and Railways. He was not sure about the Army but thought it was very necessary to have a representative of the Imperial Council of Agricultural Research. The Director of Industries of each province or the provincial officer entrusted with industrial affairs was to be a member. The Indian States were to have two or three representatives and the provinces could nominate six or more non-official gentlemen connected with the industry. As regards the interest of the Department of Education, Health and Lands in the forest side, it would always be possible for the Advisory Council to co-opt any Government official. He suggested the inclusion of the Commerce Department in view of their connection with tariff problems. He also proposed the addition of the Director General of Commercial Intelligence and Statistics to the Advisory Council.

The Hon'ble Dr. Narang suggested that the Advisory Council should meet at least twice a year, once at Delhi and once at Simla.

The Chairman pointed out that this might put an undue strain upon the time of the representatives and on provincial finances. He would therefore provide for meetings “ at least once a year ”, adding that it would entirely depend upon the Council to meet oftener if it so desired. The Government of India would have no objection whatever to this.

Rai Bahadur Lala Ram Lal thought that they might have to sit much too long if the Council and Conference met at the same time.

The Chairman did not think so but added that the Council would undoubtedly meet a day or two before the main Conference.

Mashir Bahadur Rahalkar asked on what basis the two or three representatives of the Indian States were to be chosen from among the seven States which were represented at the Conference.

The Chairman replied that the intention was that the States should come in on exactly the same terms as the Provinces and that Hyderabad, Mysore, Baroda, Gwalior, Kashmir, Indore and Travancore should have a representation on the Advisory Council. He thought that this was justified in view of the assistance they had given and the co-operation they had promised. They deserved to be what might be called ‘ foundation members ’. The claims of any other States which might subsequently want to come in would have to be very carefully scrutinized.

1934.] *The Central Industrial Intelligence and Research Bureau.* 29

Mr. Weston wanted to know how the 'six or more non-officials from the provinces', etc., could be selected without having non-officials from all the provinces.

The Chairman thought it could be left to Local Governments to send any non-official whose advice they thought would be specially useful in dealing with the problems before any particular session of the Advisory Council or the Conference.

Mr. Sadiq Hassan strongly urged that all the non-officials should not come through the provincial Governments alone and that the Government of India should nominate some.

The Chairman agreed that some non-officials, say three, should be nominated by the Government of India. It would however always be open to the Advisory Council to co-opt members. He deprecated the setting up of a very elaborate body and did not want to make it appear that they were embarking on something very ambitious, like, for instance, the Imperial Council of Agricultural Research.

The Chairman next asked his fourth question, namely,—

*"Are provincial Governments and Indian States prepared to collaborate with the Central Bureau to the extent indicated in paragraphs 9 and 12 of the Chief Controller's note?"*

Sir James Pitkeathly explained that all they hoped was that Provinces and States should allow their representatives to attend the meetings of the Advisory Council and also place at the disposal of the Bureau such facilities as they had for research and investigation. They did not expect them to incur any extra expenditure on their research institutions.

The Hon'ble Dr. Narang was of opinion that the Conference should place it on record as its opinion that whenever a reference was made by the Bureau, the Government of the province to which the reference was made should ungrudgingly and unhesitatingly place the services of its officers at the disposal of the Bureau and direct them to reply to the references with all possible despatch.

The Chairman then summed up the views of the Conference on this question as follows :—

*"It is the view of this Conference that Local Governments and the participating States should give their fullest co-operation in the work of the Bureau. It should, however, be left to Governments concerned to decide what that measure of co-operation should be."*

The fifth question put was :—

*"Should the proposals contained in paragraphs 14 and 15 of the Chief Controller's note be accepted?"*

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In regard to publication of bulletins, the Chairman pointed out that it was merely carrying out what the Industries Conference had suggested last year, and as regards paragraph 15, he suggested that, if the general proposal to award prizes was approved, the distribution of prizes might be left to the Council. There was no need to lay down any principles.

The two propositions were accepted by the Conference.

The sixth question put was :—

*“ What procedure should be adopted in regard to the method of dealing with demands for advice and assistance ? ”* (paragraph 20 of the Chief Controller's note).

The Chairman pointed out the dangers of having no check in this respect and thought that it would be quite sufficient if they ensured that the proposals had the approval of the Directors of Industries under Local Governments and under the Indian States.

The Conference agreed.

The seventh question put was :—

*“ Should the Chief Controller's proposals as regards dealing with specifications be accepted ? ”* (paragraph 22 of the Chief Controller's note).

Sir James Pitkeathly explained that the proposals were made with a view to ensuring that any specification framed by any Department of the Central Government or of a provincial Government would not disregard the necessity of industrial standardisation. By making slight amendments to specification it was often possible to give the user an article sufficiently good for his purpose and yet ensure the possibility of its manufacture in India. The Railway Department which was a very important department in respect of specification, had agreed to give the fullest co-operation. When a new specification was to be framed, the Bureau would be consulted as to whether the specification was such that it ensured manufacture in India if this was possible.

Mr. Weston supported the proposal but thought that it would bring them into contact with large-scale industries.

The Chairman said that their primary concern was with small industries, but if the Bureau, as it was bound to do, came in contact with larger industries, that was a development that they were prepared to follow up. The Bureau was to be a Bureau of Industrial Intelligence and Research. It was not likely to be in a position to do much research for large-scale industries. But if any large industry wanted information from the Bureau, it would do its best to obtain it. Their principal concern was with the smaller industries, as they naturally wanted assistance more than the bigger ones which had their own intelligence sections.

1934.] *The Central Industrial Intelligence and Research Bureau.* 31

The Hon'ble Dr. Narang however cited the sugar industry and enquired whether the Bureau would be able to undertake experiments with molasses to find out their possibilities.

Mr. Burt said that the Imperial Council of Agricultural Research was closely concerned with the development of the sugar industry. It maintained a Sugar Technologist and gave grants to the Sugar Section of the Harcourt Butler Technological Institute, Cawnpore. The Government of India had recently announced their intention of establishing a Central Research Institute which would deal with all branches of sugar technology. The sugar industry was therefore being thoroughly looked after.

Mr. Lall mentioned one difficulty in regard to standardisation, namely, the complete absence of all standardisation in some provinces. The consuming departments did not appreciate interference from the Director of Industries. He therefore suggested that the Conference should recommend to Local Governments, other than the United Provinces, that their consuming departments should furnish their Departments of Industries with a list of all classes of stores purchased by them independently of the Indian Stores Department. Such departments should also give an indication of the specifications of these stores, the firms from whom they purchase them and the prices they pay for them.

Mr. Haskell stated that standardisation of stores was now being undertaken in Bombay.

The Hon'ble Dr. Narang supported the resolution.

Sir James Pitkeathly explained that the Indian Stores Department would freely give information regarding prices, specifications, etc., to the Bureau.

Mr. Weston said that in Bengal there was the same difficulty as in the Bihar and Orissa. Government had laid down in its Stores Rules that preference should be given, other things being equal, to goods made in Bengal. Unfortunately the purchasing departments do not always ask the Department of Industries whether goods were made in Bengal.

Sir James Pitkeathly stated that in framing the organization of the Bureau, he had deliberately avoided any attempt to make the Bureau influence the stores purchase policy of Local Governments. He thought that it was most desirable to avoid giving the impression that an attempt was being made through the Bureau to interfere in any way with the provincial stores purchase policies. He thought that a resolution as suggested might be misleading.

The Chairman then re-stated the resolution in the form in which it appears at the end of this report.

The resolution as amended was passed.

The Chairman then summed up the conclusions of the Conference as follows :—

- (1) The proposal to establish the Central Industrial Intelligence and Research Bureau to carry out the objects (1) to (6) mentioned in paragraph 13 of the Finance Department Resolution of the 5th May 1934 is welcomed by this Conference.
- (2) The scheme for the Bureau, as outlined in the Chief Controller of Stores' note appears to be on sound lines and should be adopted subject to the following modifications in regard to the personnel proposed for the Advisory Council, which, in the view of the Conference, should be composed as follows :—
  - (a) (i) Members to be nominated by the Government of India to represent the Industries and Labour, the Railway, the Commerce and the Imperial Council of Agricultural Research Departments, and
  - (ii) the Director General of Commercial Intelligence and Statistics ;
  - (b) the Director of Industries of each province or the provincial officer entrusted with industrial affairs ;
  - (c) the Directors of Industries or corresponding officers of Hyderabad, Mysore, Baroda, Gwalior, Kashmir, Indore and Travancore and of such other States, if any, whose title to representation might be admitted subsequently.
  - (d) Such non-officials directly connected with industries as local Governments may depute ;
  - (e) A few non-officials interested in industries nominated by the Government of India ; and
  - (f) Such additional members as the Advisory Council might co-opt.
- (3) The Conference considers, in regard to the proposals for granting honoraria or prizes made in paragraph 15 of the Chief Controller of Stores' note that the principle of honoraria and prizes should be accepted, that a sum of not less than Rs. 10,000 per annum should be awarded ; but that the details of the scheme should be left to the Advisory Council to decide.
- (4) The Departments of the Central Government whose activities are directly connected with industrial matters, the Provinces and the Indian States should collaborate with and assist the Central Industrial Intelligence and Research Bureau to the fullest possible extent.

1934.] *The Central Industrial Intelligence and Research Bureau.* - 33

- (5) The Conference is of opinion that in order to secure the standardisation suggested in paragraph 22 of the Chief Controller of Stores' note, it would be of value if the Local Governments, other than the United Provinces, were to direct consuming departments to furnish their Department of Industries with a list of all classes of stores purchased by them independently of the Indian Stores Department. Such Departments should also give an indication of the specifications of these stores, the firms from which they are obtained and the prices paid for them.

**II.—HAND-LOOM INDUSTRY.****MEMORANDA .***Madras.\**

The textile cottage industry of the Madras Presidency affords a means of subsistence to a large number of people and ranks in importance and magnitude next only to agriculture. In this Presidency, cotton, silk, artificial silk, wool, coir, cora and aloe are utilised in the weaving of cloth, blankets, mats, and other goods. The manufacture of these various fabrics is carried on by different classes of hand-loom weavers who follow their hereditary occupation under varying conditions.

2. Except the Nilgiris, all the other districts of the Presidency are hand-loom weaving areas. According to the Census Report of 1931 the total number of hand-loom at work in this Presidency was 1,93,474 and the number of persons employed in the industries comprising the head 'Textiles' was estimated at about 6,41,315. The consumption of cotton yarns by hand-loom weavers in this Presidency for seven months from April to October 1933 was about 42.7 million pounds. Figures relating to the consumption in this Presidency of silk, wool, artificial silk, coir, cora-grass and aloe are not, however, available.

3. A sum of Rs. 5 lakhs, per annum, is now proposed to be spent over a period of five years on the development of the hand-loom weaving industry in India. As the conditions of the industry vary somewhat in different provinces, it is presumed that the grant will be distributed on a provincial basis and that each province will be given a free hand to tackle the problem facing the hand-loom weaving industry in the best manner possible having in view the general lines of development laid down by the Government of India namely that co-operative buying and selling on behalf of the hand-loom weavers should be developed. Considering the quantity of cotton twist and yarn alone consumed by the hand-loom weavers in this Presidency (about 42 million lbs. out of about 194 million lbs. for British India during the seven months—April to October 1933) and the number of people dependent upon the textile cottage industry, it is urged that a sum of at least Rs. 1,32,500 in the first year, and, Rs. 1,22,500 in the subsequent years, be contributed to this province.

4. A number of weavers' co-operative societies have been started in the past, but most of them have not worked successfully. The chief reasons for this are the difficulty of getting together a sufficient number of weavers in a position to run the society, and of finding a regular sale of the output of the weavers. It is extremely difficult to free the weavers from their indebtedness to the *sowcars* and to

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\*Note by the Director of Industries.



eliminate the middlemen who have in course of years established relations with the dealers in cloth. It is, therefore, necessary that in the initial stage various forms of 'direct' assistance should be afforded in order to render the *sowcar* unnecessary and to bring the weavers into the fold of Co-operative Societies.

5. As the crux of the whole problem of hand-loom weaving is marketing, it will be necessary, assuming that a sum of Rs. 1,32,500 is contributed to this province, to establish a Provincial Co-operative Marketing Society in Madras with weavers and those who sympathise with the lot of the weavers as members. The Society will be started with a share capital of one lakh of rupees divided into 20,000 shares of Rs. 5 each and no member will be permitted to take shares worth more than Rs. 10,000. The area of the Society's operations will be extended to the whole of the Madras Presidency. The Society will be permitted to borrow funds either by way of deposits or otherwise from members or non-members or from Co-operative Financing Banks.

6. The Provincial Co-operative Marketing Society will be managed by a Board consisting of 15 members, *viz.*, (1) Director of Industries, (2) Registrar of Co-operative Societies, (3) Principal, Government Textile Institute who will be *ex-officio* members of the Board, and 12 non-official members, seven of whom will be persons elected by the general body of the Society from among members who have taken not less than Rs. 200 worth of shares and five persons elected by the representatives of weavers' societies affiliated to the Provincial Society. The Director of Industries will be the President of the Society and the Principal, Government Textile Institute will be the Secretary. The executive work of the Society will be conducted by an executive committee of five persons consisting of the Chairman and Secretary and three other members to be elected by the members of the Board of Management of the Society. A sum of Rs. 20,000 may be given to the Society from the Government of India's contribution and to be treated as "Foundation Shares". These shares will be treated as ordinary shares for all purposes of the Society. A further sum of Rs. 10,000, per annum, may be contributed to the Society by the Government of India to be set apart as an emergency fund to meet any unforeseen expenditure and to recoup any losses incurred by the Society. The rest of the expenditure of the Society which is to be met from the Government of India's contribution is detailed in the schedule given below.

7. *Marketing Officer.*—It will be necessary for the Provincial Co-operative Marketing Society to appoint an expert marketing officer with the necessary staff as also a cloth designer. The marketing officer will be in charge of the entire marketing organisation and will direct and supervise the work of the Sales Depôt.

8. *Sales Depôts.*—The Provincial Marketing Society will open Sale Depôts in suitable centres in the Presidency. One depôt will be opened in the City of Madras, and other Depôts will for the present be opened in Madura, Salem; Coimbatore, Bellary, Conjeevaram, Peddapuram and Cannanore. The cost of running the depôts will be met by the Provincial Society. When a sufficient number of weavers' societies are started, the mufusal depôts will be converted into separate Co-operative District Societies to which the primary societies in the area will be affiliated. Until this is done the Depôts will be managed by agents appointed by the Provincial Society, such agents arranging subject to the control of the Provincial Society for the supply of raw materials required by the members of the Provincial Societies (both individuals and societies) for the sale of the finished products. The Provincial Society will endeavour to avoid having to stock goods at a centre and will arrange, as far as possible, for supply in a particular area to be equated to the demand and for production to be planned accordingly. Readily saleable articles may, however, be stocked at the various Depôts. For the present the existing primary weavers' societies will be affiliated to the Provincial Society.

9. *Primary Societies.*—The managers at the depôts will take the initiative in the matter of bringing into existence weaver societies at suitable places. They will also take steps to revive the existing weavers' societies in their respective areas. The Co-operative Department will be requested to render the necessary help in this direction. The Provincial Society will give to each primary society a grant of not more than Rs. 250, each, per annum, to meet its cost of management, preferably the pay of the Secretary or the Manager, the object being to have not less than 100 Societies as soon as possible.

The managers for each depôt will for the present be constituted as follows :—

- (1) One representative of the weavers' societies working in the area.
- (2) Deputy Registrar of the Co-operative Societies of the area.
- (3) One other non-official member.

These will be appointed by the Board of Management of the Provincial Co-operative Marketing Society for a specified period as their representatives.

10. *Appliances and Machinery.*—While the actual process of weaving will be carried on by the weavers on hand-loom in their own homes and their women folk will undertake the preparation of weft for the loom, it will be necessary to introduce on a co-operative basis small units of power-driven machinery for preparing and distributing ready-made warps for the looms. In doing so persons

1934.]

*Hand-loom Industry.*

37

who are now engaged in unremunerative warp preparatory processes will be released, for more remunerative work in the shape of weaving and thus in every family the number of looms can be increased, their output doubled and the cost of production reduced. Another great advantage which this organisation will afford is that it will pave the way for standardisation of hand-woven products. Unless the quality of hand-woven cloths is standardised they cannot be marketed in bales with whole-sale dealers in cloths.

Similarly it is necessary for the Societies to instal a power-driven finishing plant to finish hand-woven goods and to create an increased demand for them. In the case of silk-weaving, it is necessary to instal small units of power-twisting machines in order to reduce the cost of converting raw silk into warps. It may be necessary also to start a small dyeing factory attached to weavers' co-operative societies for undertaking dyeing of fast colours. A substantial sum will therefore have to be provided annually for purchasing the machinery required for developing a particular branch of the textile cottage industry.

11. In addition to the above arrangements for marketing hand-woven goods the services of established firms will be utilised in the marketing of goods, a suitable commission being allowed on sales.

12. In addition to providing assistance on the above lines, it will be necessary in order to effect a reduction in the price of hand-woven goods and to facilitate marketing that the Government of India should render further assistance by securing from the railway authorities a special freight classification for the transport of yarn and hand-woven goods. Government should also pass legislation against the present malpractices adopted by some mills in the matter of false labelling of yarn, short-reeling, etc. Further steps should be taken to set up Debt Conciliation Boards to settle the debts of weavers.

*I.—The Madras Provincial Co-operative Marketing Society.*

	Rs.
1. "Foundation Shares" .. .. .	20,000
2. "Emergency Fund" .. .. .	10,000
3. Travelling allowance of the members of the Board of Management consisting of .. .. .	2,000
(1) a President (Director of Industries) .. .. .	
(2) two official members—	
1. Registrar of Co-operative Societies.	
2. Principal, Government Textile Institute, who will also act as Secretary to the Board of Management—Allowance Rs. 250 .. .. .	3,000

and (3) 12 non-officials.

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## II.—Marketing Section.

	Rs.
Marketing officer .. .. .	750 per mensem.
Cloth designer .. .. .	100 "
Manager .. .. .	150 "
Clerk .. .. .	60 "
Typist .. .. .	40 "
Two peons at Rs. 12 each .. .. .	24 "
Contingencies .. .. .	176 "
Travelling allowance for the Marketing Officer .. .. .	200 "
	1,500 "
	or Rs. 18,000 per annum.

## III.—Sales Depôts.

## (1) Madras.—

One Manager .. .. .	80 per mensem
One Assistant Salesman .. .. .	25 "
One Accountant .. .. .	40 "
One Storekeeper .. .. .	45 "
Two peons at Rs. 12 each .. .. .	24 "
One Typist clerk .. .. .	40 "
Watchman .. .. .	12 "
Emporium and office rent .. .. .	200 "
Contingencies .. .. .	34 "
	500 "
	or 6,000 per annum.

## (2) Districts.—

Rent .. .. .	50 per mensem.
Manager .. .. .	80 "
Inspector .. .. .	70 "
One Salesman .. .. .	25 "
Two Textile Supervisors Rs. 40 each .. .. .	80 "
One Accountant and Storekeeper .. .. .	40 "
Two peons .. .. .	24 "
One Watchman .. .. .	8 "
Travelling allowance .. .. .	100 "
Contingencies .. .. .	23 "
	500 "
	or 6,000 per annum.
For seven centres .. .. .	.. 42,000 per annum.

1934.]

*Hand-loom Industry.*

39

*IV.—Primary Weavers' Societies.*

	Ra.
Grants to individual societies at Ra. 250 per annum per 100 societies for providing them with paid Managers or Secretaries .. .. .	25,000 per annum.

*V.—Machinery Investment.*

I and II years .. .. .	Plant for Finishing, Calendaring Folding and Packing ..	15,000 each year.
III Year .. .. .	Plant for Silk Twisting ..	15,000
IV Year .. .. .	Plant for warp preparation and distribution ..	15,000
V year .. .. .	Plant for Dyeing yarn and cloth ..	15,000

*IV.*

1 Supervisor of power factories attached to weavers' co-operative societies .. .. .	1,500 per annum.
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*Abstract.*

	1st year.	2nd, 3rd, 4th and 5th years.
	Ra.	Ra.
Foundation Shares .. .. .	20,000	..
Emergency Fund .. .. .	..	10,000
Travelling allowance .. .. .	2,000	2,000
Secretary's allowance .. .. .	3,000	3,000
Marketing Section .. .. .	18,000	18,000
Sales Depôt—Madras .. .. .	6,000	6,000
Sales Depôts—Districts .. .. .	42,000	42,000
Grants to Primary Societies .. .. .	25,000	25,000
Machinery investment.. .. .	15,000	15,000
Pay of Supervisor .. .. .	1,500	1,500
Total ..	1,32,500	1,22,500

*Bombay.*

The sum allotted to the Local Government should be spent at the commencement on starting District Industrial Associations for helping the hand weavers in the matter of marketing their products, most of the working capital being supplied to the Associations by the Co-operative Banks. The number of Associations to be started will depend upon the

amount available but at least five such Associations will be necessary to start with. Each District Association is to be allotted Rs. 5,000, per annum. Out of this sum of Rs. 5,000, Rs. 3,500 may be considered as recurring expenditure of the Association in respect of its staff, stationery and advertisements. The balance of Rs. 1,500 may be considered as a reserve fund to meet any possible loss. The Managing Director of the Provincial Co-operative Bank thinks that against this reserve of Rs. 1,500 it should be possible for the Co-operative Banks as well as Provincial Co-operative Bank to advance a capital to each of the Associations to the extent of about Rs. 10,000, against hypothecation of goods as distinct from pledging of goods. This arrangement will not impede continuous flow of the goods for purchase and sale. An additional sum of Rs. 5,000 a year will also be required to cover the salary, etc., of a supervisor at the headquarters for supervision work of these Associations.

2. The District Associations should be organised and the staff of each of these Associations should be under the control of a Joint Board consisting of the Director of Industries and the Registrar, Co-operative Societies, on lines similar to those of the Joint Board consisting of the Director of Agriculture and Registrar, Co-operative Societies, in case of Taluka Development Agricultural Associations. This Joint Board will meet at least once every quarter and examine the working of the Associations and distribute the Government grant to them according to requirements. The constitution of the District Industrial Association will be on the basis of a Co-operative Sales Agency and composed of the weaver-members and some nominated officials to guide them in the initial stages and possibly a representative of the financing Co-operative Bank to secure close touch between the Association and the financing agency. The policy with regard to these District Associations should be decided by the Joint Board which should periodically review the working of the District Associations and arrange for their supervision. Later on, as the Associations develop, it might be necessary to take representatives of District Associations on this Board. But in the initial stages it is not necessary. It will be open to the Association to sell the goods of the members and non-members, individual weavers as well as weavers' co-operative societies, but a part of any profits which the Association may make, would be divisible amongst the members but not amongst the non-members. It will be desirable to register the Associations under the Co-operative Societies Act in the same manner as the Taluka Development Associations which now work under the Department of Agriculture. The Co-operative Department will carry out the audit of these Associations under the Co-operative Societies Act.

3. It is intended that the Associations should aim at being self-supporting. From the very commencement a reasonable margin of

1934.]

*Hand-loom Industry.*

41

profit will be put on, on articles for sale in order to pay (i) the interest on the capital advanced by the Co-operative Bank, (ii) salaries and wages or part thereof of the permanent staff and (iii) any surplus to be divided amongst the members whose goods have been sold by the Association during any year in question.

4. The District Industries Associations should not be considered to be started to advance loans to individual weavers or societies. They should be considered specifically as sales shops. They may also supply to approved constituents raw materials in the shape of yarn and sizing and other materials. The basis will be that the Association will ordinarily draw up a list of approved weavers and weavers' societies, some of whose goods, it will be prepared, after being satisfied after inspection, to sell. In such cases it will advance to the weavers the sale price upto 80%, the balance of the 20% of the actual money realised will be paid on sale of the goods.

*(Revised Scheme.)*

The revised scheme detailed below would work on the same lines as that submitted in the above memorandum. The revised scheme would consist in the initial stage of six District Industrial Associations in place of the original five and one Central Emporium in the City of Bombay, together with the supervising salesmen and designer, and also non-recurring expenditure which would be utilised for the introduction and popularising of improved appliances in connection with hand-loom weaving industry. The non-recurring expenditure would be utilised in keeping a stock of these appliances at each District Industrial Associations Centre and lending these out to the hand-weavers at a nominal sum just as is done in respect of improved agricultural appliances stocked and hired out by the Taluka Development Associations, which has definitely led to the popularisation of these models. The total expenditure is detailed as follows :—

## DISTRICT INDUSTRIAL ASSOCIATIONS.

*Recurring.*

	Rs.
Six Centres at Rs. 5,000 per centre .. .. .	30,000
Salary and Travelling Allowance and staff for one travelling Supervisor under the Joint Board .. .. .	5,000
Salary and Travelling Allowance for one travelling Textile Expert for introducing hand-loom weavers, in designing and manufacturing to market requirements .. .. .	3,000

*Non-recurring.*

	Ra.
Six Centres, hand-loom winding, warping, sizing appliances at Rs. 1,150 per centre .. .. .	6,900
Six Centres, shop equipment, show cases, safe, typewriter, etc., at Rs. 1,100 per centre .. .. .	6,600
	<hr/>
Total ..	38,000
	<hr/>
	13,500
	<hr/>
	51,500

## CENTRAL DISTRICT INDUSTRIAL ASSOCIATION..

*Recurring.  
Establishment.*

	Ra.
(1) Manager—Rs. 300—15—450 .. .. .	300
(2) Salesman—Rs. 100—5/2—150 .. .. .	100
(3) Accounts Clerk—Rs. 60—5/2—150 .. .. .	60
(4) Second Salesman—Rs. 60—5/2—100 .. .. .	60
(5) Two Travellers—Rs. 60—5/2—100 .. .. .	120
(6) Five peons—Rs. 25 each .. .. .	125
(7) Rent .. .. .	500
(8) Travelling Allowance for travellers .. .. .	100
	<hr/>
	1,365 per mensem.
	16,380 per annum.

*Other expenditure.*

(1) Bad debts and depreciation of stock .. .. .	2,500
(2) Advertisement, Exhibition, Demonstration expenditure in the Districts and City .. .. .	4,000
(3) Contingencies, postage, etc. .. .. .	500
	<hr/>
	7,000

*Non-recurring.*

Show cases, shop equipment, etc. .. .. .	5,000
Recurring .. .. .	21,380
Non-recurring .. .. .	7,000
	<hr/>
Total .. .. .	28,380



1934.]

*Hand-loom Industry.*

43

*Total Expenditure.—*

	Rs.
Six District Associations .. .. .	51,500
One Central Association .. .. .	28,380
	79,880
Say ..	80,000

2. In the first year, the expenditure would be Rs. 80,000, in the second and subsequent years, the expenditure would be Rs. 61,500 *plus* usual increase due to increase in salary of staff and the expenditure on the addition of District Industrial Association which would be at the rate of 2 centres per annum.

The expenditure would then be as follows :—

	Rs.
1st year .. .. .	80,000
2nd year .. .. .	76,200
3rd year .. .. .	96,200
4th year .. .. .	1,16,200
5th year .. .. .	1,36,200

3. The improvement and development of the hand-loom industry in the Bombay Presidency requires special attention and assistance as the hand-loom weavers in the Bombay Presidency have to compete with a well organised mill industry in their own markets. This is a peculiar handicap, which deserves serious and sympathetic consideration.

*Bengal.**Scheme for the re-organisation on a co-operative basis of the hand-loom industry in Bengal.*

*Early history and present position of the Co-operative Industrial Movement.*—The Indian Industrial Commission of 1916-18 expressed their opinion and several Provincial Conferences confirmed this opinion that the only hope for the revival of cottage industries lay in their organisation on co-operative basis. It was considered desirable to take action in the direction of freeing the weavers and the artisans from the grip of *Mahajans* who advanced raw materials on exorbitant terms and took over their finished products at very low rates. In accordance with the recommendations of the Commission and the Conferences, the Co-operative Department took up the organisation of societies of industrial workers as early as in 1916. It had to meet with considerable difficulties at the outset as the industrial workers were conservative in character and distrustful of co-operative organisation. Besides, there was the difficulty of finance as the Central Banks, accustomed to landed security,

hesitated to invest money in industrial societies and make advances against the finished products. However, within a short time, the Department surmounted these difficulties and a good number of weavers' societies were organised in 1916. Arrangement was also made for supplying capital to these societies for the purpose of purchasing raw materials. Subsequently, the question of disposal of finished products turned out by the societies became prominent and a Sale Depôt was started in Calcutta in the same year and placed under the supervision of a Weaving Inspector of Co-operative Societies. The Sale Depôt did not work satisfactorily for want of funds and had to be closed down within a short time. But as the demand for industrial societies continued Government appointed a Deputy Collector as Industrial Assistant Registrar and placed him in charge of industrial societies. To assist him in organisation and propaganda a band of five Inspectors was also appointed, three of whom were passed students of Government Weaving Institute. As a result of the efforts of these officers a large number of societies was organised in the district of Bankura in 1917 and 1918. For facility of supplying finance and raw-materials and also helping them in the disposal of their finished products it was considered necessary that these societies should be federated into an Union. The Bankura District Co-operative Industrial Union Ltd., came into being in 1918 as a result of this federation. Subsequently, the Department continued to follow this policy and whenever there was a group of industrial societies they were federated into a central organisation. As the outcome of this policy Industrial Unions were registered at Dacca, Chittagong, Satkania (Chittagong), Raipura (Noakhali), Chaumohoni (Noakhali) and Noagaon (Rajshahi). Besides, a new type of weaving society with a cotton mill attached to it, which is probably the first of its kind in India, was organised in 1924 at Bagerhat. The Bagerhat Weaving Union, which is the name of the Society, was started originally as a hand-loom factory with the object of solving middle-class unemployment. It subsequently added power-looms in 1925 and later on increased its looms and engines. Acute difficulty was felt by the Industrial Unions after a few years' working in the matter of disposal of the finished products turned out by their affiliated societies and with a view to giving them relief in this direction the industrial unions were federated into a provincial organisation and the Bengal Provincial Co-operative Industrial Society Limited was registered in 1928 with headquarters at Calcutta. The Bengal Provincial Co-operative Industrial Society works as an agent for supplying yarns to the Industrial Unions and also takes over the finished products of the societies for finding market for them. But for want of sufficient funds at its disposal and because it works mainly with borrowed capital for which it has to pay a high rate of interest, the provincial organisation could not be of much help to the Industrial Unions in the direction of supplying expert advice and making effective propaganda for securing market

for the goods of the Unions. It only maintains a Sale Dépôt in Calcutta in which the finished goods of the Industrial Unions and other industrial workers are exhibited for sale. At the initial stage Government sanctioned an annual grant of Rs. 12,000 to this Society when it was possible for it to advertise and make propaganda for the sale of the finished goods of the Unions but the grant has been discontinued since 1930.

2. The Co-operative Industrial Movement now consists of 1 Provincial Organisation, 7 Central Industrial Unions and 537 Societies including 350 Weavers' Societies with 5,850 members.

The stuff turned out by the Weavers' Societies affiliated to the Industrial Unions and by the Bagerhat Weaving Union found ready sale for some years at their initial stages. On the whole they then worked satisfactorily and received encouragement regarding financial accommodation from the Provincial Co-operative Bank, Local Central Bank and also investing public. But with the growth of industrialism in foreign countries and factory industry in this country in recent years the hand-loom industry generally showed signs of decay though the Khaddar movement of Mr. Gandhi gave it a little impetus for a brief period of 3 or 4 years. The main cause for deterioration of the hand-loom industry generally and the business of the Co-operative Weavers' Societies in particular can be attributed to the fact that goods produced by hand-looms compare unfavourably with mill-made goods both in designs, texture and finish as well as in price. No serious attempt has been made in the past to improve the design and the get up or to reduce the cost of production. Still it cannot be denied that there was some demand for the hand-loom stuff in the pre-depression days and people in the countryside and those who could afford used these stuff. But with the onset of depression which has greatly reduced the purchasing power of the people the position has altogether altered to the greatest disadvantage of the hand-loom industry. The difficulty of the Industrial Unions and the Weavers' Societies has been further aggravated by the reluctance of the Provincial and Central Banks to advance necessary loans at this time of economic depression, when the surplus funds of the latter organisations are more needed for their own use. On the whole, on account of increase of cheap mill products the business of the Co-operative Weavers' Societies and of the Industrial Unions showed signs of deterioration in pre-depression days and before any earnest attempt could be made to improve the quality of the finished products and reduce the cost of production with a view to placing the hand-loom stuff on a favourable footing with mill products, the industry has been hard hit by economic and trade depression.

3. *Scheme.*—In drawing up a scheme for improvement of hand-loom industry, the first question which should be considered is the H100DIL.

organisation of the weavers. At one time the hand-loom weavers of this country produced very fine stuff both of silk and cotton and were considered as important section among the producers of the wealth of the country. Their commodities were not only in demand in this country but also in foreign countries and they were in affluent circumstances. Due to neglect of a few decades they have practically forgotten much of their art and a large number of them have already taken up other occupation than the craft of their forefathers. They are now living scattered throughout the Province and in a disorganised way. For the improvement of the hand-loom industry this class of people who have the natural technical acumen should be organised and given necessary preliminary training. The best way to organise them is on co-operative basis and the Co-operative Department can take charge of organising them as it has been doing now. But the preliminary training should precede the organisation. The Department of Industries through its peripatetic schools and unemployment scheme is already doing this work. That Department should continue to work in this direction, particularly in places where there is prospect of forming co-operative organisation of weavers. This fact may be ascertained from the Co-operative Department. Training at random to isolated weavers will not be so much useful.

4. The difficulties which have retarded the progress of hand-loom industry generally, and, the satisfactory working of the Co-operative Weavers' Societies in particular, may be enumerated as follows :—

- (1) Want of training of weavers in new designs of patterns, texture and finis.
- (2) Difficulty of supply of yarn at a cheap rate.
- (3) Want of expert advice to reduce the cost of production to a minimum.
- (4) Disposal of the finished products at the best possible price.

5. All these elements are more or less wanting now in the existing Co-operative Weaving Societies and the Unions and their unsatisfactory working can be mainly attributed to the deficiency of these elements. The Industrial Unions are at present managed and the work of the Weaving Societies affiliated to them are supervised, by laymen at present. On account of their financial difficulty the Unions are not in a position to maintain any expert staff. Thus with a view to improve the quality of the hand-loom stuff and place them on a favourable footing with mill-made clothes, action should be taken to supply expert advice to the societies without delay. The protective duties imposed by the Indian Tariff Amendment Act of 1934 will also help us greatly in our effort to withstand foreign competition.

6. The Co-operative Department has an industrial structure right from the bottom to the top and this is considered an advantage which should be utilised to start with. It is, therefore, proposed that the structure should be kept intact, improved and strengthened. Keeping this fact in view the following scheme is submitted for the consideration of Government :—

- (1) The area of operation of a Co-operative Industrial Union should be taken as the unit for development of hand-loom industry.
- (2) The Board of the Industrial Union should be reconstituted and men with experience of textile industry should be included therein.
- (3) One weaving and dyeing expert should be appointed for each Industrial Union for the present whose duty will be to train up the weavers in new designs of patterns, texture and finis and also in dyeing and improved process of weaving. He will also advise the weavers in the matter of reduction of cost of production and the Union regarding disposal of such finished products as can be sold in the locality.
- (4) For the supervision of every 20 Weavers' Societies there should be one Supervisor with technical knowledge of weaving. The duties of these Supervisors will be to superintend the distribution of yarn to individual members of societies, to see that the weavers carry out the instructions of the weaving expert with regard to designs and specifications and to collect the finished goods in good time.
- (5) As a measure for improving the quality of the products and for reducing the cost of production it is essentially necessary to provide the Industrial Unions with suitable warp preparation machinery, dyeing appliances and jacquered and other up-to-date improved looms.
- (6) The Unions will also require a lump subsidy, say Rs. 5,000, for each Union which will be utilised in supplying nucleus of capital to the new organisations and may be recouped gradually from the profit of the Society.
- (7) The function of supplying yarn at cheap rates to the Industrial Unions for transmission to their affiliated societies should be taken up by the Provincial Industrial Society at Calcutta which will ascertain the demands of the Unions sufficiently in advance and make an attempt to have the supply from the mill on a contract basis. This will undoubtedly be of greatest advantage to the Weavers' Societies so far as the price

of the yarn is concerned. The Society will also supply dye stuffs, chemicals and other accessories for handloom weaving to the Unions. The other function of the Provincial Society will be to receive from the Industrial Unions such stuff as will not be locally sold and will find a market in Calcutta, to advertise and to carry on necessary propaganda for the sale of these products. The Provincial Society should be assisted in its work by two canvassers and one designer for the present. The designer will study the taste of the public with regard to new designs in ornamentation and texture and prepare designs accordingly which should be communicated to the weaving experts attached to the Industrial Unions in various districts. The Provincial Society will also require a subsidy to the extent of Rs. 10,000 for maintenance of a godown in Calcutta for stocking yarn, for advertisement and propaganda in Bengal and outside and for making small advances to the Unions against finished products.

- (8) Lastly there is necessity for a Marketing Officer whose duty will be to supply informations regarding market conditions to the Provincial Society as well as to the Industrial Unions and to push the sale of the finished products of the Societies in this Province and abroad.

7. In carrying out the above proposals financial assistance from Government is necessary. A rough estimate of the cost is given below :

#### I. Staff.

##### (For Unions.)

(i) 7 Weaving and dyeing experts for 7 Industrial Unions .. .. .	$7 \times 60 \times 12 =$	Rs. 8,040
(ii) 17 Weaving Supervisors for 330 Weaving Societies .. .. .	$17 \times 40 \times 12 =$	8,160

##### (For Provincial Society).

2 Canvassers .. .. .	$2 \times 50 \times 12 =$	1,200
1 Designer .. .. .	$1 \times 100 \times 12 =$	1,200
2 Artisan Assistants .. .. .	$2 \times 40 \times 12 =$	960
1 Marketing Officer .. .. .	$1 \times 200 \times 12 =$	2,400
1 Workman Labourer .. .. .	$1 \times 25 \times 12 =$	300
Travelling expenses of the staff .. .. .	....	6,000
Contingencies .. .. .	....	1,500

26,760

or Rs. 27,000  
in round figures.

1934.]

*Hand-loom Industry.*

49

II. *Machinery for each Union.*

	Rs.
(i) Warp preparation machinery with oil engine	7,500
(ii) Dyeing appliances .. .. .	300
(iii) Two improved looms with designs, etc., for demonstration purpose .. .. .	400
	8,200

It is not proposed to introduce this machinery into all the seven industrial Unions at a time as the cost in that case will be very heavy. The supply of machinery to three Unions only may be taken up in one year. The total cost under this head will therefore be about Rs. 25,000, approximately, annually for two years and will be reduced to Rs 8,000 in the third year after which it will cease.

III. *Subsidy.*

(To Unions.)

	•Rs.
At the rate of Rs. 5,000 to each Union. $7 \times 5,000 = 35,000$	$7 \times 5,000 = 35,000$
(To Provincial Society.)	

At the rate of Rs. 10,000 .. .. .	$1 \times 10,000 = 10,000$
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The total cost under the above heads comes to Rs. 97,000 or say Rs. 1,00,000.

8. *Staff and their control.*—Mention has been made in the foregoing paragraphs of the special technical staff which will be necessary for the improvement of the hand-loom industry generally and the working of the Co-operative Weavers' Societies in particular. The Director of Industries, however, has placed before Government a scheme for appointment of a special technical staff. The appointment of suitable technical staff on the lines indicated is very desirable. There is no objection to the technical staff other than the Weaving Supervisors being included in the departmental staff of the Director of Industries but so long as they are attached to the Co-operative Industrial Unions and the Provincial Industrial Society, they will be under the administrative control of the Co-operative Department. Harmonious working which may be jeopardised if there is dual control by the Co-operative Department and Co-operative Societies on the one hand and the Department of Industries on the other. It will not be possible for the Industries Department to take work out of the Industrial Unions or Weavers' Societies only by controlling the technical staff. The Co-operative Society is an autonomous body and the supreme power is vested in the general body of shareholders. The shareholders are responsible for the well being or otherwise of the society. In the circumstances it will be against the principle of co-operation to allow the Director of Industries to have control over the staff of the Co-operative Societies as proposed by the Director of Industries. At the same time there

should be effective co-ordination between the Co-operative Department, the Co-operative Societies and the Department of Industries. With a view to bring about this co-ordination there should be a small Central Advisory Body for development of hand-loom industry on the lines of the Bengal Silk Committee in which the Director of Industries and the Registrar of Co-operative Societies should be members. This body will meet as frequently as possible and consider the lines of development. They will also obtain reports from the Industrial Unions and the Provincial Industrial Society about the work of the technical staff and suggest such improvements as they think necessary. The Registrar of Co-operative Societies will see that the suggestions of the Advisory Body are carried out by the Industrial Unions and the Societies. It will of course be open to the Director of Industries or any officer deputed by him to inspect the work done by the technical staff and report his views to the Registrar of Co-operative Societies, Director of Industries and the Advisory Body.

#### *United Provinces.*

##### *The importance of hand-loom weaving.*

With a population of nearly 50 millions (= 1/7 of that of India) this historic province—the ancient birth-place of Indian civilisation and the traditional seat of Hindu and Muslim kingdoms and empires—naturally possesses exceptional—almost unique—importance in the hand-loom industry of India. Up to about the end of the 18th century it was famous for its muslins, brocades, gold and silver thread (kalabattu) work, chikan, jamdani, prints, puggie cloths, durries, carpets, etc. Even to-day Benares retains its pride of place among the important hand-weaving centres of India, and the value of the annual production of Benares weavers (gold and silver thread, plain cotton weaving, weaving of laces and borders) is estimated at Rs. 1½ crores. Other provinces may perhaps have more hand-looms, but it is doubtful if any province can claim the variety of hand-woven textiles produced in the United Provinces. Almost every kind of fabric is produced—from the coarsest cloth intended for the poor and produced by village weavers all over the province, sheeting (garha), checked cloth for petty-coats (tapti), lungis, etc., to fast-dyed plain or designed silks and brocades in the most intricate artistic designs in gold and silver thread with variegated colour effects. Benares, Mau-Mubarakpur and Azamgarh (muslin, doria and jamdani), Lucknow (chikan, prints and lace), Khairabad and Sandila (jaconet and plain weaving), Shahjehanpur (silks), Sikandarabad (puggie cloth), Najibabad and Muzaffarnagar (blanket weaving), Arra (durrrie, tape and carpets), Etawah (silk and plain cotton and bed durries), Cawnpore (durries and tape), Mirzapur and Bhadohi (carpets), Farrukhabad and Jahangirabad (prints)—these are among a few of the centres which cater for more than mere local demand and enjoy a reputation beyond the border of the province. They specialise



1934.]

*Hand-loom Industry.*

51

in different styles and types of work. Weavers of the occupational weaving castes (*viz.*, *julahas* and *koris*) possess great hereditary skill and aptitude and are capable of much better work if they are properly organised and assisted. To quote an example, the carpet industrialists of Agra and Mirzapur have not been slow to avail themselves of the benefits of the Ottawa Agreements.

2. Hand-loom weaving is the most important handicraft practised in the province, and with the exception of agriculture, supports the largest number of people. The number of looms (*viz.*, 75,000) mentioned in the Tariff Board's Report on the grant of protection to the Cotton Textile Industry, 1932, is not correct; it does not take into account numerous factors, *e.g.*, the omission of some of the important weaving centres including the most important, *viz.*, Benares. According to the 1931 Census there were nearly 4.36 lakhs of workers engaged in silk, wool and cotton weaving and spinning. Of these 3.17 lakhs were actual workers *solely* engaged in weaving and spinning. Excluding the number of factory operatives (.33 lakh) the actual number of cottage workers comes to 2.84 lakhs. The number of looms is likely to be not less than this number. At Benares, Mau, Tanda, etc., there is generally more than one loom per worker. It is inconceivable that the United Provinces should possess less looms than any other major province of India. In this connection the statement below will furnish instructive comparisons.

*Statement.*

Name of the province.	No. of workers solely engaged in cotton and silk weaving and spinning.	Total number of workers including working dependents engaged in silk and cotton weaving and spinning.	No. of looms according to Tariff Board Report 1932.	Proportion of column 3 to 4.	Proportion of column 2 to 4.
1	2	3	4	5	6
Assam .. .. .	79,848	223,397	425,000	1.9	5.3
Bengal .. .. .	162,712	192,733	200,000	1.04	1.23
Bombay .. .. .	260,056	287,966	100,000	.34	.38
Burma .. .. .	59,879	280,640	569,473	2.03	9.5
Madras .. .. .	448,378	518,949	225,000	.4	.5
Punjab .. .. .	252,213	305,782	140,000	.45	.55
United Provinces .. .. .	349,222	407,910	75,000	.18	.2

3. Thus the United Provinces may legitimately claim to be one of the most important provinces from the point of view of hand-loom weaving both on grounds of the quantitative importance of hand-loom weaving to its economy and of the varied and intricate nature of the problems of the hand-loom weaver.

4. In order to help the industry, the Local Government have maintained for many many years a Central Weaving Institute at Benares, which was at one time intended to serve as an All-India Institute for research into the problems of hand-weaving, a school of dyeing and printing, numerous fixed and peripatetic weaving schools, demonstration parties which tour in the centres concerned, etc., for the benefit of the cottage weavers. The United Provinces Arts and Crafts Emporium offers a readily available organisation for marketing the artistic products of hand-looms both in India and overseas. The United Provinces Stores Department is also helping Co-operative Societies to market their products so far as the requirements of Government and public bodies are concerned. It is recognized that much more is needed and is practicable but it is not possible for the Local Government to find all the money needed.

*Points for specific discussion.*

1. *Methods of training.*—Fixed schools have a tendency to get out of touch with the real needs and capacity of hand-loom workers. Ordinary peripatetic demonstration parties fail to leave behind a lasting impression and cannot impart sufficient training. Accordingly it is now proposed in the United Provinces to have special instructional classes in charge of real *ustads* capable of commanding the respect of the artisans and with definite practical knowledge or experience to impart. The classes will be held in the homes of the artisans or at some central place in a locality inhabited by them and will stay there for a limited period varying from 6 months to 3 years, until a majority of the local artisans have been trained and will then move on to another suitable locality.

2. *Introduction of new designs.*—Very little has so far been done in this province as regards the working out and popularising of new designs. Textile designing is a specialised trade; though artistic training and æsthetic inspiration are indispensable qualifications in the person who attempts to evolve new or adapt (and not merely copy) old designs, it is necessary that he should thereafter specialise in textile designing. It seems advisable to appoint special designers in order to help hand-loom weavers and it may even be necessary to have a separate specialist designer for certain types of work, e.g., one for Benares brocades, one for jamdani and other artistic cotton weaving, one for block printing, one for spray or aerograph printing, one for carpets and durries and so on.

3. *Finance of weavers.*—A number of Co-operative Societies have tried to finance weavers generally; but the system has not appreciably

1934.]

*Hand-loom Industry.*

53

helped the development of the industry. It is for consideration in what way this sort of financial assistance can be rendered more effective; and to what extent Government should bear the risk involved in such loans.

4. *Supply of appliances, materials, etc.*—An experiment on a large scale was made in Benares some years ago of having a Store for the supply of yarn, appliances, accessories and stores but it was a complete failure and involved the Benares Co-operative Bank which undertook this work in a big loss. Another similar attempt with a Yarn Store also involved the Co-operative Bank concerned in a very heavy loss. A co-operative institution in Agra has done some pioneering work in supplying yarn and dye stuffs for durrie weavers, and helping to sell the durrries made therefrom by obtaining orders for the same; it has only had a limited amount of success. It is for consideration to what extent Government should help such concerns and assist in supplying suitable appliances like jacquards, dabbies, warp preparing appliances, etc., on the hire-purchase system or otherwise.

5. *Marketing.*—The following recommendations of the Industrial Reorganization Committee are relevant in this connection:—

- (a) The proper development of marketing facilities should receive more attention and more money should be spent for this purpose.
- (b) Cottage workers who make non-art goods should be taught to specialize in the manufacture of articles which do not compete with factory products popular designs and patterns being introduced and such articles should be standardized.
- (c) A commercial museum should be established for non-art goods which would stock samples, and secure orders by carrying on propaganda activities. It may be run in conjunction with the Emporium, but as a separate branch thereof.
- (d) A sole buying agent should be appointed if possible and subsidized if necessary for taking over all the hand-loom textiles produced by Co-operative Societies in the first instance, and if this experiment succeeds the system should be gradually extended.
- (e) The possibility of establishing a joint stock corporation, suitably aided by Government, and called the United Provinces Marketing Association (or Board) set up for establishing Stores in the important towns where consumers can be sure of obtaining United Provinces made goods of all kinds to meet their requirements, should be examined.

- (f) (i) The Department should continue to participate in exhibitions, both in India and abroad, the object being not merely to sell a few articles or secure a few orders, but to establish permanent trade connections.
- (ii) In order that the knowledge and experience gained at exhibitions may not be lost, a report should be prepared summarising the results achieved and noting about the popularity of the designs exhibited, the tastes of buyers, etc.
- (iii) Stall space should be obtained at exhibitions for those manufacturers and dealers only who can be relied upon to exhibit articles of good quality and at fair prices so as to avoid the danger of the market being spoilt.
- (iv) When participating in exhibitions and fairs abroad, the Department should co-operate with the High Commissioner and with other provinces, so as to combine economy with effective results.

Moreover, many of the recommendations relating to the Emporium are almost equally applicable to the hand-loom industry ; *e.g.* :—

- (1) Its primary aim should be to find or create markets and secure orders.
- (2) It should introduce new shapes and designs and improve the existing ones ; but in adapting the designs to the tastes of foreign buyers, the oriental character of the designs should be carefully maintained.
- (3) The Superintending Craftsman of the School of Arts and Crafts should act as an Adviser of Designs to the Emporium. (This would however require the appointment of a special staff of textile designers to be attached to the Crafts Section of the School.)
- (4) The Emporium should guide the cottage workers as to the exact nature of the articles to be made and what defects to avoid.
- (5) It should organize production and ensure that articles are manufactured according to specification, and for this purpose (a) Co-operative Societies should be started and if necessary subsidized by Government, and (b) the services of reliable local agents utilized wherever practicable, (c) the touring staff of the Department should help in this.
- (6) Care should be taken in placing consumers in direct touch with manufacturers, especially in the case of foreign buyers ; each case should be decided on its merits in the

- light of the reliability and capacity of the cottage workers and the local dealers on the one hand and the nature of the consumer or buyer on the other.
- (7) In order to develop the Indian trade, it should establish agencies in the more important towns, preferably by starting branches in the first instance which can, after working for a year or two, be handed over to such agents in the beginning.
  - (8) The Emporium should employ commercial travellers for the Indian trade ; some of them may be whole-time (*i.e.*, employed by the Emporium in conjunction with other firms).
  - (9) Special attention should be devoted to the development of foreign trade.
  - (10) The Emporium should expand its publicity and propaganda activities in the foreign markets by (*a*) advertising widely, especially in foreign Trade Journals and papers and booklets published for tourists, (*b*) publishing directories, catalogues, bulletins, leaflets, etc., (*c*) exhibiting samples in show-cases at railway stations, passenger-ships, tourist offices, hotels, etc., and (*d*) taking part in exhibitions and encouraging reliable manufacturers to do so.
  - (11) (*a*) The Emporium should establish an agency in London, and later in other important centres in Europe, America, etc., if possible in partnership with one or more neighbouring provinces, (*b*) such an agency should (*i*) get its supplies from the United Provinces through the Emporium only, (*ii*) supply information about changing tastes and new designs, and (*iii*) do whole-sale work only.
  - (12) Only goods of a high standard should be sent abroad, so that the Emporium may acquire a reputation for selling only articles of good workmanship with a guarantee of quality.
  - (13) Craftsman designers should be appointed for actually executing new designs for demonstration purposes.

*Schemes for the development of the hand-loom industry in the United Provinces.*

SCHEME I.

1. *Stores.*—Experiments in connection with the stocking of yarn, appliances and other materials have been tried more than once in this province but have not succeeded. An experiment has also been made in connection with the taking over the goods produced by the weavers, but this also has failed. On the other hand the Central Supply Stores at

Agra has had a happier experience. Very briefly, the Store combines three distinct sets of interlinked operations, viz., (1) the supply of raw material, (2) arrangements for finance and (3) marketing of the finished product. There are a number of Co-operative Societies affiliated to the Store; the latter tries to obtain orders, and having got them passes them on to the Societies, supplies them with the raw material required and arranges with the local Co-operative Bank for financing the societies. The manufactured goods pass through the Store, which has to see that they are up to the standard and specifications required.

2. The manufacture of articles of better quality has to be subsidised in the first instance by the Store, as the marketing of high quality goods involves loss until the public has been educated to appreciate and pay for superior quality. Hence superior materials (dye-stuff, etc.) are supplied by the Store to the Societies at the same price as the inferior ones, the loss being borne by the Store, with the aid of a small subsidy. The net cost of a small Store of this kind works out at Rs. 1,200 for rent and establishment charges; while adequate provision must also be made for losses in respect of the supply of materials and the marketing of the goods produced. In short, the cost of running such a Store would not be less than Rs. 2,000 a year.

It is proposed to establish about a dozen such Stores in the more important weaving centres and a grant of Rs. 24,000 is therefore solicited in this connection.

2. *Tuitional Classes.*—If the Stores are to be successful, they must be run in conjunction with classes for the training of the weavers in improved methods and appliances and in the adoption of new designs. It has been found that fixed schools tend to get out of touch with the real needs and capacity of hand-loom weavers. It is necessary to have classes which would go to the weavers instead of expecting the weavers to come to them; such a class should stay among the weavers for as long as it is necessary to train them adequately in the new technique. It must be in charge of a real *ustad* capable of commanding the respect of the artisans and with definite practical knowledge or experience to impart.

It is estimated that the cost of such a class would be about Rs. 2,000 a year on an average including Rs. 1,200 for the teacher, Rs. 200 for the attendant and Rs. 600 for other expenses. It would be necessary to have a class of this sort in conjunction with a Store and there should therefore be the same number of each. Subject to the vote of the Legislative Council, the Local Government are prepared to bear the cost of 12 such classes, provided a grant-in-aid is forthcoming for the maintenance of the corresponding Stores.

It will thus be seen that the scheme provides that half the cost of the Store and Tuitional Class-combined should be borne by the Local Government and the other half met from a grant-in-aid from Central Funds.

3. *A Provincial Intelligence Bureau.*—A dozen or so Stores and Tuitional Classes working independently will not be able to attain much success. It is necessary to co-ordinate and integrate their activities with the aid of suitable provincial organisations. For this purpose a Provincial Intelligence Bureau is required in the first place which could collect the necessary information and pass it on to the Stores or the Tuitional Classes as the case might be. Its functions would be to study the markets and pass on the results, to ascertain the best sources of supply of raw material, to find out where the manufactured goods are selling at present and what the market prospects are and so on. The officer in charge must be a person with commercial qualifications and some technical knowledge; he must have an office and establishment. The cost is estimated at Rs. 15,000 a year. Subject to the vote of the Council, the Local Government would be prepared to bear 1/3rd of the cost, provided a grant-in-aid is received for the remaining Rs. 10,000; this may be a five year experiment in the first instance.

4. *A Provincial Marketing Organisation.*—One of the main difficulties of small Stores at weaving centres is that they are not individually able to get into touch with distant markets or to advertise the articles. A provincial marketing organisation is therefore absolutely essential in order to help them to secure orders and sell the articles made, and guide them as to the sort of goods which should be manufactured. There is already an Arts and Crafts Emporium in the United Provinces; it deals however only with artistic products. It should have a separate branch for dealing with the products of hand-loom weavers and trying to popularise them. Such an institution is bound to run at a loss and cannot be a business concern. It is estimated that the additional net cost on this account will be Rs. 20,000 a year and subject to the vote of the Legislative Council, the Local Government are prepared to bear the whole of this expense, provided grants-in-aid are received in connection with items 5 and 6 below, without which this provincial marketing organisation is not likely to function in an altogether satisfactory manner.

5. *A Provincial Designing Section.*—If marketing is to be successfully tackled, it is necessary to keep on evolving new designs or adapting old ones to modern conditions, so that they may find a ready sale. Textile designing is however a specialised trade and though artistic training and aesthetic inspiration are indispensable qualifications, further specialisation for textile designing is required. It is estimated

that six such designers will be needed for the hand-loom industry, one for each of the following :—

- (i) Benares brocades and similar forms of heavy woven or damascene embroidery.
- (ii) Ordinary styles of gold and silver thread and coloured silk work on saris, blouse pieces, scarves, turban cloth, dhoties, etc.
- (iii) Jamdani, chikan and other artistic cotton weaving with designs in cotton, silk or artificial silk yarns.
- (iv) Block-printing. Actual experience shows that the technique of this designing would justify a whole-time specialised post.
- (v) Spray or aerograph printing. This is an entirely different style of work with stencils and it is doubtful if (iv) and (v) can be combined.

NOTE.—Nos. (iv) and (v) would work in collaboration with the Dyeing-Printing School, Cawnpore.

- (vi) Carpets and artistic durries (*e.g.*, durries with figures, floral decorations, representations of famous buildings, etc.).

These designers will have to work in consultation with the Arts School on the one side and the industry on the other. The new designs would be introduced through the Tuitional Classes, which would give practical demonstrations and solve the difficulties of the weavers on the spot. But some allowances may have to be given to meet the losses incurred in connection with the execution of new designs by inexperienced men and the danger of their not finding a sale. It is requested that a grant of Rs. 12,000 may be given each year for a period of 5 years to experiment along these lines, 6 designers would cost Rs. 7,200, 6 draftsmen Rs. 2,800, and Rs. 2,000 would be required for contingencies, etc.

6. *A Provincial Finishing Plant.*—One of the chief difficulties about the marketing of the products of hand-loom weavers is their lack of finish. Their articles may be more durable, but have to be sold at a lower price on account of this defect. Finishing machinery and appliances are however expensive and beyond their means. It is therefore proposed as an experiment that finishing plant should be installed at a central place, in charge of a suitable organisation charged with the marketing of hand-loom products. The cost of such a plant is estimated at Rs. 30,000 and a subsidy of Rs. 4,000 a year for 5 years would be needed to operate it. In addition a similar plant for blankets is also necessary and would cost Rs. 25,000 and require a grant of Rs. 2,000 a year for 5 years. It is requested that a grant may be given for this purpose.



1934.]

*Hand-loom Industry.*

59

7. *A Provincial Research Institute.*—The appliances and processes generally in use by weavers are old fashioned and uneconomical. The evolving of better, but at the same time simple and inexpensive appliances, needs to be carefully studied. The Central Weaving Institute, Benares, was at one time intended to be an All-India centre for such research; but it has become more of an instructional institution. If a suitable grant-in-aid is forthcoming it can be reorganised, and the principal relieved of instructional and administrative work and given competent assistants, so that the research undertaken may cover as wide a field as possible and include warp and weft winders, doublers and sizing machines, looms, dobbies, jacquards, multi-colour shuttle boxes, etc. The Local Government already spend Rs. 35,000 a year on this institution, in addition to Rs. 1,68,000 spent on buildings and plant, but are proposing to close it down and amalgamate it with the Textile School at Cawnpore, so as to form one Textile Institute with a branch for hand-loom weaving. They would however be prepared to consider the conversion of this institution into one meant primarily for research if a grant is given of Rs. 4,800 a year for a research assistant, and 2 mistris, two attendants and a carpenter and Rs. 2,200 for other expenses—Rs. 7,000 in all.

*Summary.*

The whole scheme may thus be summarised as follows :—

	Total Cost.	To be met by Local Government.	Grant asked for. \
	Rs.	Rs.	Rs.
12 Stores .. .. .	24,000 R	..	24,000 R
12 Tuitional Classes.. ..	24,000 R	24,000 R	..
Intelligence Bureau .. ..	15,000 R	5,000 R	10,000 R
Marketing Organisation .. ..	20,000 R	20,000 R	..
Designing Section .. ..	12,000 R	..	12,000 R
Finishing plant .. ..	6,000 R	..	6,000 R
	55,000 NR	..	55,000 NR
Research Institute* .. ..	7,000 R	..	7,000 R
	<hr/>	<hr/>	<hr/>
Total .. .	108,000 R	49,000 R	59,000 R
	55,000 NR	..	55,000 NR
	<hr/>	<hr/>	<hr/>

R=Recurring.

NR=Non-recurring.

\* In addition, Rs. 35,000 are already being spent by the Local Government, but this sum will be reduced considerably unless the recurring grant of Rs. 7,000 asked for under this head is received.

## SCHEME II.

*A Sole Buying Agency.*

Weavers are too poor to be able to hold on to their stocks ; they must sell their products almost as soon as they are made, so that they may get money to manufacture more articles. Experiments have been tried in the Co-operative Department to induce them to deposit their manufactures with a sales organisation on a sale and commission basis, but have not been successful mainly because of their need for immediate cash or financial accommodation. It would be a great advantage if reliable firms could be found each of which would undertake to purchase a particular line of goods as soon as they are made and then market them itself. Such a firm should be given a suitable subsidy on a sliding scale depending on the value of the goods which it purchases.

2. Such buying agents would be under an obligation to purchase all the goods produced—provided, of course, they are up to standard—and not to make purchases of similar articles from others. The rates at which the finished goods will be purchased by them will have to be settled beforehand ; arrangements for the purchase of the raw material required will have to be made at the same time, so that the manufacturers may not be adversely affected by fluctuations in the price of the raw materials used. Steps will have to be taken to ensure that the goods produced are not sold to any other agency. An alternative is that the articles produced may be purchased by the buying agents, not at a price fixed in advance, but at a price which bears a definite relation to the ruling price of the yarn used. To begin with the Sole Buying Agent should confine his activities to articles made by Co-operative Societies of cottage weavers which number about 30 ; such Societies can be trained under proper guidance and supervision to manufacture articles up to a certain standard and in their case the price to be paid for the goods can be settled more easily and with greater fairness to both sides than in the case of unorganised weavers ; the educative and propagandist value of the work done will thus be greater.

3. Such a venture will be a pioneer one in India ; no firm will take up such work without an adequate subsidy. It is requested that the Government of India may give a subsidy of Rs. 10,000 a year for this new venture.

## SCHEME III.

*A Marketing Association.*

An organisation is needed which would bring the articles produced by hand-loom weavers prominently to the notice of the consumers at

large. For this purpose it is advisable to have a net work of shops where a buyer could go and confidently rely on being able to obtain genuine hand-woven goods. These shops may work on a commission basis and should sell only articles made in the United Provinces bearing a guarantee of quality and place of manufacture. These shops should be set up or recognised by a central organisation which would treat them as its own agencies and supervise and control them. It will have to ensure that its agents are absolutely reliable; otherwise manufacturers would hesitate to deal with them. It must maintain a directory so that when an enquiry is received as to where a particular article of United Provinces manufacture can be obtained, it may be able to supply the information at once. In addition to the establishment of fixed sale agencies in the larger towns it should employ commercial travellers who may carry samples and canvass orders in smaller places.

2. Such an Association would need recurring subsidies. The scheme however has not been worked out in sufficient detail and it is not therefore put up as a scheme. But as a preliminary in this direction it is necessary to lay down standard specifications, prepare catalogues with illustrations and directories and do other spade work. A non-recurring grant of Rs. 5,000 is requested for this purpose.

#### SCHEME IV.

##### *A Survey of the Hand-loom Industry.*

In connection with the general industrial survey of the United Provinces the position of the hand-loom industry was also surveyed in 1922-24. As a consequence of the retrenchment campaign of 1923-24, this survey could not be completed, nor could the results be utilized in the manner originally contemplated; in particular, the scheme for the vertical survey of each industry could not be taken up at all. Owing to the reduction of the survey staff, that survey has also got out of date. That a fairly accurate census and survey are both desirable as a preliminary to organized State-aid need not be elaborated. Moreover, it should comprehend not only the hand-loom industry but also certain subsidiary and allied industries, for example, dyeing, printing, finishing.

2. The hand-loom industry of the United Provinces embraces not only the weaving of ordinary cotton fabrics like sheetings, shirtings, dhoties, saris, etc., but also brocades, gold and silver thread work, carpets, durries and also blankets, pashminas, shawls, etc. Moreover, the weaving of simple homely articles like tape, tatpattis, etc., is also included in its

sweep. If the survey is to yield results of more than ephemeral value, the employment of a somewhat large staff is thus inevitable.

3. If a grant-in-aid for the proposed survey is forthcoming, the procedure contemplated for this census and survey is :—

(a) to send out a simple circular questionnaire to all District Officers so that census data could be collected through the ordinary district agency without great cost, and

(b) to appoint 18 special investigators. As far as possible, these will be recruited from among those ex-students of the Central Weaving Institute, Benares, Textile School, Cawnpore, Dyeing and Printing School, Cawnpore and men engaged in the hand-loom industry and trade; they must show capacity to handle the census and survey including the technical and commercial aspects of the hand-loom industry. A suitable and fairly comprehensive questionnaire has been prepared. Their work would be supervised by two of the three Divisional Superintendents of Industries already in the Department; these officers are among the survivors of the special survey staff (temporary) that was recruited over a decade ago. Including a period of about two weeks for preliminary training, approximately six months for spot-checking of the census and local enquiries at all important centres of the hand-loom industry and about six weeks for the preparation of the reports, it is estimated that the survey would keep this staff occupied for about eight months.

4. The usual pay (including allowances) of such investigators employed for various *ad hoc* enquiries has been Rs. 100 per month. With a view to economy of time it is desirable to give them a peon or porter on Rs. 12 inclusive.

5. These would cost Rs. 16,000. In addition three Superintendents would be needed and their salary would be Rs. 10,800 and Rs. 2,400 would be required for their travelling allowance; three clerks and peons would be needed and would cost Rs. 1,500. Some money will be needed for contingencies. Altogether the total cost comes to Rs. 32,000. It is suggested that the Central Government should give a grant-in-aid of Rs. 16,000 on the half and half basis. This grant will be a non-recurring one and will be needed in the first year. If however an assurance is given that this grant would be forthcoming in any of the five years during which the Textile Protective Tariff of 1934 is to remain in force, the Local Government will subject to the approval of the Legislative Council be prepared to start the work at once without waiting for that grant.

1934.]

*Hand-loom Industry.*

63

The total cost of the different schemes is summarised below : -

Scheme.	Total cost.	To be met by Local Government.	Grant asked for
	Rs.	Rs.	Rs.
I	1,08,000 R	49,000 R	59,000 R
	55,000 NR	..	55,000 NR
II	10,000 R	..	10,000 R
III	5,000 NR	..	5,000 NR
IV	32,000 NR	16,000 NR	16,000 NR
	1,18,000 R	49,000 R	69,000 R
Grand Total	92,000 NR	16,000 NR	76,000 NR

*Note on the working of the Industrialists' Central Co-operative Stores, Limited, Agra.*

The functions of the Industrialists' Central Co-operative Stores, Limited, Agra, are (a) to purchase in bulk raw material such as silk and cotton yarn, dyes, chemicals and equipment and retail out the same to members at advantageous rates ; (b) to find a profitable market for goods manufactured by societies ; (c) to procure orders for manufacture and place them with societies ; (d) to educate Societies in the matter of designs in demand in the market ; (e) to insist on the manufacture of goods of a standard quality in conformity with given specifications ; (f) to serve as an Emporium for the display of goods ; and finally (g) to serve as a connecting link between manufacturers and consumers.

2. In order to carry out these functions it was felt that the quality of the durries made should also be improved. In particular the dyes used were not fast and improved methods of dyeing were considered essential. Accordingly, a trained dyeing instructor was deputed to Agra to teach the weavers dyeing with sulphur colours and stayed for nearly a year among the weavers till they had been fully trained. At the same time it was felt that till the improved durries became popular, some sort of subsidy was necessary. Accordingly the Stores obtained a grant from the Board of Industries from which it obtained dyestuffs and supplied them to the weavers at less than cost price, so that the price of the durrie might not be so high as to put off prospective purchasers ; the loss was met from the grant.

3. As soon as orders for durries, cotton and silk cloth, etc., are received, the Stores distributes the same among the Societies affiliated to it, giving details of dimensions, weight, the counts of yarn to be used in warp and weft, the number of threads in each, the shades required, the date fixed for the delivery of goods manufactured, etc. The *punchayats* distribute the orders among the members and at the same time prepare an estimate of the requirements of each individual member with respect to yarn, dyes and chemicals and such cash as he requires for labour and maintenance. The consolidated indent of the requirements of each Society is then prepared and taken to the Stores where the Storekeeper delivers the articles and debits the price of the articles to the accounts of the Societies concerned, and intimate the same to the Bank. The Stores draws upon the cash credit of Rs. 5,000 allowed in its favour by the Bank at 8 per cent. to make good the deficiency in stock as and when it requires. The cash item of the indent is treated as loan application by the Bank and the money is paid forthwith to the representative of the Society and the amount debited to its account.

4. During the course of manufacture, goods are supervised by the Industrial Supervisor attached to the Stores. When goods are ready, the same are examined by a Committee specially appointed for the purpose. Goods approved by the Committee are taken to the Stores where they are once again scrutinised and only those that answer to the specifications given are accepted and paid for after making deductions for the price of material supplied and interest at 9 per cent. Profits are divided between the Stores and the Societies concerned in the proportion of two to one.

5. The Stores also receives goods from Societies for sale and advances them 60 per cent. of the value. The profits are divided equally among the Stores, the Society concerned and the members.

6. There are 14 Industrial Societies, affiliated to the Stores. The Board of Directors consists of representatives of Societies, one Director of the District Co-operative Bank (who is the Director-in-charge of the Stores), the Head Master of the Weaving School, two local people interested in the work and the Textile Inspector.

7. The Stores is housed in the main business centre on an annual rental of Rs. 384. Its establishment consists of one storekeeper on Rs. 360, and a salesman (representative of the Durrie-makers' Societies) on Rs. 300 per annum.

8. The statements given below show the value in rupees of the various materials of daily consumption supplied by the Stores

1934.]

*Hand-loom Industry.*

65

to the Societies as also the value of manufactured goods marketed from 1928-29 to 1932-33 :—

*A.—Value of raw materials supplied by the Stores.*

Year.	Cotton Yarn.	Silk Yarn.	Dyes and Chemicals.	Reeds, beads, etc.
1928-29 .. .. .	3,549	..	75	..
1929-30 .. .. .	5,075	230	284	136
1930-31 .. .. .	1,872	282	999	116
1931-32 .. .. .	1,905	196	413	80
1932-33 .. .. .	978	960	455	31

*B.—Value of goods sold by the Stores or the Societies.*

Year.	Stores Durries.	Societies' Durries.	Cotton cloth.	Silk cloth.	Total sales under A. & B.
1928-29 .. .. .	383	364	..	..	4,871
1929-30 .. .. .	2,316	1,883	378	271	10,573
1930-31 .. .. .	6,004	1,093	..	132	10,498
1931-32 .. .. .	5,723	820	152	207	9,396
1932-33 .. .. .	2,916	540	556	799	7,235

9. Trade depression largely accounts for poor sales. The Stores durries are of much better texture, design and shade, but their comparatively high price has affected their popularity in the market. For one reason or another, the Stores has not, with a few exceptions, received any large orders which it expected. It can however claim credit for having (a) supplied a lot of raw material at cheaper rates, (b) furnished equipment which could not have been otherwise supplied, (c) furnished a fresh means of livelihood to weavers thrown out of employment on account of the decline in the export of pugries to the Deccan, and (d) acquired a name for its durries for superior colour, texture, design and shade. Fifty-eight fly-shuttle looms have been installed during the last 4 or 5 years.

*Punjab.*

Hand-loom weaving is the premier industry of the Punjab. According to the Census of 1921 the number of male weavers who were actually carrying on the industry was 248,872. The special survey carried out by the Industries Department in the year 1926 showed that the total number of hand-loom workers had fallen to 192,324. According to the estimate made in the year 1932 the number of persons engaged in the industry had further declined to 150,000. The number of looms at the Census of 1921 was 268,169 with ordinary shuttle looms (primitive looms) and 2,338 with fly-shuttle looms. The survey of 1926 referred to above showed that the numbers of the various kinds of looms in the Punjab were as follows :—

Primitive looms	172,894
Fly-shuttle looms	2,948
Others	28
	175,870

2. According to the estimate of 1932, the total number of looms was estimated at 140,000, of which about 4,000 were fly-shuttle looms.

The figures of production in 1926 and 1932 were as under :—

1926	Rs. 1,79,75,390
1932	Rs. 1,30,00,000

3. The industry requires assistance in the following directions :

(a) *Production and manufacture, i.e.,*

(i) Production of suitable qualities of cloth, *viz.*, cloth which would sell in the market.

(ii) Cheaper costs of production. In this connection the weaver requires assistance in the supply of cheaper raw materials, help with a view to the adoption of improved appliances and technical advice in matters of production.

(iii) Standardisation and organization.

(b) *Marketing.*—It is proposed to have a central organization or depôt with branches in other weaving centres. These depôts, in collaboration with the Co-operative Department and co-operative societies, will help in the supply of suitable qualities of raw materials at cheaper rates, supply of information as to the qualities of cloth to be produced and also in their standardisation and advertisement. Then there will be a Marketing Officer with assistants or canvassers who will be able to give assistance in connection with the production



1934.]

*Hand-loom Industry.*

67

of proper qualities of cloth. The Marketing Officer will possess commercial experience of the textile trade and will be acquainted with the technique of the textile industry. He and his assistants will go round the markets and study there the requirements of local and outside markets. They will be able to indicate what articles should be produced and to advise the central organisation and the outlying depôts as to the types of cloth which should be produced and at what price. The samples of cloth required to be prepared will be circulated from these depôts for production in the different weaving centres of the province. It is also proposed to provide a competent designer in textiles and a certain amount of research work will be carried out. The central organisation will be located at Amritsar with five branches in the outlying important weaving centres like Ludhiana, Foshiarpur, Jalalpur Jattan, Multan and Panipat. These organisations will be placed under technical persons with commercial experience. The technical staff will go round and see that the weavers and factory owners take up the manufacture of right type of cloth and on the right lines. It would be seen also that the quality of the products is standardised and the goods advertised. The manufacturers and buyers will be brought into direct contact so as to eliminate, as far as possible, the middleman's profit. The goods produced will be brought to the central organisation and depôts where after inspection they will be hall-marked for sale. Assistance in this connection will require an expenditure of nearly Rs. 90,000 as under :

	Rs.
One Marketing Officer (Rs. 300—20—400) ..	3,600
One Designer (Rs. 200—10—250) ..	2,400
Three Travelling Canvassers at Rs. 50 each ..	1,800
One Clerk (Rs. 40—2—80—2—90) ..	480
One Storekeeper (Rs. 40—2—80—2—90) ..	480
Travelling expenses .. ..	5,000
Menials, Supplies and Services, etc. ..	3,000
Total ..	16,760

*Central Station.**Non-recurring.*

	Rs.	Rs.
1. Supplies and Services ..	7,700	
2. Contingencies .. ..	800	8,500

<i>Recurring.</i>		Rs.	Rs.
1. Pay of Establishment ..		5,568	
2. Supplies and Services ..		4,000	
3. Contingencies ..		5,200	
		<hr/>	14,768
Total non-recurring ..		8,500	
Total recurring ..		14,768	
		<hr/>	23,268

*Cost of each outstation centre.*

<i>Non-recurring.</i>		Rs.	Rs.
1. Supplies and Services ..		2,400	
2. Contingencies ..		250	
		<hr/>	2,650

<i>Recurring.</i>		Rs.	Rs.
1. Pay of Establishment ..		2,988	
2. Supplies and Services ..		2,000	
3. Contingencies ..		950	
4. Travelling Allowance ..		300	
		<hr/>	6,238
Total non-recurring ..		2,650	
Total recurring ..		6,238	
		<hr/>	8,888
Total expenditure on five stations ..			44,440
Exhibitions, compensations, prizes, etc. ..			5,000
Grand total ..			89,468

3. The Punjab has a large number of hand-loom weavers. This province produces large quantities of raw cotton and Fazilka in the Ferozepore District is the biggest wool market in India. There is a great scope for the development of cotton and wool spinning and weaving, and for that purpose a substantial grant from the Government of India is necessary if any tangible results are to be achieved.

*Note on the position and the needs of Co-operative Weavers' Societies in the Punjab, prepared by the Registrar, Co-operative Societies, Punjab.*

Any scheme of Government assistance to the hand-loom weaving industry should take account of the Co-operative Weavers' Societies of which there are 237 in the province with 3,291 members. Government employs one Industrial Assistant Registrar, 5 Industrial Inspectors and 19 Industrial Sub-Inspectors to supervise and audit all sorts of industrial societies (there are altogether 294 societies with 5,249 members), but owing to the great depression in cottage industries it has been difficult to save many of the societies of weavers from ruin. The same difficulty has enforced a stand-still policy for the last three years since it was impossible to risk an advance in any industry while conditions were so uncertain. Even so, many of the weavers' societies have adapted themselves remarkably well to changing conditions, and by reducing expenses through co-operative purchase of raw material and co-operative sale of finished goods have succeeded in doing good business. Recently we have felt justified in adopting a bolder policy and have started to register new societies where the Industries Department has advised us that prospects are good. There can be no question that the co-operative form of organization is particularly suited for cottage industries, where in fact it is the only alternative to a complete lack of organization. We can show genuine results in our societies and I am convinced that with one or two improvements which I mention below we can go further ahead.

2. In the first place we can benefit considerably from the proposed Central Bureau, and also from the staff (if sanctioned) which the Director of Industries would like to appoint. The advice of a marketing officer and a designer will be especially useful to us.

3. We do however badly need a small amount of Government assistance specifically for our co-operative societies. In the first place we need to recruit a practical master weaver to visit our societies and advise them in the manufacture of goods and especially to see that when they are supplying to order they manufacture strictly according to sample. This latter is a vital point and neither our existing industrial staff nor any designer or other prospective officer of the Industries Department can do this. Our staff must primarily be capable of keeping and auditing accounts, and they cannot be recruited from the weavers (i) because weavers are not found a very suitable caste for this work, and (ii) because if they are complete specialists they cannot do their work in other types of societies. We want a practical master weaver for the work I have detailed above, and we could obtain and accept many more orders if we had a practical expert on whom we could leave the responsibility that the goods would be according to specification. Moreover

we could experiment with many new types of hand-loom manufacture if we had a man of this kind to guide the weavers in their work. Hand-loom weavers are making so little money now that we could, we are sure, get a man on the pay of a Sub-Inspector who would be a real expert in his craft and a man of long experience. His pay would be Rs. 50 per mensem (less 15 per cent. and 5 per cent. cut) and travelling allowance would cost Rs. 25 per mensem = Rs. 900 per annum. Such a man if appointed would of course be equipped with up-to-date knowledge by a course in the Shahdara or Amritsar Weaving Institutes.

4. We would also like to give some elementary training in weaving to most of our Sub-Inspectors. The desirability of this need not be further elaborated. If 4 men did a four months course each year in the Shahdara Institute the cost would be roughly Rs. 800 per annum (taking the average pay at Rs. 50 per month) and the grant should be continued for 5 years.

5. We also badly need an annual grant for an exhibition. Without a chance of exhibiting our products to the public we can neither increase our sales nor know what goods are popular and what changes of fashion are taking place. We need a grant of Rs. 5,000 a year in order to make a really successful exhibition.

6. There is one other point which I should like to mention. Where we are able to produce a good article, and one that is needed by Government departments, we should be given a strong preference in the interests of the cottage industries. Recently a mosquito net has been produced at Rs. 1-8-0. Orders are beginning to come in very rapidly. One regiment has bought 250 for its families, and the Inspector-General of Police has asked all Superintendents of Police to try the net. District Boards, etc., are also indenting for supplies. This is an article produced in the villages, a genuine cottage industry product, and the question should I think be taken up whether it is necessary to provide Indian troops with imported nets at a cost of more than Rs. 9 each when these Rs. 1-8-0 nets are available. A sample has been sent to the Army Headquarters, and another to the Indian Stores Department, and their decisions are awaited. Similarly there are other products of the weavers' societies which are needed by Government departments and are in fact supplied to them in considerable quantities, *e.g.*, police pagrees, pattees and other uniform, railway pagrees, durries and dusters. The Punjab Government have issued a letter [Finance Secretary's No. 21148 (Ind. and Labour), dated 11th August 1933] asking departments to buy the products of co-operative societies where the goods required cannot be obtained from jails or the Government Weaving Institute at Shahdara; but in several important lines our societies suffer severely from competition from the jails and it should perhaps be considered whether jail manu-

1934.]

*Hand-loom Industry.*

71

factures cannot be so directed as to compete more with imported goods and less with cottage industries. From the educative point of view also it is of doubtful use to teach non-weavers to weave while in jails, since it is certain that those who are not weavers by caste will never take to this work when they are released.

*Burma.*

The hand-loom industry in Burma is an important cottage industry. Excepting in a few weaving centres the industry is carried on by cultivators and their families in the off season and whenever they are disengaged from their main occupation. It forms one of the more important subsidiary occupations of the people. In the Census of 1921 the number of hand-looms in the province is recorded as 569,473. An idea of the magnitude of this industry and its economic value to the people can be gauged from the following table.

*Annual consumption by hand-loom weavers of Burma of cotton, silk and artificial silk yarn, production of cloth, and its approximate value.*

Kind.	Consumption of yarn.	Production of cloth.	Value.
	lbs.	Yards.	Rs.
Cotton yarn .. .. .	11,194,000	*44,779,000	1,87,92,000
Raw silk .. .. .	419,000	1,573,000	35,40,000
Artificial silk yarn † .. .. .	323,000	1,131,000	5,65,000
Total value of cloth produced by hand-loom weavers.	..	..	2,08,97,000

\* Calculated on the basis of 4 yards per lb. of yarn.

† Cloth purely of artificial silk is not woven by weavers in Burma. It is used as weft with cotton or silk as warp. The figures against artificial yarn are given to show the consumption and approximate value when converted into cloth.

2. The hand-loom industry is unorganised and scattered throughout the province. It is unlikely to make substantial progress without official collaboration, organising direction and technical advice. The following proposals are submitted for the organisation and improvement of the hand-loom industry :—

(1) Establishment of a permanent Exhibition of hand-loom weavers' products, combined with a central sale depôt at Rangoon

with agencies in the principal weaving centres, with the object of finding a market for cloths woven by hand-loom weavers.

The chief disadvantage, under which a hand-loom weaver has to labour, is the want of facilities for sale of his cloth. He is at the mercy of the financier or capitalist for whom he works or, if he works independently the purchaser, taking advantage of his lack of financial staying power cuts down the prices so much so that the weaver has often to sell his cloth at a loss. If the central dépôt and local agencies are established, as suggested above, they will relieve the weavers of this difficulty to a great extent. Further, as the market expands it will be the means of developing the industry.

(2) Establishment of a research or experimental station is desirable to experiment on and to demonstrate the weaving of new varieties and patterns which can be economically and successfully woven and which are likely to find a ready sale.

The weavers are prone to continue weaving the same kind of materials and patterns year after year and hence their products suffer from want of novelty. Many of the varieties, which are imported into the province, can be successfully woven by the hand-loom weavers and which will find a ready market. New varieties and patterns also should be tried. It will be the work of this experimental station to weave different varieties, new designs and patterns and to demonstrate the weaving of these to the weavers and thereby open up to them the possibilities of new lines of business.

(3) Introduction of improved appliances and methods of working among weavers.

The scheme will include the organisation of demonstration parties the aim of which will be to introduce improved appliances and methods in weaving, besides a supply of weaving appliances and materials and will give the weavers advice and assistance which they may require in their work.

The usefulness of the demonstration parties as the means of introducing improvements and of the other activities mentioned in this proposal is well recognised.

Besides the three proposals submitted above it will be essential to continue the present Saunders Weaving Institute at Amarapura on the lines on which it is run at present.

3. The activity in proposal (1) as far as it concerns the supply of cloth from local weavers to certain Government Departments and the activities in proposals (2) and (3) as far as it is possible to do with the existing staff and keeping in view the instructional side of the Institute, are at present carried on by the Saunders Weaving

1934.]

*Hand-loom Industry.*

73

Instituté. But, for the proper organisation and improvement of the industry these activities should be greatly extended. Proposals (1) and (2) will be more useful to weavers in the weaving centres and of places where they are specialised in a particular kind of work, while proposal (3) will be more useful to weavers in rural areas. All the three proposals are therefore useful and have their own advantages.

4. In connection with the grant-in-aid announced by the Government of India it may be stated here that Burma should get a larger amount of share of this grant, in view of the facts that :

(1) The hand-loom industry in Burma is very widely spread and Burma has the largest number of looms of any province in India (Table LXVI, Chapter VII, page 157 of the Report of the Tariff Board of 1932).

(2) Burma has no interest in the industry—Mill industry—for the protection of which the Indian Tariff (Textile Protection) Amendment Bill of 1934 was passed and of which the grant-in-aid in question is a side issue.

5. The duties imposed by the Bill, therefore, fall without any corresponding benefit, on the people, the bulk of whom are agriculturists and as the hand-loom industry is an important subsidiary occupation of the agriculturists it deserves a greater amount of share in the grant-in-aid.

*Scheme for buying and selling on behalf of hand-loom weavers and for the general organisation and improvement of the hand-loom industry.*

To help the hand-loom weavers to find a ready sale for their cloth and for the general organisation and improvement of the hand-loom industry the following proposals are submitted :—

(1) (A) Establishment of a permanent exhibition room and a central sale depôt at Rangoon and (B)—Agencies at the principal weaving centres.

(A) The functions of the permanent exhibition and the central sale depôt will be :—

- (a) to maintain a permanent show room of all the varieties of cloths woven by the hand-loom weavers of the province ;
- (b) to keep a stock of hand-loom woven cloths for sale to the public ;
- (c) to secure and supply orders for hand-loom woven cloth from Government Departments and business firms ;

- (d) to get in touch with the foreign markets by expanding business in the special varieties of the hand-loom woven cloths ;
- (e) to make joint purchase of yarn and dyes for weavers,

For establishing the exhibition room and the central depôt, Rangoon will be the most suitable place. It is the principal port of the province and the centre of the import and export trade. As the port of entry and by far the largest city in the province it receives many visitors from other countries as in addition to attracting people in the province. The exhibition room and the sale depôt will first be started and financed by Government and will be under the control of the Superintendent, Cottage Industries, Burma. A proper check on the stock and activities of the organisation will thus be ensured. It may afterwards be handed over to a co-operative society if and when one is formed for the purpose.

(B) Agencies at principal weaving centres.

The work of these agencies will be ;

- (a) to find a sale for the locally woven cloth ;
- (b) to distribute among weavers the orders for cloth which will be received from the central depôt ;
- (c) to co-operate with the demonstration parties in proposals (2) and (3) and induce weavers to weave the varieties or adopt the improvements which may be demonstrated by the demonstration parties.

These agencies will be on the models of guilds or associations of local manufacturers and weavers formed on a co-operative basis. It will be necessary to advance them money from Government for the stock they are likely to keep for sale or the orders which are likely to be supplied by them, and to that extent they will be subject to Government control. It may also probably be necessary to make them some monthly allowance for office establishment which it will be possible to gradually reduce as the work of the agency increases, until this expense will be entirely defrayed from the profit or commission derived from the transactions.

(2) Establishment of a research or experimental station.

The work of this station will be :—

- (a) to watch the market and imports of cloths and experiment with the weaving of such varieties as may be economically woven by hand-loom weavers, and also with new designs and patterns which will appeal to the fancy of the people and be likely to find ready market.



1934.]

*Hand-loom Industry.*

75

- (b) to demonstrate to weavers the weaving of the varieties and patterns in (a) above.
- (c) to test new machines, appliances and dyes for their suitability for hand-loom weavers and try to introduce them among them.
- (d) to assist the sale depôt in negotiations with business firms to secure orders for cloths.

There are two places only where such a station could be usefully set up, namely Rangoon and Amarapura. The former will, however, have the advantage over the latter as it offers much greater facilities for the study of rice market and for negotiation with business firms, and this will be one of the most important tasks of the experimental station. The question of location may, however, be perhaps deferred until a later stage.

## (3) Introduction of improvements among weavers.

The object of the proposal will be—

- (a) to organise travelling weaving demonstration parties to demonstrate and introduce among weavers cheap, labour saving and improved appliances, and elaborate designs and patterns and fast colours.
- (b) to organise demonstrations of improved appliances in District Shows, Fairs, Pagoda festivals, etc., in order to exhibit the advantages of these.
- (c) to supply weaving appliances and materials to weavers who are unable to procure them locally.
- (d) to give advice and assistance, which the hand-loom weavers may require in their work.

The activities in proposals (2) and (3) will be controlled by one officer, while his assistance will be necessary in proposal (1) in all its work.

The work of the three proposals should therefore be carried out in co-ordination with each other.

The following is an approximate estimate of the above three schemes.

## (1) (A) Exhibition room and sale depôt at Rangoon.

## (a) Initial expenditure—

	Rs.
Cost of furniture to furnish the exhibition room and sale depôt .. .. .	1,000
Amount for purchase of stock or payment of advance to weavers against stock or orders .. .. .	10,000
	11,000

	Rs.
<b>(b) Recurring expenditure—</b>	
Shop rent of two rooms in Scott Market at Rs. 100 p. m., Rs. 100 × 2 × 12 .. .. .	2,400
Pay of manager in charge of the exhibition room and sale depôt at Rs. 200 per mensem, Rs. 200 × 12 .. .. .	2,400
Pay of two salemen who will work as clerks also at Rs. 60 p. m. each, Rs. 60 × 2 × 12 .. .. .	1,440
Pay of two durwans at Rs. 18 p. m. each, Rs. 18 × 2 × 12 .. .. .	432
Contingencies, travelling expense, etc. .. .. .	600
	7,272
 <b>(1) (B) Local agencies at important weaving centres. To start with, eight agencies are expected to be opened at eight weaving centres and the estimate is based on this—</b>	
<b>(a) Initial expenditure—</b>	
Cost of furniture, etc., for these eight agencies .. .. .	800
Advance to the agencies for payment of advances to weavers against orders for clothes or cost of cloth kept for sale at the agencies .. .. .	5,000
	5,800
<b>(b) Recurring expenditure—</b>	
Allowances to agencies for maintenance of establishment. This will include allowance to the agency secretary or clerk for correspondence and accounts, pay of peon, office rent and cost of stationery, at an average of Rs. 50 p. m. per agency, Rs. 50 × 8 × 12 .. .. .	4,800
<b>(2) Experimental or research station and—</b>	
<b>(3) Demonstration parties, etc., for improvement of the hand- loom industries :—</b>	
Pay of four expert weavers to weave new varieties and patterns, at Rs. 25 p. m. per weaver, 15 × 4 × 12 .. .. .	1,200
Pay of six travelling weaving demonstrators to demon- strate and introduce improved appliances and new varieties for 8 months in a year at Rs. 50 p. m., fixed Rs. 50 × 6 × 8 .. .. .	2,400
Pay of one weaving teacher to look after the work of the above expert weavers travelling demonstrators, supply of weaving appliances and materials under the direction of the Weaving Expert at Rs. 100 p. m., Rs. 100 × 12 .. .. .	1,200
Pay of one clerk for the Weaving Expert on Rs. 60 p. m., Rs. 60 × 12 .. .. .	720
Travelling allowance of the Weaving Expert, teacher and expert weavers .. .. .	1,500
Purchase and repairs of apparatus for experimental work and contingencies .. .. .	600
	7,620

1934.]

*Hand-loom Industry.*

77

The total expenditure under the above three schemes will be :—

Scheme.	Initial	Recurring
	expenditure.	expenditure.
	Rs.	Rs.
(1) (A) Exhibition Room and Sale Depôt at Rangoon	11,000	7,272
(1) (B) Local agencies at weaving centres .. ..	5,800	4,800
(2) Experimental stations and .. .. .	}	7,620
(3) Demonstration parties .. .. .		
Total .. .. .	16,800	19,692

The above schemes will be directed by the Weaving Expert whose pay is met from the Provincial revenue. It is not included in the above schemes.

The Government of India in their Industries and Labour Department letter No. I-321, dated the 29th May 1934 have announced, in paragraph 5 of the letter, their decision to give grant-in-aid to Local Governments for development and improvement of the hand-loom industry. The sum which will be available for this purpose is estimated to be Rs. 5 lakhs, annually, for five years. This letter is addressed to ten Local Governments. If Burma gets an equal share in this grant-in-aid along with other smaller provinces in India, she would get at least Rs. 50,000 annually. Further, in view of the remarks made at the end of the memorandum Burma ought to get much more than Rs. 50,000. Therefore the above estimate should not be considered as exhaustive. It is prepared on a very modest basis. The more the grant-in-aid Burma is able to get the more it can be advantageously used for the benefit of hand-loom weavers of the province, on the lines mentioned in the above schemes.

*Bihar and Orissa.*

The hand-loom industry suffers from lack of organization and if it is to be developed on sound lines it is necessary to introduce improvements in manufacture leading to greater efficiency in production and to provide better facilities for marketing. The latter is of vital impor-

tance because with the present depression the hand-loom weaver is experiencing considerable difficulty in the disposal of his goods.

2. If the sales of hand-loom products are to be encouraged, a comprehensive organization is necessary which will tap outside as well as local markets. The present appears to be a golden opportunity for building up an All-India organization with the co-operation of Local Governments and the Central Government. So far as this province is concerned, the first essential is the establishment of a Central Sales Dépôt for hand-loom products at Patna. The Dépôt is required not only to push sales in the capital of the province but also to organize and supervise the supply of hand-loom products to outside and local markets. The Dépôt will have to see that supplies are according to specification, that workmanship and raw materials are up to standard and that no undue delays occur in the supply of goods. Further, it will be necessary to provide a finishing plant in the Central Dépôt to make hand-loom products sufficiently attractive for customers of the higher class.

3. The Central Dépôt suggested above would be in charge of a suitable business manager who should be available on a scale rising from Rs. 300 to Rs. 500 *plus* a small commission on all sales. In addition to the usual staff of clerks, accountants, store-keepers and salesmen the Dépôt should have a technical officer on Rs. 150 per mensem whose duty it would be to see that goods manufactured were of suitable quality and up to required specification. In addition, there should be commercial travellers on a pay of Rs. 50 per mensem with travelling allowance and a small commission on the sales effected by them. These commercial travellers will be sent to places within and outside the province to canvass orders for the Sales Dépôt. The strictest control would have to be exercised over their operations, and they would have to furnish security up to the maximum value of the goods with which they are entrusted. Generally they should be sent outside the province to stations where there is likely to be a demand for the specialised products of hand-loom weavers. Within the province, branches of the Sales Dépôt should be organized which may be run by individual agents or co-operative societies on a commission basis *plus* a small subsidy from the Dépôt which should cover the rent of the building. Thus, in brief, the scheme for marketing includes a Central Sales Dépôt which will provide raw materials and place orders for special and standardized classes of goods. Under the Sales Dépôt will be the branch dépôts run by private individuals or co-operative societies on a commission basis *plus* a small subsidy for house-rent. Finally, also under the Sales Dépôt there will be commercial travellers to tap outside markets. The Sales Dépôt will of course be expected to participate in all important exhibitions and fairs and to advertise its goods in a suitable manner.

1934.]

*Hand-loom Industry.*

79

4. The cost of the marketing organization is detailed below :—

*Recurring.*

	Ra.
(1) Establishment consisting of business manager, technical officer, commercial travellers, accountant, clerks, etc. ..	18,500
(2) Rent for shop and ware house .. .. .	2,500
(3) Contingencies .. .. .	3,500
(4) Advertisements and publications for propaganda ..	2,500
(5) Cost of participation in exhibitions and fairs .. ..	3,000
(6) Travelling allowance of business manager and commercial travellers .. .. .	5,000
(7) Subsidies to Branch Stores .. .. .	5,000
	40,000

The above figure does not include payment of commission to staff which will be made out of the sale proceeds.

*Non-recurring.*

	Ra.
(i) Machinery, equipment and furniture .. .. .	20,000
(ii) Purchase of stock of raw materials and finished goods ..	1,00,000

Item (i) includes a finishing plant. As regards (ii) the Depôt would receive goods on credit for sale on a commission basis from the three Government Institutions, *viz.*, the Cottage Industries Institute, the Bhagalpur Silk Institute and the Gaya Wool Weaving Institute. The total amount for stock could therefore be provided in three years as follows :—

	Ra.
First year .. .. .	50,000
Second year .. .. .	25,000
Third year .. .. .	25,000

5. In regard to manufacture, the hand-loom weaver requires facilities for the purchase of yarn and for credit. He also requires technical assistance and supervision. These facilities can be provided by co-operation, but weavers' co-operative societies have had a sad experience and in their organization caution is necessary. Weavers as a class are ignorant and improvident, loyalty to a co-operative society is not to be expected. Instances have been reported where they have sold the yarn obtained on credit from their co-operative society to a third party and have utilized the sale proceeds for their social needs thus leaving the society to shift for itself in the matter of the realization of its dues. Another serious difficulty experienced by such societies in the disposal of the finished goods produced by its members for which payment at least to the extent of 75% has to be made at the time of delivery. The experience

of this province has shown that weavers' co-operative societies are only likely to succeed if their members are engaged in the manufacture of goods for which there is a reasonably steady market. It is, therefore, necessary to link up the organization of weavers' co-operative societies with the marketing organization recommended in the preceding paragraphs. Weavers' societies are not to be started haphazardly but for the manufacture of special classes of goods on the recommendation of the Central Sales Depôt. They will of course be free to take up other work if they consider that this will be profitable. The Central Sales Depôt will place orders with weavers' societies or failing such societies with master weavers who will be men trained in weaving in a Government Institute. The aim, however, will always be to displace master weavers by weavers' societies and to enlist the services of the former in the management of the societies which have taken their place. The organization of such societies and their strict supervision will necessitate the strengthening of the staff of the Co-operative Department. It is considered that the staff required for this purpose can be borrowed from the Co-operative Federation for a lump sum grant of Rs. 10,000 a year. The Federation will provide an organizer on Rs. 100 per mensem for each of the five divisions and will bear all charges on account of salary, travelling allowance, contingencies, etc. The co-operative societies and master weavers will also require an initial advance to start business. In the existing position of the co-operative movement in the province it is unlikely that such advances will be forthcoming from the Co-operative Banks or the Co-operative Federation. It is therefore proposed to create a fund of Rs. one lakh from which such advances can be made. The fund will be controlled by a Board which will consider applications for loan from co-operative societies and master weavers. The advance will bear a moderate rate of interest but the amount of each advance and the conditions on which it is granted will be left to the discretion of the Board. The full amount of Rs. one lakh for this fund could be provided in three years beginning with Rs. 50,000 in the first year, Rs. 25,000 in the second year and the same amount in the third year.

6. The total cost, recurring and non-recurring, of the proposals outlined in the preceding paragraph for a five year plan of development of the hand-loom industry is shown below :—

*Recurring.*

	Rs.
(i) Sales Depôt with branch organizations	40,000 per annum.
(ii) Cost of extra staff of Co-operative Department to organize and supervise weavers' societies.	10,000    "
	50,000 per annum.

1934.]

*Hand-loom Industry.*

81

<i>Non-recurring.</i>					
	First year.	Second year.	Third year.	Fourth year.	Fifth year.
	Rs.	Rs.	Rs.	Rs.	Rs.
(1) Purchase of stock of raw materials and finished goods for Sales Depôt.	50,000	25,000	25,000	<i>Nil</i>	<i>Nil</i>
(2) Fund for making advances to co-operative societies and master weavers for starting business.	50,000	25,000	25,000	<i>Nil</i>	<i>Nil</i>
(3) Machinery, equipment and furniture required for Sales Depôt.	20,000	<i>Nil</i>	<i>Nil</i>	<i>Nil</i>	<i>Nil</i>
<b>Total</b>	<b>1,20,000</b>	<b>50,000</b>	<b>50,000</b>	<b><i>Nil</i></b>	<b><i>Nil</i></b>

Thus the total cost will be Rs. 2,20,000 on account of non-recurring charges which will be available after the five year period if the plan proves successful and it is decided to continue it, and Rs. 50,000 for recurring expenditure which in the five years would amount to Rs. 2,50,000.

*Central Provinces.*

The hand-loom weaving industry is of considerable importance in the Central Provinces and Berar and provides employment to nearly 400,000 adult workers and about 250,000 dependants living in about 3,856 towns and villages all over the province. There are 97,437 hand-looms in the province, using approximately 226,320 maunds of yarn. They produce nearly 282,900 maunds of cloth, which represents as much as 40 per cent. of the total quantity of cloth consumed in the province.

2. Hand-loom weavers produce several varieties of fabrics admirably suited to the tastes of the people. They purchase raw material from the retail shopkeepers at the prevailing market rates and bring back the finished product to the cloth merchants for sale. Sales direct to the consumers are rare as they require more time and bargaining for the proper price. Sale to the cloth dealers is the rule in towns where these wholesale dealers control the market for hand-loom woven cloth through cloth brokers. The weaver parts with his cloth at the prevailing market rate. The wholesale merchants do not keep a stock but purchase cloth to meet the day's demand from outside and the weavers are obliged to part with their cloth to the merchants at whatever price may be ruling on the day of sale.

3. For short spells in the year, *e.g.*, before *diwali* or the marriage season, the demand for hand-loom cloth and the prices are quite good, but

for the rest of the year prices are so low as hardly to yield a living wage to the weaver. The weaver is tempted to produce inferior and cheaper varieties of cloth in order to protect himself against loss due to uncertain rates. Consequently there is gradual deterioration in the quality of hand-loom cloth in towns, and dealers and consumers cannot rely on the durability or the artistic merit of the product of the hand-loom.

4. The hand-loom weavers of the province use imported yarn of fine counts and produce silk bordered *saries* and *dhoties*, for which they have a virtual monopoly. As this manufacture requires greater skill the output of hand-woven superior cloth is, however, small as compared with that of the coarser fabrics for which the hand-loom weaver uses mostly Indian yarn 30s. In selling these coarser fabrics the weaver has to face competition from the mills which have been turning out the cheaper kinds of *saries* similar to those produced on the hand-loom.

5. Each weaver uses 2 to 4 bundles or 20 to 40 pounds of yarn per month and produces between 9 to 15 *saries*. The approximate cost of raw material including silk and other material for borders is Rs. 15 to Rs. 35 and the weaver's earnings are about Rs. 15 to Rs. 25 per month.

6. The present difficulties or temptations of the hand-loom weavers may be summarised as follows :—

- (i) Abundance of inferior raw material at very cheap prices.
- (ii) Constant fluctuations in the sale prices of finished goods.
- (iii) Control of the market by wholesale merchants and petty brokers.
- (iv) Unsteady and insecure demand for the finished product.
- (v) Insidious encouragement by the dealers to produce inferior patterns of cloth.
- (vi) Want of organization and mutual good faith among the weavers and traders.

7. For developing the hand-loom weaving industry and bettering the condition of the weavers the following objects have to be kept in view :—

- (i) Production of standard patterns of cloth of guaranteed durability and fast colours.
- (ii) Organized supply of suitable and reliable raw material at the lowest wholesale rates.
- (iii) Constant improvement in standard patterns so as to keep up and expand demand.



1934.]

*Hand-loom Industry.*

83

- (iv) Disposal of finished cloth through a separate sale agency on the best possible terms.
- (v) Payment of regular wages to the weavers as soon as the finished output is handed over to the sales depôt.
- (vi) A system of profit-sharing which would ensure the worker's doing his best.

8. Organizing the industry on a co-operative basis holds out the best hope of attaining the objects mentioned above. The history of co-operative weavers' societies in this province has been disappointing, but the failure was due to lack of special supervising staff, the absence of suitable facilities for the supply of raw material and the disposal of the product. In framing the scheme below care has been taken to ensure that these radical defects do not occur.

*The scheme.*

9. It is proposed—

- (i) to establish weavers' co-operative societies at the following five centres, with 100 members in each society:—(a) Nagpur, (b) Kamptee, (c) Jubbulpore, (d) Ellichpur, (e) Burhanpur.
- (ii) At each centre there will be (a) a depôt for the supply of raw materials, and (b) another for the sale of the finished cloth.
- (iii) The depôt for the supply of raw materials will purchase yarn at the lowest wholesale rates and distribute to each member the quantity required for his use for one month at a time on credit.
- (iv) There will be twenty current patterns of cloth. The members will be divided into twenty groups. Each group of five members will be asked to manufacture cloth of one specified pattern at pre-agreed rates of wages per piece.
- (v) The finished cloth will be handed over to the sales depôt for disposal. The depôt will examine the quality and if found correct to the specification the cloth will be accepted for sale.
- (vi) Yarn of the desired quality will be purchased at the lowest possible wholesale rates.
- (vii) An agency will be employed for canvassing sales on a commission basis in order to ensure a quick turnover.
- (viii) Profits will be shared among the members, at the end of the year proportionately to the value of work done.

- (ix) Out of the wages paid to each member a small amount, say,  $\frac{1}{4}$  anna per rupee, will be kept back as his own capital or as a deposit to be paid back after five years.
- (x) It will be open to each society to admit new members at the end of each year or to affiliate rural societies.
- (xi) Government aid will be withdrawn at the end of five years, except in the matter of supervision, guidance and audit.
- (xii) The establishment necessary for an organisation of this kind is as follows :—
  - (a) Four supervising instructors each to supervise and assist 25 weavers on a monthly pay of Rs. 25 each. They will be responsible for helping the weavers in producing the right pattern of cloth and in supervising the work of each weaver so as to prevent the misuse of raw material and to ensure the proper accounting of the finished cloth.
  - (b) For the depôt for purchase and distribution of raw materials there will be one manager, one assistant and two attendants on Rs. 75—5—100, Rs. 50—5—75 and Rs. 10—1—15, respectively.
  - (c) For the cloth sales depôt the same kind of establishment as provided for the yarn depôt will be engaged, and in addition there will be two canvassers each on Rs. 25—1—30 per mensem and one per cent. commission to book orders from wholesale merchants.
  - (d) Rent of two houses for keeping yarn and cloth at Rs. 50 per month each.
  - (e) Necessary furniture for each depôt at a cost of Rs. 175 to start with.

Thus, the annual establishment charges and rent would amount to Rs. 6,480 for each society, or Rs. 32,400 for the five.

- (xiii) Each weaver uses raw materials worth about Rs. 25 per month on an average. A society of 100 members will therefore require raw materials of the value of Rs. 30,000 per annum. It will be possible to purchase yarn on credit by paying 50 per cent. cash down every month or six weeks, and it is expected that there will be a quick turnover by the sale of cloth at least to the extent of 50 per cent. and a working capital of Rs. 6,000 will probably meet the requirements of each society for the first year. Half this amount

1934.]

*Hand-loom Industry.*

85.

will be used for the purchase of raw materials and the other half for payment of wages to the weavers.

- (xiv) The total expenditure for the five societies will amount to Rs. 63,275 in the first year as shown below :—

	Rs.
(a) Establishment charges including house-rent for the first year .. .. .	32,400
(b) Furniture .. .. .	875
(c) Working capital .. .. .	30,000
Total expenditure ..	63,275

- (xv) Each society will repay to Government the advance on account of working capital at the end of five years.

- (xvi) A small development committee consisting of five representatives of each society of 100 members will be formed to fix the wages and help in deciding patterns. The managers and assistant managers of the yarn and cloth depôts and the two canvassers will be *ex-officio* members. Meetings will be held under the guidance of the Weaving Superintendent once every month and a programme of work for the next month will be settled. The Assistant Registrar of the circle or the Sub-Divisional Officer will be *ex-officio* President and the Weaving Superintendent, *ex-officio* Secretary of these hand-loom weavers' co-operative societies.

- (xvii) It will be possible to manage with the same establishment a society of the maximum strength of 500. The only extra expenditure will be the cost of entertaining additional supervisors, who will be able to look after a larger number of members once the scheme is in smooth operation.

*Assam.*

The position of the hand-loom weaving industry in the province of Assam is different from almost all other parts of India. Here in the major portion of the province almost every house-holder, be he rich or poor, possesses a loom—a state of affairs considered so desirable by certain class of people interested in rural welfare and others interested in the hand-loom weaving industry. In the Census Report of the province for 1921 when an enquiry was made into the hand-loom industry, the Superintendent of Census noted as follows :—

“The enormous proportion of hand-looms in the Brahmaputra Valley as compared with other divisions will be noticed

from the statement (Not reproduced): there is here an average of nearly one loom to every two occupied houses. Weaving is an established custom of the housewife, and cloth is nearly always made for home use. Only in the case of cotton cloth made by some of the Bengal immigrants and silk by the Assamese is there any serious sale. The cloth is woven in the spare time of the women and girls and often only enough surplus is made to pay the family's land revenue. In the Naga Hills weaving (for home use) is even more universal than in the Assam Valley: in other hill districts it is less common. In the Upper Brahmaputra Valley districts, Miri and Abor cotton rugs are sold. The supply of Miri rugs in Sibsagar has fallen off, but the Abors are making and selling more than before in Lakhimpur in order to pay the higher prices now ruling for the imported goods which they want."

The condition of the hand-loom weavers, though the professionals in certain centres are eking out an existence and others are finding weaving a useful subsidiary occupation, is by no means happy, due to the present trade depression, competition from outside and want of sufficient facilities to improve their lot.

2. The Government of Assam in order to encourage this very important industry had started a weaving institute at Gauhati in 1920, appointed two peripatetic parties in 1921 increasing the number to four parties by 1928, added a weaving section to the Surma Valley Technical School in 1929. They also established an Emporium in 1921 to advertise the goods of the cottage workers and help in their disposal. Besides the work enumerated above attempts have been made wherever possible with the limited resources at the disposal of the Department, to help the weavers through the agency of co-operative societies. For the last few years the depleted finances of the province have, however, prevented the Government to undertake the much needed expansion in this direction. When retrenchment in Government expenditure was carried out a couple of years ago, it was decided after a careful enquiry not to curtail the useful activities of the Weaving Branch of the Department. Now that the Textile Protection Act has come to the aid of the hand-loom industry and the Government of India have been pleased to set apart a sum for distribution amongst the provinces for development of the industry, the following two much needed schemes are submitted with a brief note for the consideration of the Government of India.

(1) Starting of a commercial course as an addition to the Government Weaving Institute, Gauhati.

Although the Institute at present imparts much useful training in the theory and practice of weaving and dyeing on up-to-date lines, yet the absence of training on commercial lines and of a specialised nature is keenly felt, especially as there are no factories in the province. To meet these wants it is highly desirable to open commercial courses with skilled master-workers in a few branches of weaving industry to supplement the training now given.

(2) Reorganisation of the Government Emporium and Central Stores at Gauhati to increase its usefulness and expand its activities.

3. The Emporium has since its establishment been doing useful work in supplying improved appliances and raw materials in the shape of yarns, colours, etc., to the weavers and helping them in the disposal of their finished products. During their investigation, the Assam Provincial Banking Enquiry Committee, 1929, spoke of the useful purpose served by the Emporium as a medium between the producers and the consumers. The Committee also recommended to Government to undertake the work on a bigger scale in view of the present disorganised state of the weavers, but for want of funds it has not been possible to give effect to this recommendation. It is undisputed that much remains to be done by way of standardisation of designs, advertising and finding market for goods, besides undertaking propaganda and publicity work on their behalf. This work the Emporium is unable to do in a satisfactory manner for want of funds. It has to be borne in mind that an institution of this nature established for the benefit of the cottage workers cannot function without adequate State aid.

4. It is intended that the Emporium after its reorganisation should form the central institution to undertake such schemes as may be necessary for developing co-operative buying and selling on behalf of the hand-loom weavers and for the better organisation of the industry. It will be in a position, if money is available, to buy for sale a few marketable products outright, sell others on commission on behalf of the weavers and advance raw materials for the manufacture of fabrics which have a demand in the market.

5. Enquiries are being made for the establishment of a few commission shops in suitable centres amongst weavers on a co-operative basis, as they appear to be necessary. These, when established, will act all the better under the guidance of the Emporium and work in co-ordination with it. Besides these commission shops, the Emporium while exercising its functions as a Central Institute will be able to help the Co-operative Department in increasing the very small number of societies which now exist amongst the weavers.

6. The expenditure involved, if these schemes are completely carried out is set out, in the tables below.

HAND-LOOM WEAVING.—(1) *Starting of a commercial course in the Government Weaving Institute, Gauhati.*

88

Details.	1st year.		2nd year.	3rd year.	4th year.	5th year.	Total.	
	Non-recurring.	Recurring.	Recurring.	Recurring.	Recurring.	Recurring.	Non-recurring.	Recurring.
	2	3	4	5	6	7	8	9
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
<i>Establishment.</i>								
4 Master workers for (a) Silk weaving with experience in dyeing, (b) calico printing, (c) durry weaving and (d) carpet weaving at Rs. 75—5/2—90 each .. .. .	..	3,600	3,600	3,840	3,840	4,080	..	18,960
2 Jugalis at Rs. 15 each .. .. .	..	360	360	360	360	360	..	1,800
1 Silk Reeler at Rs. 75—5/2—90 .. .. .	..	900	900	960	960	1,020	..	4,740
1 Silk Throwster at Rs. 75—5/2—90 .. .. .	..	900	900	960	960	1,020	..	4,740
1 Accountant (Commercial) at Rs. 75—5/2—90 .. .. .	..	900	900	960	960	1,020	..	4,740
<i>Allowance and honoraria.</i>								
12 Stipends at Rs. 10 each per mensem .. .. .	..	1,440	1,440	1,440	1,440	1,440	..	7,200
<i>Contingencies.</i>								
Building .. .. .	20,000	..	..	..	..	..	20,000	..
Equipment .. .. .	15,000	..	..	..	..	..	15,000	..
Labour charges .. .. .	..	1,000	1,000	1,000	1,000	1,000	..	5,000
Yarn, colours, etc. .. .. .	..	3,000	2,000	2,000	2,000	2,000	..	11,000
Miscellaneous contingencies .. .. .	..	1,000	1,000	1,000	1,000	1,000	..	5,000
<b>Total</b> .. .. .	<b>35,000</b>	<b>13,100</b>	<b>12,100</b>	<b>12,520</b>	<b>12,520</b>	<b>12,940</b>	<b>35,000</b>	<b>63,180</b>
<i>Deduct sale-proceeds</i> .. .. .	..	—1,500	—3,100	—3,100	—3,100	—3,100	..	—13,900
<b>Net Total</b> .. .. .	..	<b>11,600</b>	<b>9,000</b>	<b>9,420</b>	<b>9,420</b>	<b>9,840</b>	..	<b>49,280</b>

Bulletin of Indian Industries and Labour.

[No. 52.

**HAND-LOOM WEAVING.—(2). Schemes for co-operative buying and selling :—**  
**(a) Re-organisation of the Government Emporium and Central Stores, Gauhati.**

1934.]

Details.	1st year.		2nd year.	3rd year.	4th year.	5th year.	Total.	
	Non-recurring.	Recurring.	Recurring.	Recurring.	Recurring.	Recurring.	Non-recurring.	Recurring.
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
1 Business Manager at Rs. 150—10/2—200..	..	1,800	1,800	1,920	1,920	2,040	..	9,480
1 Assistant Manager and Accountant at Rs. 75—5/2—100.	..	900	900	960	960	1,020	..	4,740
1 Travelling Agent at Rs. 75—5/2—100 ..	..	900	900	960	960	1,020	..	4,740
1 Salesman at Rs. 35—2—45 ..	..	420	444	468	492	516	..	2,340
1 Typist at Rs. 35—2—45 ..	..	420	444	468	492	516	..	2,340
1 Chowkidar at Rs. 15 ..	..	180	180	180	180	180	..	900
1 Peon at Rs. 15 ..	..	180	180	180	180	180	..	900
<i>Allowance and honoraria.</i>								
Travelling allowance .. ..	..	1,000	1,000	1,000	1,000	1,000	..	5,000
Commission to Agents .. ..	..	1,000	1,000	1,000	1,000	1,000	..	5,000
	..	6,800	6,848	7,136	7,184	7,472	..	35,440
<i>Deduct profits on sales</i> .. ..	..	-2,000	-2,500	-2,500	-2,500	-2,500	..	-12,000
	..	4,800	4,348	4,636	4,684	4,972	..	23,440
<i>Contingencies.</i>								
Purchase of yarn .. ..	..	10,000	..	..	..	..	10,000	..
Looms and accessories .. ..	..	10,000	..	..	..	..	10,000	..
Purchase of finished products ..	..	10,000	..	..	..	..	10,000	..
For hire purchase system .. ..	..	10,000	..	..	..	..	10,000	..
Typewriter and Roneo .. ..	..	650	..	..	..	..	650	..
Furniture and fittings .. ..	..	1,000	..	..	..	..	1,000	..
Miscellaneous contingencies .. ..	..	2,000	2,000	2,000	2,000	2,000	..	10,000
	..	41,650	2,000	2,000	2,000	2,000	41,650	10,000
<b>Grand Total</b> .. ..	..	<b>41,650</b>	<b>6,800</b>	<b>6,348</b>	<b>6,636</b>	<b>6,684</b>	<b>6,972</b>	<b>33,440</b>

Hand-loom Industry.

HAND-LOOM WEAVING.—(2) Schemes for co-operative buying and selling :—  
(a) Assistance to co-operative commission shops.

(Recurring.)

Details.	1st year.	2nd year.	3rd year.	4th year.	5th year.	Total.
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
(1) Grant of contribution to co-operative commission shops.	3,600	3,600	3,600	3,600	3,600	18,000

(b) Appointment of two Inspectors for Co operative Societies.

(2) Establishment—						
2 Inspectors of Co-operative Societies at Rs. 80—90—100—140—6—200, each.	1,920	2,160	2,400	2,496	2,592	11,568
2 peons at Rs. 12 each	288	288	288	288	288	1,440
<i>Allowance and hono- ria.</i>						
Travelling allowance ..	700	700	700	700	700	3,500
Contingencies including house-rent, etc.	500	400	400	400	400	2,100
<b>Total ..</b>	<b>3,408</b>	<b>3,548</b>	<b>3,788</b>	<b>3,884</b>	<b>3,980</b>	<b>18,608</b>

(c) Grant of loans to Co-operative Societies.

(3) Grant of loans to Co-operative Societies.	5,000	5,000	5,000	5,000	5,000	The entire amount is recoverable with interest. The repayment of instalments for the 2nd year after the issue of the loans.
<b>Total ..</b>	<b>12,008</b>	<b>12,148</b>	<b>12,388</b>	<b>12,484</b>	<b>12,580</b>	<b>..</b>



*Delhi.**Note by the Industrial Surveyor, Delhi, on the Organisation and Development of the Hand-loom Industry in Delhi Province.*

The organisation and development of the hand-loom industry forms a part of the five-year programme of industrial and technical education in the Delhi Province which is still kept in abeyance owing to financial stringency. The chief features of the programme are the establishment of a Central Cottage Industries Institute, appointment of a peripatetic demonstration party, extension of the Industrial Laboratory, expansion of the Government Industrial Middle School and provision of training in rural industries.

2. Delhi is a small province with an area of 573 square miles having a total population of 636,246 of which 1,88,804 inhabit the rural areas. Nevertheless, it is an important industrial and commercial centre in Northern India. Delhi, however, possesses a small acreage under cultivation as compared with the neighbouring provinces. Consequently, agriculture has comparatively little importance here.

3. The hand-loom industry in this province is not organised. The khaddar movement, however, afforded a temporary impetus to the production of hand-woven fabrics. In its present moribund condition, there are about 150 families engaged in the industry employing about 335 looms. The weaver has to depend for his living upon subsidiary occupations. Although no reliable statistics are available, the total production is estimated at 672,000 yards of cloth of 28 inches in width on an average annually valued at Rs. 84,000. The principal lines produced by the local weaver are 'gogi', 'doria', 'dhoti' and 'khaddar'.

4. The solution of the problem of economic salvation of the masses fundamentally lies in the organisation and development of home industries, regard being had to the peculiar conditions obtaining in India of which Delhi is no exception. From a study of the local conditions it would appear that Delhi affords a suitable field for the organisation and development of hand-loom as a domestic industry. The average wage earned by the operative in the industry is higher than in the most of the local crafts according to the last Census. The craft possesses stability and is closely connected with environments.

5. The economic backwardness is an important cause of the Indian poverty to tackle which, especially in Delhi and the province, it is necessary to take account of the extent of unemployment among the population, with the resultant deterioration in their standard of living. According to the 1931 Census, 9,476 were classified as 'Julahas' or weavers in the province. The local demand for the products of the industry is considerable and with its development.

adopting modern methods, the wealth of the province in woven fabrics is expected to increase substantially. Delhi is a great distributing centre in virtue of its being the junction of almost all the important railways in India and as such, it forms an emporium where raw materials as well as finished products are collected from sources far and wide. The annual imports into Delhi are estimated at ten lakhs worth of the products of the hand-loom industry, the principal centres of import being Benares, Bhagalpur, Murshidabad, Kashipur, Ludhiana, Amritsar, Pilkhua, Khurja, Meerut, Agra, Rajgarh, Jaipur, Madura and Muzaffarnagar. The raw materials are readily available in abundance at competitive prices locally.

6. As agriculture is not a paying industry in the Delhi Province according to the Banking Enquiry Committee for the Centrally Administered Areas, 1929-30, obviously the main hope for the rural population lies in the organisation and development of industrial occupations. Of the industries allied to agriculture, the most important are the production of gur, fruit growing, vegetable and flower gardening and dairy farming. Among the industries not allied to agriculture are cotton ginning, hand-spinning and hand-weaving in the Delhi Province. The ryot cannot afford to overlook the economic value of the subsidiary industries in periods of forced idleness and the future possibilities of increased employment seem to lie amongst others in the introduction and popularisation of the hand-loom industry.

7. The conditions thus reveal the existence of a real necessity for the organisation and development of hand-weaving as a domestic industry and the first step to be taken towards the attainment of the object appears to be the provision for the cottage worker of suitable technical advice with commercial demonstrations of the processes involved in the production of articles of popular designs and tastes in all their phases. The economic education of the worker is expected to bring about beneficial results. He needs to be thoroughly acquainted with the principles and practice of scientific weaving, dyeing, etc., and in particular of the use of efficient and economical weaving materials and devices.

8. The surest way of attaining the desired end can be sought in the establishment, of an institution in Delhi to impart training in the modern methods of weaving and allied subjects. The instruction will comprise practical training in the subjects which are fundamental in the technical education of the industry including its commercial side and other economic aspects of the trade. The function of the institution will not end with the training of candidates. As soon as a candidate has acquired the necessary training, he has to be assisted in procuring the requisite appliances. The cottage worker is further proposed to be assisted in the supply of raw materials and the marketing of finished products, although the all-important

1934.]

*Hand-loom Industry.*

93

problem of supply and marketing will have to be solved by the co-operative movement at a later stage of development.

9. The following statement shows details of estimated expenditure involved in the proposed establishment of the institution in Delhi :

*Non-recurring.*

	Rs.
Cost of different kinds of modern hand-loom	2,000
*Cost of warping and winding machinery, etc	500
Cost of accessories and tools	1,000
Furniture	200
	3,700

*Recurring.*

	I Year.	II Year.	III Year.	IV Year.	V Year.
	Rs.	Rs.	Rs.	Rs.	Rs.
(a) Pay of establishment .. ..	2,748	2,928	3,108	3,288	3,468
1 Textile instructor at Rs. 150— 10—200 .. ..	1,800	1,920	2,040	2,160	2,280
1 Demonstrator at Rs. 50—5—75	600	660	720	780	840
1 Peon at Rs. 15 .. ..	180	180	180	180	180
1 Chowkidar at Rs. 14 .. ..	168	168	168	168	168
(b) Contingencies .. ..	4,620	4,520	4,520	4,520	4,520
House rent at Rs. 100 per mensem	1,200	1,200	1,200	1,200	1,200
Purchase of raw materials and stores .. ..	2,000	2,000	2,000	2,000	2,000
Miscellaneous (stationery, repairs, electric charges, etc.) .. ..	300	300	300	300	300
Six stipends at Rs. 10 each .. ..	720	720	720	720	720
Hostel contingencies .. ..	400	300	300	300	300
Total .. ..	7,368	7,448	7,628	7,808	7,988

10. The organisation and development of the hand-loom industry in the province is proposed to be fostered by the grant of H100DIL

stipends to the inhabitants of the province tenable at the central institution for which a provision is made above.

11. The present non-existence for all practical purposes, of provision for suitable industrial and technical education to qualify the rural population either to earn their livelihood or to augment the family income is to be met by the appointment of a peripatetic Demonstration Party to organise demonstrations from centre to centre throughout the province for imparting training to the village artisan in improved appliances and processes applicable to the cottage industry. The village artisan is usually uneducated and his lack of education denies him access even to the most elementary technical literature. Owing to his isolation from the outside world, the villager is left untouched by new ideas and the practical method to influence him is the provision of ocular demonstrations in his own neighbourhood.

12. The following statement shows details of estimates of expenditure involved in the proposed appointment of the Demonstration Party :—

*Non-recurring.*

Purchase of appliances, tools and accessories .. .. .	Rs.
Purchase of tents .. .. .	200
	400
	<hr/> 600 <hr/>

*Recurring.*

	I Year.	II Year.	III Year.	IV Year.	V Year.
	Rs.	Rs.	Rs.	Rs.	Rs.
Pay of establishment .. .. .	1,200	1,284	1,368	1,452	1,536
One village demonstrator at Rs. 50— 5—75 .. .. .	600	660	720	780	840
Two assistants at Rs. 25—1—30 each	600	624	648	672	696
Travelling allowance .. .. .	300	300	300	300	300
Contingencies .. .. .	550	550	550	550	550
Purchase of raw materials .. .. .	400	400	400	400	400
Variable labour .. .. .	150	150	150	150	150
Total .. .. .	2,050	2,134	2,218	2,302	2,386

13. After the initial stages of organisation of the industry the problem of supply and marketing may be solved by the co-operative movement. The formation of industrial societies may not only promote the industry but its conductors made to earn more by co-operation. As things stand at present, the artisan produces his articles in a separate family and sells them at almost unremunerative rates chiefly through the agency of merchant middleman and is content with what little profit he can thus make. After the formation of industrial societies, particular care may be taken of the products which when brought into the proper market will increase in value. In order to attain this-end, it seems essential that a Stores for the supply of raw materials and sales of finished products be established at Delhi. The primary object of the Central Stores should be to provide good raw materials at competitive prices to the society. Thus the supply of raw material and marketing of finished products may be facilitated. Each society may purchase raw material in cash out of its own capital which may from time to time, be advanced to its members through the Delhi Provincial Central Co-operative Bank by way of loan. The members may sell their products through the society to the Central Stores which may purchase it for cash to sell it to the dealer. Each cottage-worker may further be encouraged by grant of a bonus or rebate, on a convenient standard. This is perhaps the best form of co-operation for industrial societies. The Central Stores may also serve an educative purpose by initiating the manufacture of cloths of public taste which have a ready demand and thereby popularise the industry.

14. Although it is difficult at this stage to form any accurate estimate of the expenditure to be incurred in this direction, my preliminary survey of the situation leads me to the view that barring the first year of the proposed organisation a lump sum of Rs. 2,000, annually, for a period of four years, may be provided for the purpose of undertaking the formation of industrial societies from the second year of the initiation of the scheme.

15. The abstract of five years expenditure is given below.

The following is the estimated initial non-recurring cost for the proposed organisation and development of the hand-loom industry during a period of five years :—

	Rs.
Towards Central Weaving Institute ..	3,700
Towards village demonstration party ..	600
	<hr/>
	4,300
	<hr/>

The estimated recurring expenditure for five years is shown in the following statement :—

	I Year.	II Year.	III Year.	IV Year.	V Year.
	Rs.	Rs.	Rs.	Rs.	Rs.
Central Weaving Institute .. ..	7,368	7,448	7,620	7,808	7,988
Village demonstration party ..	2,050	2,134	2,218	2,302	2,386
Co-operative societies and Stores ..}	..	2,000	2,000	2,000	2,000
<b>Total .. ..</b>	<b>9,418</b>	<b>11,582</b>	<b>11,846</b>	<b>12,110</b>	<b>12,374</b>

### *Mysore.*

#### *Scheme for assistance to the Hand-loom Weaving Industry.*

The hand-loom weaving industry in the Mysore State is next only to Agriculture and Sericulture in offering employment to the people of the State. There are 40,000 looms working, of which 30,000 weave cotton and silk fabrics, and 10,000 woollen fabrics. In 1894-95 when looms were subjected to a local tax, the number was 35,772. The hand-loom weaving industry offers employment to 83,000 persons. The total value of cotton, silk and woollen fabrics produced on these looms is estimated at 180 lakhs of rupees.

2. The hand-loom weaving industry which till now had to meet competition only from organized mills but it has to meet now, in Mysore, with competition from power looms also which are worked by electric power and are run as cottage industries. There are at present 375 power-looms working in Bangalore and Mysore Cities and in Dodballapur and Kolar Towns, etc. The hand-loom weaving industry in Mysore has, however, certain advantages over looms in other areas, as the State can provide all resources in respect of the raw materials required. Cotton and cotton yarn is locally available up to 40 counts. Both country reeled and filature reeled silk is available. Wool is available in four of the Districts of the State and according to the last quinquennial census, there were over 28.5 lakhs of sheep in the State. Arrangements are also made to improve the quality and quantity of wool content of sheep by the Sheep Breeding Associations which have imported Marino lambs.

3. In Mysore State, the Department of Industries, since its inception in 1912-13, has been paying continuous attention to the improvement of the hand-loom industry. There is a Central Weaving Institute and three Departmental schools and also two

1934.]

*Hand-loom Industry.*

97

aided schools imparting instruction in weaving, besides several middle schools and one high school giving practical instruction. There are also three special schools for training candidates of the depressed classes. The demonstration staff of the Department consist of a Weaving Inspector and 10 Demonstration Units, each consisting of a demonstrator and a mistry. The Department is represented in every district of the State and the demonstrators periodically visit all important weaving centres to popularize the use of improved methods and appliances.

4. The Department has also acquired valuable experience in regard to the organisation of hand-loom weaving and the marketing of the products, in connection with its work on spinning centres. The Badanwal Khadi Centre which is six years old at present, looks after over 2,500 spinners and distributes yarn to and purchases cloth from 150 weavers spread over nearly 100 villages. The total sales of the Centre exceed Rs. 50,000 a year.

5. The Department has also organized relief to the hand-loom weavers from time to time under three different schemes :—

- (1) In times of distress, under the Famine Code, direct relief is given to hand-loom weavers in the shape of loans or in the shape of purchase of cloth at a fixed rate through the agency of special committees consisting of experts in the cloth trade and Government Officers. In 1908, the total relief granted amounted to half a lakh of rupees.
- (2) Relief has also been given through co-operative societies. There are at present 69 co-operative societies with a membership of 3,017 and a paid-up capital of Rs. 67,342. The societies have built up a reserve fund of Rs. 51,867. They purchased raw materials and finished goods of the value of Rs. 1,61,000 and sold goods of the value of Rs. 1,16,000, and earned a net profit of Rs. 5,355 in 1932-33. Their total turn-over including loan transactions during that year amounted to Rs. 7,43,000. In March 1919, during a period of distress, Government sanctioned an advance of Rs. 50,000 for being lent out to Weavers' Co-operative Societies at five per cent. interest. This advance has been continued from time to time according to the needs of the situation. At present, the Registrar of Co-operative Societies holds an imprest of Rs. 10,000 for advances to such societies. Advances from this fund to Weavers' Societies of the depressed classes are made free of interest.
- (3) In 1930, on the onset of the present economic depression, additional relief became necessary. The Government

sanctioned a total sum of Rs. 50,000 for being advanced to selected cloth merchants through the Bank of Mysore, in order to enable the merchants to purchase the cloth from the hand-loom weavers and sell them after the market revived. Interest at 4 per cent. was charged on this advance and a committee of cloth merchants' and weavers' representatives was appointed to supervise the operations relating to the advancing of money and its recovery and thus help the Bank in its operations. The Bank was to keep custody of the goods bought under this arrangement and to release them for disposal with such conditions as were fixed by the Committee. The Committee was to see that as fair a valuation of the goods as possible was made, so that the weavers might realise a reasonable price for their production. The Bank was paid a commission of one per cent. on the entire transactions, while the Committee did its work in an honorary capacity. The scheme was an entire success.

6. The Mysore Government have an additional facility for organizing the relief of the hand-loom weaving industry. They have a controlling interest in a large spinning mill in the State. It will be easy for them to make suitable arrangements for the supply on advantageous terms of yarn to any agency constituted to help the hand-loom weavers. There are three other spinning mills in the State and they expect that these mills will also welcome an arrangement with the new agency organised under Government auspices, since such an arrangement will give them an assured market for a substantial portion of their output.

#### *Proposals.*

7. The experience of these years makes it clear that mere provision of technical improvements is not enough for helping the hand-loom industry. Co-operative Societies alone do not solve the problem. The success of a Society depends upon the availability of a competent Secretary who is often a school master or other local official belonging to the community and often a society which is prosperous to-day falls on evil times within a few months of the transfer of such a Secretary. The hand-loom weaver so long as he caters for the local market and disposes of his products in neighbouring shandies or weekly markets, is fairly safe. But this is true only of rural weavers scattered in the villages. Urban weavers and also rural weavers concentrated in the bigger villages depend for their market on distant centres. Local tradition has led to specialization



1934.]

*Hand-loom Industry.*

99

in certain fabrics in certain areas and these special fabrics require marketing in even more distant markets. The problems relative to helping these two different classes of weavers, namely, those catering for the market in the neighbourhood and those specialising in fabrics having a wider and more distant market, are entirely different. But the needs of both classes of weavers are identical only in this respect, *viz.*, that the community, as a general rule, labours under the following handicaps :—

- (1) Lack of organization,
- (2) Lack of leadership,
- (3) Lack of finance, and
- (4) Lack of marketing facilities.

8. The success of the Badanval Khadi Centre is entirely due to the solution of this problem under all the above heads. The Government have provided an organisation. They have provided leaders. They have provided finances. They have undertaken the responsibility for marketing.

9. To look after the hand-loom weaving industry in the State, it is absolutely necessary to establish a central organization which will offer to the weavers all the above four needs. It will, on the one side, design and demonstrate improved appliances and furnish new designs and patterns. It will attempt to provide continuous employment by securing new markets and getting varying designs from time to time so as to retain the old markets and also establish standardised lines which command a steady demand. It will train leaders for each local area and organize local committees for work through co-operative societies or public spirited local merchants who fall in with the scheme. It will secure the economies of wholesale purchases in looms, appliances, yarn and dyes. It will arrange for the necessary dyeing and finishing processes at convenient centres. It will sell yarn and purchase cloth at pre-determined prices or issue yarn of weaving on a commission basis paying the weavers a standard pre-determined rate per unit of cloth or per yard in respect of standard products. It will undertake in respect of specialised fabrics all the risks of the market to relieving the weaver from all financial anxieties, as he will, according to his needs and circumstances, either purchase yarn and sell his cloth or weave on commission basis and be secure of his income and employment. It will not be a profit-making concern and such profit as it makes will, after meeting interest and depreciation charges, go to form a reserve for the organization. Eventually, when sufficient reserve is accumulated, a system of paying rebates from profits in the proportion of cloth woven by each weaver, could be devised.

*Cost.*

Secretary or Executive Officer .. 300 p.m. Designer .. 200 " Sales Officers .. 200 " Accountants, Draftsmen and Clerks, etc. 300 " <hr/> Total .. 1,000 or .. 12,000 a year.	would need a permanent minimum staff of a Secretary or Executive Officer, a Sales Officer and a Designer. These with necessary accountants, clerks and menials would cost at least Rs. 12,000 a year as noted in the margin. The agency would also require a sum of Rs. 3,000 for contingencies and travelling expenses of the officers. An additional sum of Rs. 25,000 would be required in the first year or two to cover possible losses in marketing.
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(2) In addition, at least 20 local committees would be needed for the more important weaving areas. These would require a grant of Rs. 500 each to cover the salary of a clerk and contingent expenses. The total under this head would be Rs. 10,000.

(3) In addition to the 69 existing co-operative societies, at least 31 more would be needed in areas where societies do not now exist and where local committees cannot be formed. It would be necessary to give each of these societies a grant of Rs. 100 a year as honorarium to the Secretary or President or to cover incidental and contingent charges, to facilitate their enthusiastic co-operation with the central organization in the first few years. The total under this head would be Rs. 10,000. The total expenditure under all the above heads comes to Rs. 60,000 a year at the commencement, but it will be reduced to Rs. 35,000 after two years. It is requested that the Government of India may sanction as grant not exceeding these amounts for one organization in Mysore.

11. Such an organization is absolutely necessary in order to keep the hand-loom industry going, particularly as it has to withstand the competition both from the organized mills and imported goods and from power looms worked as cottage units. Having regard to the large population dependent on this industry, the expenditure proposed is nominal. When a suitable organization is created and worked for the five years for which the Government of India have provided special grants, it can be reasonably expected that the organization will be able to stand on its own legs without fresh subvention or help after this period. The Government of Mysore have helped the industry from time to time as already indicated. They have taken active steps to promote new lines of activity within the industry. They will arrange for necessary finance for the new organization either direct or through the Bank of Mysore or through Co-operative Societies. They maintain a large staff for helping the weaving industry and this staff will continue to be available for the central organization proposed to be set up. The expenditure of the Mysore Government in aid of the hand-loom weaving industry in the current year's budget is Rs. 43,700. It

is hoped that the Government of India will favourably consider the request for the modest grant proposed above.

DISCUSSION.

*Monday, July 9th, 1934.*

(See also the opening speech of the Chairman).

The Chairman said that it would be of value to the Conference as a whole and more especially to the members of the Sub-Committee in due course if they indicated the extent to which the different provinces had found the co-operative movement of value in promoting the development of hand-loom weaving.

Diwan Bahadur Appadurai Pillai said that in Madras nothing substantial had been achieved by the Co-operative Department, because it had too many irons in the fire. It was very busy with rural indebtedness and could not, therefore, come to the help of the hand-loom weaver. Some societies to help the weavers which were started under its auspices had unfortunately failed. One or two societies had succeeded; but mainly owing to the fact that personal attention was paid to their operations by public-spirited workers. Marketing had been their chief difficulty. Weavers as a class were improvident, they were poor and were in the clutches of *sowcars*. The hand-loom weaver got nothing but a bare sustenance in return for his labour. The idea now was that the Central Marketing Board should be under the guidance of a Co-operative Department officer, and the Sale Depôts should be a sort of clearing agency under the Central Marketing Authorities. If attempts were made in that direction, it might be possible for the Co-operative Department to do something substantial to the hand-loom weaver.

Mr. Punjabi said that in Bombay they had 52 Weavers' Societies under a special staff of Weaving Inspectors. Five years ago these societies sold goods worth over Rs. 3 lakhs. After making definite profit from 1916, they had shown a slight loss last year owing to the slump. What they needed was expert technical advice. The experience of organisation of weavers on co-operative lines had been encouraging so far and had not shown any insuperable objections to its success. He was of opinion that weavers could be profitably organised on co-operative lines in Bombay.

Mr. Weston said that in Bengal they had over 300 Weavers' Co-operative Societies and the Bengal Government thought that the co-operative movement was essential to any help which might be given to the hand-loom weaving industry. It was absolutely impossible as a business proposition for any sales organization to set up business relations with individual cottage hand-loom weavers. Under his advice and the advice of the Registrar of Co-operative Societies, Government had drawn up a scheme. The difficulty was that co-operative organizations usually concentrated too much on the financial aspects and neglected the technical side.

The Bengal scheme embodied a radical change in that respect. It would place at their disposal a technical staff fully equipped to deal with the technical aspects of the question. The administration of the staff would remain wholly under the Co-operative Department.

Mr. Kharegat said that they had been dealing with Weavers' Societies since 1917, but their first experiments were very largely a failure. At Sandila, they had lost 1 lakh of rupees on a Yarn Store within three years. At Benares a number of Weavers' Societies were started for the improvement of designs, but the Bank lost heavily. At Barabanki, the Society purchased the products of the weavers outright and tried to sell them itself but lost Rs. 5,000 during the first year. A small Industrial Co-operative Store\* was just paying its way but it deals with only about Rs. 10,000 worth of goods and can not adequately market its goods. Buyers wanted different kinds of goods. It could not employ travelling agents or get in touch with big dealers, so it was felt that in addition to a number of small Stores at the weaving centres, there should be a central organisation which would co-ordinate the activities of all the concerns, supply weavers with industrial intelligence, make adequate marketing arrangements, give technical advice and supervise the production.

Mr. Lall said that in Bihar and Orissa the experience of Weavers' Co-operative Societies had not been a pleasant one. The Local Government had done a good deal for hand-loom weavers by finding a foreign market for Bihar textiles, but it was achieved through the agency of contractors and not co-operative societies. Their system was that they supplied the yarn to the contractors who engaged weavers and others on definite wages laid down in the contract and saw that they manufactured goods according to specifications. The contractors were not ordinary contractors but were people who had received training in various institutes of the province or knew something of the business. After success had been achieved through the contract system they had recourse to the Co-operative Societies which now proved successful because of the facts that there was a known and established market for their products. One reason for the previous failure of societies was the fall in the price of yarn which the societies had bought to supply to weavers. The other reason was the dishonesty of the weavers. The Registrar of Co-operative Societies was unwilling to take further risks until a market was guaranteed. In Bihar and Orissa, when they wanted to encourage a Co-operative Society, they deputed a Weaving Supervisor to take charge of the work of the weavers and until the weavers were fully trained he was left there. They thought that if hand-loom weaving was to be developed through Co-operative Societies progress would be slow. Contractors were easier to handle and more effective.

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\*See the Memo.

Rai Sahib Patnaik thought that the method of industrial development through the Co-operative Department had generally failed. That was his experience in Orissa. Weavers were not altogether dishonest. They could be made to work very well if some master weavers were placed at convenient weaving centres to guide the weavers. They would keep themselves in touch with the market, secure orders and give the weavers designs. For this purpose, it would be necessary to provide them with small funds on proper security for facility of work. They had recently started an Association with hand-loom weaving as a part of it. They had a young man who had been trained in the Cottage Industries Institute. He had been taken as a member and was helping the weavers. If anything was to be done for the benefit of the hand-loom weavers it should be organised independently of the Co-operative Department, better it should be done under the Industries Department.

The Hon'ble Dr. Narang wanted to have more information about the Cottage Industries Institute.

Mr. Lall explained that the Cottage Industries Institute was started merely as an institution for teaching hand-loom weaving. There was no idea of starting a very big business through it. There happened to be a lady interested in the hand-loom weaving industry, and she showed that the weavers could be made to make designs which would find markets in Europe or elsewhere. The Cottage Industries Institute undertook this work. There were no shares; it was all run by the Director of Industries, and it was in that sense a one-man show.

Rai Bahadur Lala Ram Lal said that in the Punjab there were 237 societies of weavers with a membership of 3,291; but in the opinion of the Registrar, owing to the great depression in the cotton industry, many of them were in a bad way. No new society was formed during the last three years. Government had appointed a special officer to enquire into this problem. His conclusion was that all goods purchased through the Weavers' Societies were generally of bad design, with *kutchra* colours and, being the products of primitive looms, were usually not good enough to come up to the standard of the market. In the past, sometimes societies had been formed merely to secure advances. The usual difficulty which faced the society of weavers was its inability to get the raw material at competitive prices. It could not also get any technical advice in the production of proper designs. The Arts and Crafts Depôt at Lahore supplied designs in textiles as well as other industries, but it was found by experience that the weavers were unable to come up to the standard of the Arts and Crafts Depôt for want of technical advice. Therefore before any further assistance could be given to Co-operative Societies it was necessary to ensure that they had proper guidance in the production of cloth and designs and that there was some agency to assist the sales.

The Hon'ble Dr. Narang thought that the contract system adopted in Bihar and Orissa *prima facie* appeared to be the best and said that he would recommend it to the Punjab Government. The Co-operative Societies had not proved to be very successful and marketing had declined. One of the causes of the failure of co-operative societies was that they were not so accommodating as private financiers who were more tolerant and considerate than co-operative societies.

Mr. Lall remarked that it was true that they always tried to get master weavers but in the beginning they did bring in Mahajans, but took care to see that they were Mahajans of the very best type who knew something about weaving. The master weavers were later induced to become business managers of the societies and, as they were men who had been trained in these institutions, they were willing to become managers. He did not altogether share the views advanced by Rai Sahib Patnaik.

Mr. Bhalja said that experience of Weavers' Societies in the Central Provinces had not been very happy. It was confined almost entirely to credit societies. The weavers were found to be unreliable, but he still believed that the co-operative method was the best method of dealing with the problems of the hand-loom industry. He hoped that with adequate staff and an organization to supply weavers with raw materials on easy terms and provision of marketing facilities, there was every reason to think that these societies would have better results.

Rai Bahadur Mathura Prasad gave a narration of his own experience of running a weavers' co-operative society and was of opinion that the main difficulty was marketing. Co-operative Central Banks could be of use. In dealing with the weavers it was necessary not to pay them cash advances. They should be given advance in the shape of yarn and allowed some time to weave it, and as soon as they brought the cloth, one day's wages should be paid to them subject to the condition that when the cloth was sold any profit made on the sale would go to the weaver. With those safeguards and conditions, it was possible to make use of co-operative societies.

Mr. Majid said that in Assam they had 80 Co-operative Societies which were being helped by the Weaving Department. A few of the societies were composed of professional weavers and others were ordinary credit societies with part time weavers as members. Their Weaving Department was helping them with technical advice. The Government Emporium and Central Stores also helped the cottage workers and sold them improved appliances on the hire-purchase system. About 30 to 40 societies had been helped in this way and the repayments made by them for the appliances they had obtained had been quite satisfactory. What they now require were more technical advisers. They had not done anything for the sale of the produce, except in the Government

Emporium, for want of funds. They also wanted to develop the Government Stores and Emporium further to render more help to the weavers and other cottage workers, particularly to enable the members of co-operative societies to dispose of their products. They had also found that, for want of proper organization, they had not been able to supply yarn at a cheap enough rate to compete with ordinary mill goods.

Mr. Bishan Narain thought that a model society should be established which should, among other things, supply yarn to weavers for 2 or 3 days' use or enough for a piece, against cash deposits and only in exceptional cases on credit. A Board of persons, expert in the textile industry, should be constituted along with some representative weavers and it should draw up a schedule of rates for the different types of textiles. When goods of a particular variety were made at the scheduled rates, the society should make a payment at once to the weaver. Goods collected in this manner should be finished, graded and packed and the trade mark of that particular society should be affixed to the finished product before it was sent to the market. The proceeds earned should be utilized in defraying the expenses of running the society, establishing a reserve fund and giving premia to the workers according to the amount of work contributed by them to the society. The fixation of wages of a cottage worker by the Board should be based on economic principles. The institution formed to help an organization of hand-loom weavers should be on sound economic principles and should not be a drag or a constant burden on Government. Delhi was importing textile goods worth over 10 lakhs of rupees per year from various places in India. According to the last census report there were about 10,000 weavers in Delhi. It was a centrally administered area, without revenues of its own and had, therefore, a greater claim on the Government of India than any other province.

The Chairman then asked the States whether they would wish to say anything on this question.

Mr. Ghulam Ali Mohammadi said that as the money was to be collected by the imposition of a cess on imported yarn and as some of the yarn thus imported would be used in the States, they could claim a portion of the money.

The Chairman said that it was not necessary to go into that very big question. What Mr. Mohammadi had said about this duty was also true of all customs money.

Mr. Ghulam Ali Mohammadi pointed out that in the case of the road cess some share was given to the States.

The Chairman replied that the road cess was collected in a special way. He had merely stated what the view of the Government of India was. If they were to discuss the equities of that view, they would not get any further. When a Federal Government

came into existence, these things would, doubtless, all be changed.

Mr. Ghulam Ali Mohammadi then said that in the Hyderabad State they had been trying to assist the weavers both through the Co-operative Department and the Department of Commerce and Industry. They had spent a great deal of money but, so far as their efforts through the Co-operative Department were concerned, they did not bear the fruits that were expected of them. They would have to write-off a great deal of money advanced to the societies, and it was yet to be found if any help could be given to weavers through co-operative societies. The Department of Commerce and Industry was on the other hand giving help by direct action. At Paitan they had established a society years ago to which they advanced a large sum of money and the money was yet to be recovered from them. Later on they established a weaving institute there for their benefit. They supplied yarn through this Institute to local weavers on short-term credit and by this action had been able to revive the condition of the weavers to a great extent.

Mr. Ramanathan said that in Mysore there were at present 69 Weavers' Co-operative Societies with a membership of 8,017 and a paid-up capital of Rs. 67,000. The societies had built up a reserve fund of Rs. 51,000. During the last year, they had purchased raw materials and finished goods to the value of Rs. 1,61,000 and sold goods to the value of Rs. 1,16,000 earning a net profit of Rs. 5,300. Their total turnover during the year, including loan transactions, amounted to over Rs. 7 lakhs. In 1919, during a period of famine and distress, the Government sanctioned an advance of Rs. 50,000 to the Registrar of Co-operative Societies for advances to the weavers. The co-operative societies with the help of these advances at 5 per cent. interest tided over the difficulty of marketing the goods. The Registrar of Co-operative Societies has, at present, an imprest of Rs. 10,000 for advances to Weavers' Societies. Advances from the fund to weavers of the depressed classes carried no interest. In spite of all that, the number of weavers helped was very small. Their experience was that the success of a society depended upon the availability of a competent secretary. Such secretaries were often found among school-masters or other local officials belonging to the community concerned.

In regard to hand-loom weavers who catered for the local market and disposed of their products in the neighbouring weekly markets, they had found that a co-operative society which enabled them to purchase yarn and dye-stuffs at wholesale rates and gave them temporary advances pending the marketing of their goods, served their purpose quite satisfactorily. But there were rural weavers, concentrated in the bigger villages, who depended for their marketing on distant centres. Local tradition had also led to specialization in certain fabrics in certain areas, and those special fabrics required marketing in even more distant markets. The



problem of assisting this class of weavers was quite different and their experience was that a co-operative society alone could not help them.

Mr. Pandya said that experience in Baroda with co-operative societies for weavers had not been happy. Most of the societies were credit societies, and they had gone bankrupt. Now they were giving assistance to weavers by way of *taqavi* and there was no difficulty in collecting these *taqavi* loans by instalments. They thought that the marketing was the real problem.

Colonel Sir Hashmatullah Khan said that their experience was rather disappointing. Whenever loans were given to the weavers they were not returned and had to be written-off. A Committee had been appointed to examine and report whether it would be advisable to help the weavers through Co-operative Societies.

Mr. Iyer said that he had been connected with the weaving industry for a number of years and had been running a co-operative society for weavers which was now showing profits. In his opinion weavers should not weave those kinds of cloth in which mills specialized. They should be supplied with yarn and given guidance in weaving. If they were to be helped with loans, they should not be charged any interest.

Mr. Wazir said that Kashmir was not satisfied with the assistance rendered to the hand-loom industry there through the co-operative movement. The State was thinking of establishing an Emporium at which the hand-loom weavers could deposit their products. Against the deposits the Emporium would advance sums of money up to a certain percentage of their value, say 70/80 per cent. On those advances the Emporium would charge a low rate of interest, about 2 per cent. After the goods were sold, the accounts of the weavers would be adjusted. He made it clear that the activities of the Emporium would be restricted to the wool weaving industry and that too, in the first instance, as an experimental measure.

Mashir Bahadur Rahalkar said that Indore was not a place where the hand-loom industry was much in evidence except at Maheshwar which was once famous for its *Saries*. He briefly narrated the steps hitherto taken to revive it. Co-operative Weavers' Societies which were started to finance the weavers had not been very successful. They had now started a Hand-loom Weaving and Dyeing demonstration factory at Maheshwar under a Superintendent. The State had also given credits to some of the poor weavers to buy fly-shuttle looms and had taught them how to use them. They were further contemplating the giving of certain concessions, e.g., import of yarn, dyes and dyeing apparatus to be made free, prohibition of the import of dyed yarn, stamping of *Saries* made in Maheshwar to show that they were genuine Maheshwar *Saries* and advertising the facts widely in Marathi papers.

Mr. Pillay said that in Travancore there were several weavers' co-operative societies. They gave them grants for weaving schools for training weavers on fly-shuttle looms. The Department runs a depôt (for the supply of loom-accessories and raw-materials such as yarn, gold-thread, etc.) where they are bought on a large scale and distributed in retail at wholesale prices. They also run sales depôts which took up all the manufactured articles for sale on consignment basis. No advances were, however, given. They only stocked, advertised and sold them for the weavers. Government orders for cloth for hospitals, etc., were generally distributed among the weavers co-operative societies and individual weavers. Whatever the weavers could not sell through the depôts they could sell independently. They have a depôt at Trivandrum and a branch at Ootacamund (only during the season). They have appointed a Trade Agent for India with head-quarters in Bombay and a Sales Depôt for the sale of Travancore products is also being opened shortly.

The Chairman suggested that Rao Sahib Sadasivam should say something about the experience of the Indian Stores Department, which was a very big buyer of textiles.

Rao Sahib Sadasivam said that the Indian Stores Department buys annually textiles to the value of nearly a crore of rupees. Of these purchases, 85 per cent. were of Indian origin, that is to say, the materials were either produced in India or were manufactured in India from imported materials. They took every care to see that orders for any articles which could possibly be produced in India did not go out of India. They tried their very best to get specifications revised to suit Indian conditions. The variety of goods purchased was very large, and the patronage was distributed to every province, even to Kashmir.

The extent of their purchases of hand-loom-made goods was small. There were certain goods which could be produced only on hand-looms, for instance, durries, kullahs, lungis, etc. They bought to the extent of a lakh and half of rupees worth of those goods. But there were items like putties, dusters, bandage cloth, gauze absorbent which could be produced either on hand-looms or in factories. The Stores Rules of the Government of India did not permit of any differentiation in favour of any particular type of industry. They called for tenders on a competitive basis. It was open to all mills, co-operative societies and private individuals, to compete for those orders. They decided on the basis of the best value for money having regard to the specification. They had to insist upon deliveries to specified periods—that was very important in order to enable various Departments to carry out their programmes. He could give a list of articles of about 40 to 50 items which could be manufactured either on hand-looms or in power factories. They purchased last year, *i.e.*, 1933-34 to the extent of Rs. 6 lakhs articles like jaconet and bandage cloth from mills, whereas the hand-loom industry got only

about half a lakh. Previously mills did not care to tender for items like bandage cloth, but now they had taken to it because competition was so keen that they were glad to get any business available. As regards co-operative societies, the Stores Department had not differentiated in their favour, unless there was a special request from their provincial departments or the departments concerned that they should give them preference, other things being equal. They had not purchased large quantities of goods from co-operative societies. Their experience was that it was more difficult to deal with co-operative organizations than with middle-men. They had been unable to get deliveries in time and when the supplies were received they were neither of uniform quality nor in accordance with the specifications. They tried their best to help the industry by getting tests made at the Government Test House, Alipore. If any material required by the public service was not obtainable in India, they tried to induce weavers to follow up a certain specification. If they were unable to do so, further experiments were made at the Test House and the results were brought to the notice of weavers.

The Chairman asked the speaker to explain how the rupee tender system benefited Indian industry.

Rao Sahib Sadasivam said that the advantages of the rupee tender system were that they called for tenders in India and the firms were therefore obliged to keep stocks and ultimately to develop the industry in India. He mentioned proofing of canvas as an instance. They had also developed the manufacture of cloth for greatcoats by means of bounties. In some cases, Indian manufactured articles were also given a price preference.

Mr. Haskell said that the Bombay Medical Department got their hospital sheetings, pillow case cloth, dusters and cheap cloth for hospitals from jails and from the backward class hand-loom institutions and they seemed to be satisfied.

Dr. Meek wanted to know the percentage of the Indian textile indents that could be met from hand-loom production and the extent to which it could be increased if the Provinces by some organization or other could standardize their production to meet the specification of the Stores Department.

Rao Sahib Sadasivam said that last year, out of their total purchases of textiles, goods worth as much as Rs. 7,25,000 could have been supplied by the hand-loom industry. They however actually purchased goods worth Rs. 1,60,000 from hand-looms. So the percentage of goods which could be supplied by cottage industries was about 9 to 10

The Chairman asked Mr. Livingstone whether he had any comment to make on the discussion from an entirely outside point of view.

Mr. Livingstone said that from the discussion it was apparent that they would be quite wrong in condemning co-operative organisation altogether. If co-operative societies could be linked up in some way with industries and the trade, then they would succeed, and to that extent they ought to be supported. What would really be required would be a small sub-committee of those gentlemen who had had experience in working those hand-loom co-operative societies successfully—the representatives from the U. P., Bihar, Assam, etc. They could then see whether or not some general policy of co-operative associations connected with the hand-loom industry could be devised.

The Chairman summed up by saying that the discussion showed that co-operation had been distinctly disappointing but that conditions varied in different provinces. In some, it had been found possible to make use of the movement in regard to the hand-loom industry to a much greater extent than others. He thought that the criticism which Mr. Livingstone had made would be of great use when the provincial memoranda were being examined.

The Chairman said that the next item was the question whether it would be of use to the Provinces to have a central organization to help them in regard to designs and machinery or whether each province would prefer to be left to itself.

Mr. Lall said that the question of designs for hand-loom weavers was rather a difficult one. It was largely a matter of luck. Some designs which they thought quite poor sold quite well whereas others which they thought to be excellent sold badly. He was opposed to a central organization for designs or for machinery.

Mr. Sadiq Hassan agreed with Mr. Lall but thought that there should be special classes in the schools of art to teach textile designing.

The Hon'ble Mr. Kambli was also opposed to a central organization for designs and machinery and said that there should only be collaboration of work.

The Chairman agreed that it was perfectly clear that the Conference was opposed to the idea of a central organization for designing and machinery. He, however, endorsed the view that they would like an interchange of ideas in regard both to designs and machinery when the Industries Conference met and when the Advisory Council was established. He thought that the Advisory Council would obviously be a good medium for the exchange of such information.

The only other point in regard to hand-loom weaving that remained to be discussed was the question of the utilization of part of the grant for the education of hand-loom weavers in their art. The

1934.]

*Hand-loom Industry.*

111

United Provinces and Assam had included this subject in their memoranda.

Mr. Weston said that the Department of Industries of the Government of Bengal had been spending money upon education ever since 1897, but their experience was that education was by itself not sufficient. The most disappointing feature of their experience, was that very few of those youths who had the education and ability to understand, had been able to bring the education they had received into practical effect. They had not got as many practical hand-loom weaving factories as they had expected as the result of the large expenditure on education for hand-loom weaving industry, although undoubtedly some substantial progress had been made.

The Hon'ble Dr. Narang said that he did not agree that instruction had been almost useless. They had a number of institutions in which they were imparting education in hand-loom industry and from all reports it appeared that they were doing very well and they intended to go on with it. They had just reorganised the curricula and instead of giving the rudiments of a general industrial training they had introduced a system which aimed at giving a specialized training in various things.

The Hon'ble Mr. Hamid also did not think that instruction had been useless. In his opinion Bengal's unfortunate experience was perhaps due to faulty selection of pupils who were probably all drawn from *bhadralog* class without an industrial bias.

Mr. Bhalja said that if any portion of the grant was utilized by a province in running educational institutions, it should admit students from other provinces to those institutions.

Mr. Sundaram said that they had four Peripatetic Parties in Assam but what he wanted immediately was a fully equipped Institute where the youths of the province and the touring officers could be properly trained in the economics and the technique of hand-loom industry. He had no objection to admitting boys from other provinces.

Mr. Lall said that according to the experience of Bihar it would not be desirable to spend any portion of the grant on the education of the hand-loom weavers. All the provinces had Weaving Supervisors who could teach hand-loom weaving and almost all the Provinces had institutes where they trained hand-loom weavers. Marketing was the crux of the whole problem of the hand-loom industry. If they increased production by training more men, the problem would be worsened.

The Chairman said that these questions could be decided when individual schemes were being examined. The position was that the grant had to be spent on approved schemes : that was the condition on which it was given. The schemes had to be approved by the Government of India, but there was no intention whatever on the part of

the Government of India to lay down that there should be uniformity between the different Provinces. Nor was there any intention to fetter the provincial discretion as to the manner in which the grant should be used, provided it was used for a certain purpose and the Government of India were satisfied that the money would be spent properly. The amount available ranged somewhere between Rs. 4 and Rs. 5 lakhs. It was quite obvious that the Provinces could not get all that they wanted. One point which should be taken into consideration was what the Provinces were spending themselves at the moment. It would not be equitable, if a Province had got badly in arrears and had done nothing for hand-loom weaving all these years, that it should expect the Government of India to come in and make up the deficiency, and, therefore, he considered that there should be a distinct leaning in the direction of Provinces which had done something to help themselves in the past. The next criterion was what they were willing to do to help themselves in the future; and in regard to that asked Mr. Burt to explain briefly in what light the Imperial Council of Agricultural Research looked at that question. The Imperial Council of Agricultural Research was in very much the same position as they were. Their funds were not so limited but still they were limited, and greatly exceeded by the demands upon them.

Mr. Burt said that the Governing Body of the Research Council in their first meeting laid down certain general principles which were to guide them in making grants and the Advisory Board in making recommendations to the Governing Body. None of those decisions were hard and fast rules. First of all, it was laid down that schemes for research supported by the Research Council should have, if possible, an all-India interest, and at least a more than provincial or local interest.

In regard to finance the Governing Body laid it down as a principle that, as a rule, there should be a substantial contribution from the province where the scheme would be worked. It was further decided that only in exceptional circumstances would grants be given for land or buildings and that these should be provided provincially; rarely had it been found necessary to depart from this principle except in small matters. It was also laid down that, when a scheme was largely of local interest, though with a wider aspect, there should be a substantial contribution from the Province concerned towards the recurring expenditure. It was in fact suggested at one time that such contributions should be on a 50 : 50 basis but this was considered by the Governing Body to be too rigid a formula and it was decided that the actual amount of the provincial contribution should be a matter for negotiation in each case.

*Wednesday, July 11th, 1934.*

The following report of the Sub-Committee on hand-loom weaving was presented to the Conference :—

**Report of Proceedings of the Sub-Committee on Hand-loom Weaving.**

(TUESDAY, THE 10TH JULY 1934.)

The Chairman first enquired the extent to which the schemes in the Provincial Memoranda had the approval of Local Governments. It appeared that the United Provinces' scheme was the only scheme which had the full approval of the Local Government and that the schemes of other Provinces had either only the partial approval of the Local Government or had not yet been examined.

2. The Sub-Committee then considered what criteria should be adopted for the distribution of the Government of India grants. The criteria which appeared to have the greatest measure of support were the number of hand-loom, the figures of consumption of yarn, the number of hand-loom weavers in the Provinces and the expenditure by Local Governments on hand-loom weaving.

3. After a full discussion the Sub-Committee agreed that for the first year the grants should be distributed as to one-half in proportion of the consumption of cotton yarn in hand-loom weaving in each Province and as to the other half in proportion to the actual expenditure of each Local Government on cotton hand-loom weaving.

4. The view of the Sub-Committee was that it was impossible to accept any of the intangible criteria such as the degree of success attained by Local Governments in promoting the hand-loom industry or the degree of competition to which the local hand-loom industry was subjected which were put forward by one or two individual delegates. The discussion in the Sub-Committee showed the difficulties in the way of accepting the number of hand-loom or the number of weavers as criteria. The figures of looms given in the Tariff Board's Report are clearly not trustworthy. The character of hand-loom differs in various Provinces. In some they are large in others small, in some they are worked part time and in others full time. The statistics of the number of weavers are equally unsatisfactory. Some of the weavers work full time others part time, but there are no data as to the number of each class. On the other hand, the consumption of yarn by the hand-loom industry is a true test of the progress of the industry in the different Provinces and the Director General of Commercial Intelligence and Statistics assured the Sub-Committee that there would be no difficulty in estimating the consumption of mill-made yarn in each Province. Some members of the Sub-Committee suggested that in some Provinces the consumption of handspun yarn was considerable. It was agreed that Provinces which claimed a large consumption of handspun yarn should be allowed to include this within their figures of consumption but only if they provided figures of its consumption which they could prove to be satisfactory.

5. It was agreed that the distribution of half the grant in proportion to consumption of yarn and half in proportion to expenditure incurred should hold for the first year only and that the matter should be re-considered at the next Conference in the light of experience.

6. It was also agreed that 15 per cent. of the grant should be retained for contingencies and grants to minor administrations and especially to increase the grants of those Provinces which for special reasons received unfavourable allotments under the agreed basis of allocation. This scheme of allocation for the first year should be placed before the Government of India and Local Governments and Local Governments should be asked to re-consider their schemes as quickly as possible in relation to the grants to which they would be entitled under it and the criticisms of their schemes made by the Sub-Committee. The allocation of grants would be worked out with all possible expedition. The Finance Department should be asked to agree that the unspent balances of allotments should not lapse but should be available for expenditure in succeeding years.

7. It was agreed that the expenditure of Local Governments which would rank for allocation of grants would be the average expenditure of the five years ending the 31st March 1934. As regards the items of expenditure which would rank for consideration, the following items only should be considered—

Expenditure on—

- (1) Weaving, dyeing and printing, supervision and demonstration parties or schools ;
- (2) Government weaving, printing, dyeing and designing institutes ;
- (3) Grants-in-aid to non-Government institutes of the same description ;
- (4) Scholarships for study of hand-loom weaving, printing and dyeing, prizes and medals ;
- (5) Expenditure on exhibitions and fairs ;
- (6) The share of expenditure on arts and crafts depots devoted to hand-loom products.
- (7) Losses, if any, incurred by Provincial Government on the supply of hand-loom weaving machinery, implement and stores and debited to the budget of the years in question.

Where any expenditure on any of these items was mixed expenditure, *i.e.*, included expenditure on other matters than the improvement of hand-loom weaving, the Local Governments should be asked to give full details of the total expenditure and the amount of it



1934.]

*Hand-loom Industry.*

115

which could properly rank as expenditure on hand-loom weaving. Local Governments should also be consulted on a proposal that a small proportion of the grant to be reserved by the Government of India might be spent on an all-India exhibition or all-India competitions.

8. It was also agreed that, with a view to securing data on which a more equitable method of distribution could be worked out in following years, the Local Governments should be asked to collect the following information—

- (1) Figures as accurate as possible of the number and character of hand-loom weavers in the Provinces together with information as to the source of the figures and opinion regarding their accuracy.
- (2) The number of hand-loom weavers
  - (a) whole-time,
  - (b) part-time,

with information regarding the source of the figures and opinion as to their accuracy.

- (3) The number of fly-shuttle looms and the number of other improved appliances introduced in the Provinces.
- (4) Expenditure with full details and, in the case of institutions, particulars regarding training given.

9. The delegates from each Province explained the proposals of their Province. The opinion of the Sub-Committee was then taken on each item.

10. It was generally agreed that there was no objection to non-recurring expenditure as such being met from the grants provided it was not on land or buildings—which had not, in point of fact, been proposed in any of the schemes and that expenditure on machinery for finishing or warping was *prima facie* desirable.

*Madras.*—The Sub-Committee objected to the provision of capital for the Provincial Co-operative Marketing Society.

*Bombay.*—The Sub-Committee thought that two-thirds of the value of goods would be a safer maximum for advances to be made by District Industries Associations than 80 per cent. It noted that interest will be charged on these advances up to the date of sale.

*Bengal.*—The Sub-Committee regarded the proposed subsidies to societies as the least satisfactory item in the Bengal scheme. It considered that if the Bengal proposals had to be modified in the downward direction this part of the proposals should be pruned rather than the proposals for providing staff and machinery. Any part of these advances which appeared likely to be recoverable at

the end of the five years should be refunded to the Government of India.

*United Provinces.*—The Sub-Committee accepted the United Provinces Government's schemes generally, and noted with satisfaction the Local Government's readiness to provide Rupees half a lakh themselves.

The provision for finishing machines for wool manufactures should however be excised.

*Bihar and Orissa.*—The Sub-Committee generally approved the Bihar and Orissa scheme. It recommended that, if necessary, special consideration should be given to this Province in disposing of the amount reserved to the Government of India in view of the earthquake.

*The Punjab.*—The Sub-Committee recommended for adoption a suggestion that the salaries of the travelling canvassers should be supplemented by a commission on sales. The provision for expenditure on the wool hand-loom industry should be excluded from the scheme.

*The Central Provinces.*—The Sub-Committee noted that the Central Provinces representative now proposed that the depot for the supply of raw materials should be merged in the sale depot. As regards the working capital of Rs. 30,000 asked for for weavers' co-operative societies the Sub-Committee noted that any part of such capital which appeared to be recoverable at the end of the five years' period would have to be returned to the Government of India. The Local Government would not be able to use it for subsequent developments. It might therefore be arranged that the money should be made repayable within four years so that it could be expended within the five year period.

*Assam.*—The Sub-Committee noted that the provision of expenditure on the improvement of silk hand-loom weaving should be omitted.

11. Finally the Sub-Committee was of opinion that all the schemes of the Local Governments should be reviewed annually at the Industries Conferences not merely to provide the Government of India with information on the progress made but also with a view to enable all the Provinces to exchange ideas and experiences.

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After a brief discussion, the Report of the Sub-Committee was unanimously adopted by the Conference.

The Hon'ble Saiyid Abdul Aziz thanked the Conference for unanimously resolving to give special consideration to Bihar and Orissa in view of the earthquake.

**III.—SERICULTURAL RESEARCH.****MEMORANDA.***Madras.*

Kollegal Taluk is the only centre in this Presidency where the rearing of silk worms and the reeling of cocoons are carried on, on an extensive scale under purely cottage conditions, and sericulture forms an important occupation of the people in almost all the villages. There are at present about 6,105 acres of land devoted to mulberry cultivation with an outturn of about 90,000 lbs. valued at about Rs. 4½ lakhs worth of silk all of which is consumed in the silk weaving centres of this Presidency. The quantity of silk imported into this Presidency is large, though in the absence of statistics it is not possible to give definite figures. The number of people partly dependent on sericulture is about 32,000. In addition to Kollegal, several new areas in this Presidency have been found suitable for mulberry cultivation and silk worm rearing. There is considerable scope for the development of the industry in the Madras Presidency because of the favourable climatic conditions in many districts and the absence of any other suitable and more remunerative subsidiary occupation for the agriculturists who are unemployed for long periods. The successful introduction of sericulture in new localities depends upon certain economic factors, the most important of which is that the income from mulberry cultivation per acre should not fall below that of cereal crops in the locality. The need for research in all branches of the sericulture and silk industries in India has been recognised by the Tariff Board and also by the Government of India.

2. In localities where sericulture already exists the improvement in the economic condition of the rearer who is generally the mulberry cultivator depends upon :

- (1) improving and cheapening the supply of mulberry leaves which constitutes the major portion of the total cost of the production of silk ;
- (2) improving the quality and yield of cocoons by evolving new varieties of worms by hybridisation ;
- (3) introducing modern technique suited to the Presidency in rearing worms, grainage work and reeling silk.

There are a few centres in this Presidency such as Hosur, Coonoor, Palmaner, Kollegal, and Kuppam suitable for carrying on research work on the lines indicated above. As the Madras Presidency produces one of the best indigenous varieties of silk worms and grows a good variety of bush mulberry it is urged that out of the sum of Rs. 1 lakh proposed to be set apart for sericultural research a sum of Rs. 45,500 at least may be allotted

for undertaking research work most suited to the conditions of this Province for the first year, Rs. 21,800 for the second year, Rs. 22,514 for each of the third and fourth years and Rs. 23,928 for the fifth year as the scheme is proposed to be spread over a period of five years.

3. *Research Station.*—The staff of the research station will consist of one expert from Japan assisted by a Mulberry Assistant, Chemistry Assistant, Pathology Assistant, Biology Assistant, one silk Reeling Assistant, one Conditioning Assistant, one mulberry cultivator, a rearer, a reeler, three laboratory attendants, a clerk, a store keeper, two peons and a watchman. The expenditure on account of staff will amount to about Rs. 13,800.

*Cultivation charges.*—The charges for cultivating and manuring the mulberry plantation will amount to Rs. 1,000.

*Travelling.*—A sum of Rs. 700 will be required to pay the passage of the expert from Japan and Rs. 1,500 for meeting the travelling expenses of the staff.

*Miscellaneous Expenses.*—A sum of Rs. 4,000 would be required for the purchase of silk worm seed, mulberry seedlings, seed cocoons, reeling cocoons, apparatus, chemicals, consumable stores and other sundry expenses.

*Land for Mulberry cultivation.*—A suitable irrigated garden land of about five acres will have to be acquired for growing different species of mulberry and for which a sum of Rs. 2,500 is required.

*Equipment.*—The furniture, fittings and equipment necessary for the laboratories would amount to Rs. 3,000 and Rs. 15,800, respectively.

*Rent of Buildings.*—In the absence of buildings for carrying on research work, a sum of Rs. 1,500 will be required to meet the rent of buildings to house the research station.

4. The main functions of the Research Station will be :
- (1) evolution of better leaf yielding varieties of mulberry by
    - (a) maintenance of a nursery for the distribution of seedlings, graftings and budded plants ;
    - (b) improvement in the indigenous variety of mulberry by cultural, manurial, grafting and budding experiments ;
    - (c) study of diseases of mulberry plants.
  - (2) Production of an improved quality of cocoons by—
    - (a) evolution of new races of silk worms suited to Indian conditions ;

1934.]

*Sericultural Research.*

119

- (b) experiments in the hybernation of silk worm seeds ;
  - (c) experiments in the artificial methods of hatching silk worm seed ;
  - (d) rational methods in the rearing of silk worms ;
  - (e) grainage technique ;
  - (f) study of silk worm diseases.
- (3) Improvements of the methods of reeling by—
- (a) evolution and manufacture of cottage reeling machines to suit Indian conditions ;
  - (b) experiments in the stiffing and preservation of cocoons ;
  - (c) experiments in the boiling of cocoons of different varieties.

The results of the technical research carried out at the Station will be first tested at the Provincial Farms located in South India and after satisfactory results are obtained under practical working conditions, the benefits thereof will be brought to the notice of the cultivators of mulberry and rearers and reelers of silk.

*Details of expenditure, non-recurring—First Year.*

*Capital Outlay—*

	Rs.
<b>1. Land—</b>	
Five acres of land at Rs. 500 each including compensation	2,500
Fencing .. .. .	500
<b>2. Equipment for the Research Laboratories</b> .. .. .	<b>15,800</b>
<b>3. Furniture and fittings</b> .. .. .	<b>3,000</b>
<b>4. Irrigation well</b> .. .. .	<b>1,200</b>
	<b>23,000</b>

	<i>Recurring.</i>				
	1st year.	2nd year.	3rd year.	4th year.	5th year.
	Rs.	Rs.	Rs.	Rs.	Rs.
<b>Research Station</b>					
<b>1. Pay of Establishment—</b>					
1 Expert from Japan at Rs. 500×12 .. .. .	6,000	6,000	6,000	6,000	6,000
1 Mulberry Assistant on Rs. 75—7½/2—105×12 .. .. .	900	900	990	990	1,080
1 Biological Assistant do. .. .. .	900	900	990	990	1,080
1 Pathological Assistant do. .. .. .	900	900	990	990	1,080
1 Chemistry Assistant do. .. .. .	900	900	990	990	1,080
1 Silk Conditioning Assistant do. .. .. .	900	900	990	990	1,080
1 Silk Reeling Assistant on Rs. 40—5/2—65×12 .. .. .	480	480	540	540	600
1 Mulberry Cultivator on Rs. 28—2/2—40×12.. .. .	336	336	360	360	384
1 Rearer do. .. .. .	336	336	360	360	384
1 Reeler do. .. .. .	336	336	360	360	384
3 Laboratory attendants on Rs. 19—2/2—25—1/2—30 .. .. .	684	684	756	756	828
1 Clerk on Rs. 30—3/2—45—2/2—55.. .. .	360	360	396	396	432
1 Store Keeper on Rs. 28—2/2—42—1/2—45 .. .. .	336	336	360	360	384
2 Peons at Rs. 12 each .. .. .	288	288	288	288	288
1 Watchman on Rs. 12 .. .. .	144	144	144	144	144
<b>2. Cultivation Charges .. .. .</b>	<b>1,000</b>	<b>1,000</b>	<b>1,000</b>	<b>1,000</b>	<b>1,000</b>
<b>3. Allowances—</b>					
Travelling Allowance for the Research staff .. .. .	1,500	1,500	1,500	1,500	1,500
Passage for the expert .. .. .	700	..	..	..	700
<b>4. Purchase of silk worm seed, mulberry, seedling, cocoons, stores, chemicals, etc. .. .. .</b>	<b>3,000</b>	<b>3,000</b>	<b>3,000</b>	<b>3,000</b>	<b>3,000</b>
<b>5. Contingencies .. .. .</b>	<b>1,000</b>	<b>1,000</b>	<b>1,000</b>	<b>1,000</b>	<b>1,000</b>
<b>6. Rent of buildings .. .. .</b>	<b>1,500</b>	<b>1,500</b>	<b>1,500</b>	<b>1,500</b>	<b>1,500</b>
<b>Total .. .. .</b>	<b>22,500</b>	<b>21,800</b>	<b>22,514</b>	<b>22,514</b>	<b>23,928</b>

*Details of equipment.*

	Ra.
Microscopes 7—	
One for the Expert and six for the Assistants at Ra. 200 each	1,400
Dissecting Microscopes 4—at Ra. 100 each .. ..	400
Microscopes for Pathological and Biological work 2—at Ra. 300 each .. ..	600
<i>Mulberry Assistant—</i>	
Ploughs, seedling, etc. .. ..	100
<i>Biological Assistant—</i>	
Laboratory .. ..	500
Foreign silk worm seeds .. ..	200
Refrigerator .. ..	500
Moth crushing sets .. ..	100
Pathological Assistant Laboratory .. ..	500
Chemistry Assistant Laboratory .. ..	500
<i>Silk Reeling Assistant—</i>	
Silk reeling machines .. ..	500
Testing appliances such as portable metre, skein twister, seriplane, raw silk testing balance, machine for sizing skein or seriplane, deniergraph machine, serigraph machine seri-metre, cohesion machine, twist tester, etc. ..	4,000
Continuous cocoon boiler .. ..	4,000
<i>Conditioning Assistant—</i>	
Raw Silk Conditioning Desiccator (ordinary and electric) } .. ..	1,500
Raw silk boiling tester .. ..	
Miscellaneous .. ..	1,000
	15,800

*Details of Testing Appliances.*

	Yens.
Portable metre .. .. .	250-00
Skein twister .. .. .	25-00
Seriplane .. .. .	175-00
Raw silk testing balance .. .. .	85-00
Winding machine for sizing skein of seriplane .. .. .	250-00
Harada's deniergraph .. .. .	500-00
Serigraph machine .. .. .	400-00
Serimetre .. .. .	250-00
Cohesion machine .. .. .	750-00
Twist tester .. .. .	75-00
Tension tester .. .. .	150-00
Automatic weighing scale .. .. .	100-00
Machine for testing the reeling quality of the cocoon .. .. .	850-00
S. B. Winding machine .. .. .	350-00
Sundries such as pulleys, glass guides, cocoon bags, porcelain buttons, etc. .. .. .	100-00
	<hr/> 4,310-00
Freight, etc. .. .. .	500-00
	<hr/> Total .. .. . 4,810-00
	<hr/> Roughly .. .. . 5,000

100 yens=Rs. 82.

$$5,000 \text{ yens} = \frac{5,000 \times 82}{100} = \text{Rs. } 4,100$$

Roughly Rs. 4,000.

*Abstract of Expenditure.*

	1st year.	2nd year.	3rd year.	4th year.	5th year.	Total.
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Non-recurring .. .. .	23,000	..	..	..	..	23,000
Recurring .. .. .	22,500	21,800	22,514	22,514	23,928	1,13,256
Total .. .. .	<hr/> 45,500	<hr/> 21,800	<hr/> 22,514	<hr/> 22,514	<hr/> 23,928	<hr/> 1,36,256



## Bengal.

## SCHEME I.

*Scheme for the provision of up-to-date silk cleaning and twisting machinery at the Government Silk Weaving and Dyeing Institute.*

With the object of teaching improved processes of silk reeling, dyeing and weaving, including power-weaving, a Silk Weaving Institute was established at Berhampore, one of the chief centres of silk industry in Bengal, about 8 years ago. A 3-basin Italian reeling filature and a twisting and doubling machine, pirn-winding machine and bobbin-winding machine of a now obsolete pattern were purchased from Mysore and installed at the Institute. These latter machines have been found by experience hardly suitable for the purpose in view. The Bengal Silk Committee, consisting of official and non-official members, at a meeting held at Berhampore on the 2nd November 1928 also definitely expressed this view. It is a fact that suitable yarns cannot be prepared from Bengal silk with this locally manufactured type of machinery. Students trained in the Institute, therefore, prefer to use foreign silk yarns as they are unable to get Bengal reeled and finished silk of the same quality as that imported. Experts have attributed the decline of silk industry of this Presidency to the defective system of reeling and manufacturing operations among other causes. Introduction of an up-to-date machinery with better production is therefore a matter of the utmost importance for the purpose of rehabilitating the sericultural industry in this Presidency.

2. The total cost of the machinery required is estimated to be Rs. 10,113 (details below):—

	Estimated cost. Rs.
Winding machine .. .. .	1,425
Doubling machine .. . . .	1,100
Twisting machine .. . . .	2,100
Pirn-winding machine .. . . .	1,030
Spare parts .. . . .	500
Shafting (including freight) .. . . .	908
Combined Warfing and Beaming plant (including freight)	2,200
One Underpick silk power-loom .. . . .	850
	10,113

## SCHEME II.

*Scheme for the extension of univoltine rearing and investigation into the conditions of storing and hibernating of univoltine seeds.*

There are three principal varieties of mulberry-feeding silk-worms in Bengal reared since very ancient times. The Barapolu (*Bombyx Textor*) is a univoltine race yielding white cocoons and reared principally in North Murshidabad and Birbhum during February-March. The other two are multivoltine varieties—(1) Nistari (*Bombyx Cræsi*), and (2) Chotopolu (*Bombyx Fortunatus*), both yielding yellow cocoons and completing six to seven cycles in the course of a year. The Nistari is reared mainly for the rainy and summer crops whilst Chotopolu is preferred for the winter crop.

2. Comparatively to the multivoltines breeds of silk-worms, the univoltines give more yield of silk. Various attempts were made since the days of the Hon'ble East India Company to introduce superior foreign univoltine silk-worm varieties for rearing in the plains without appreciable results. The death rate in these worms is so high that it has been an extremely uneconomic proposition so far. This is exactly what appears to have been the case also in South China as in Mr. Howard's "Survey of the Silk Industry of South China" he observes:—

"It has frequently been urged by those interested in silk in Keung-tong, but who have not made a careful study of its peculiar problems, that we should abolish these worms and introduce the Japanese or Central China type of univoltine silk-worm. This cannot be done because these worms will not endure humid climate."

3. In the course of the rearing of the univoltines in this country it has been observed that there is no chance of its introduction in the plains unless the eggs can be hatched in November to January so that the cocoons may be spun before the advent of the warm season. The imported univoltine eggs from France had hatched in March-April and the worms mostly perished through heat. By sending these eggs to the hills in Kurseong, no better result could be obtained. Accordingly in 1931-32 French univoltine eggs were obtained in three batches, *viz.*, (1) by the middle of August, (2) by the beginning of September, and (3) by the middle of September. A portion of each of this lot was sent to Kurseong and of the remainder an equal number was sent to Cold Storage in Calcutta and the rest kept at Berhampore under normal condition. It was seen that the eggs sent to Kurseong and brought down to the plains hatched by the middle of February, whereas the eggs from Cold Storage hatched in March. The eggs kept at Berhampore without any artificial lowering of temperature hatched in very small quantities. The

worms reared in Kurseong gave good crop whilst the crop in the plains was a failure.

4. From results obtained so far it is seen that there is very little chance of introducing foreign univoltine races in the plains although there is much scope for its extension in the hills in Darjeeling. If the work can be properly organised in the hills, it may eventually be possible to establish at least some hybride between the univoltine and the multi-voltine to give a resistant type for rearing in the plains during October to February. By maintaining the pure univoltine strains there, the first generation cross type can be utilised for cocoon production in the plains.

5. As it now stands, the Department is mainly engaged in the extension of the Barapolu (*Bombyx Textor*). The Nistaris and Chotopolus give 1.25 to 1.75 grains of silky substance per cocoon in different crops and in different tracts. The Barapolus give 2 grains of silky substance per cocoon. Japanese white univoltine gave 2.8 grains, Chinese yellow 2.3 grains and the French univoltines 4 grains when reared in Kurseong. From these it is apparent that although the introduction of foreign univoltines is desirable, there is still considerable scope for improvement of silk production by selection of Barapolu and extension of its rearing so long as the exotic varieties show such high mortality. In the report of the Advisory Committee of the Imperial Institute on Silk Production (1921) it was pointed out that in the English market white "raws" are preferred to yellow owing to the larger range of light shades needed. The Barapolu is a white variety and owing to its greater resistance to climatic exigencies, it is at present the most important and productive silk-worm race for Bengal.

6. The main drawback to extension of Barapolu rearing so far had been its hatching in January-February. But this has now been remedied by adopting a method based on a study of the behaviour of the eggs under different temperatures. Some idea of the progress of this work may be ascertained from the sale of Barapolu layings in different years to rearers in Bengal:—

1929-30	..	..	..	..	3,681	hibernated layings.
1930-31	..	..	..	..	8,875	" "
1931-32	..	..	..	..	52,054	" "
1932-33	..	..	..	..	75,093	" "
1933-34	..	..	..	..	89,974	" "

7. To attain this objective the eggs are sent to Kurseong at different periods from the plains and after a stay of 2 to 3 months are brought down to the plains as may be necessary according to date of hatching required in the plains. The best result has so far been obtained with

Barapolu eggs sent from Birbhun and Bogra to Kurseong. For proper organisation it is essential that the details should be studied thoroughly and for this purpose it is necessary to extend the work of selection in Kurseong. It has also been observed that the hibernation of the univoltine eggs at a much lower temperature than of Kurseong is desirable as the egg boxes kept at Darjeeling by private arrangement with some gentleman there when brought to Kurseong hatched earlier than the lots sent to Kurseong at the same time. To enumerate the details of observation recorded so far it would be too lengthy and at the present stage of the work it is not possible to make any definite statement without further detailed corroboration. The success in getting hatching of Barapolu in November by shortening the egg stage to 6½ months has now created confidence amongst the rearers and if the work can be organised elaborately there is much chance of introduction of foreign univoltines or hybride and also of the improvement of the Barapolu breed.

8. There is evidence that eggs of different breeds not only differ in gross characteristics but also as regards more subtle properties. Physico-chemical difference between breeds of silkworms are enumerated by Pigorni. The individual difference between the eggs may be equally important. There are numerous variable factors which modify the constitution of the egg. Effect of season, change of temperature and humidity and also of diet if properly studied may lead to important results.

9. For investigation on Barapolu and foreign univoltine races it is proposed to work out the scheme by starting two stations in the hills and testing the results in the plains through Government nurseries and selected rearers in the plains. We have already a nursery at Kurseong and the extension of mulberry plantation there will meet the requirement for the hills. For storing of eggs and hibernation it is necessary to rent a house at Darjeeling for 6 months in the year to keep different lots there from April to October as the temperature at Kurseong goes down below 60° F, from the third week of September. By installing refrigerators at Kurseong, the temperature may be lowered to required limits.

9. The scheme may be summarised as follows :—

	Recurring.				
	1st year.	2nd year.	3rd year.	4th year.	5th year.
	Rs.	Rs.	Rs.	Rs.	Rs.
1. One Officer (Rs. 140—5/2—145—10/2—155) per mensem.	1,680	1,680	1,740	1,740	1,860
2. One Officer (Rs. 50—6/2—62) per mensem.	600	600	672	672	744
3. Three Assistants (Rs. 40—40—45—5/2—50) per mensem.	1,440	1,440	1,620	1,620	1,800

1934.]

*Sericultural Research.*

127

	1st year. Rs.	2nd year. Rs.	3rd year Rs.	4th year. Rs.	5th year Rs.
4. Travelling allowance ..	700	700	700	700	700
5. Rent of a house at Darjeeling for 6 months in the year ..	360	360	360	360	360
6. Cost of seeds to be imported from abroad and cost of Barapola seeds to be used for experi- ments and free distribution to selected rearers. .. ..	1,000	1,000	1,000	1,000	1,000
7. Extension of mulberry plantation at Kurseong and upkeep .. ..	2,000	2,000	2,000	2,000	2,000
8. Other miscellaneous charges	600	600	600	600	600
	8,380	8,380	8,692	8,692	9,064
Total ..	43,208				

*Non-recurring.*

	Rs.
Purchase of two sets of Ther- mograph, Hygrograph and Refrigerator and incubator and rearing implements .. ..	5,000
Grand Total	48,208 for 5 years.

*Punjab.*

The Punjab has a great future as a silk producing province under favourable conditions. Mulberry trees—the food of the silk worm—grow wild all over the province, and canal banks and road-sides provide peculiar facilities for growing millions of such trees. The Punjab Government have directed the Forest Officer recently appointed to the headquarters of each Commissioner's division to study the development of mulberry plantations. Climatically the sub-montane tract of the province is very suitable for silk worm rearing, and the experience of a considerable term of years has proved the suitability of large areas of montane and sub-montane tracts for the rearing of the univoltine races of mulberry silk worms. A few years ago the industry developed to a very large extent, and about 300 maunds of dry cocoons were produced. Lately, however, on account of the high price of silk seed and the difficulty of disposing of the cocoon crop, the industry has gone down rapidly and during the year 1934 the total amount of dry cocoons produced was estimated at about 60 maunds only.

2. If it is not possible to dispose of the cocoon crop immediately, there is no prospect of the industry continuing in the Punjab. There are silk reelers at Amritsar who are prepared to buy cocoons but they have not the money to buy their entire requirements at one time, and the reeling industry is not sufficiently developed or scattered to enable the crop to be purchased by a large number of reelers and dealers according to their individual or market needs. There are two lines along which research is necessary :—

- (a) Production of cheap seed and the evolution of a race of mulberry silk worm suited to the local climatic conditions. Incidentally the best method of silk worm rearing could also be studied. This can be achieved if a grainage is established at some suitable place in the Punjab. Some time ago a place, about 3,000 feet above the sea level in the Kangra District—Nagrota—was selected, but the scheme had to be abandoned owing to financial stringency. Details of a scheme for a grainage showing the respective shares of the expenditure to be borne by the Punjab Government and the Government of India are given below.
- (b) Disposal of cocoon crop. There are two ways of doing it—
- (i) by the establishment of a reeling industry on up-to-date lines at a central place and also as a cottage industry,
- (ii) by the industrial utilization of the yarn as produced in the province from these cocoons.

A very small number of silk worm rearers in the Gurdaspur District reel the cocoons they produce, but the silk yarn is defective and does not fetch much profit. The reeling appliances used in Amritsar as well are very primitive. It is accordingly necessary to provide cheap and efficient reeling basins, and to demonstrate cheap and economic methods of throwing, reeling and weaving.

Methods of working by hand as well as by power, now that cheap hydro electric power has become available, will have to be shown. Cheap and simple basins will have to be evolved. This will involve the following expenditure in the Industries Department.

3. Research and demonstration will be carried out at a central station. With a view to help both the individual cottage worker and the owner of a small factory small demonstrations will be given also in other suitable centres.

<i>Throwing and reeling.</i>					
<i>Non-recurring.</i>					Rs.
Supplies and Services	..	..	..	..	1,915
Contingencies	..	..	..	..	465
					<u>2,380</u>

<i>Recurring.</i>					Rs.
Supplies and Services	..	..	..	..	9,000
Pay of Establishment	..	..	..	..	4,000
Variable Labour	..	..	..	..	3,000
Contingencies	..	..	..	..	1,300
Travelling Allowance	..	..	..	..	2,000
					19,300
Total non-recurring and recurring					21,680

<i>Weaving.</i>					
<i>Non-recurring.</i>					
Supplies and Services	..	..	..	..	432
Contingencies	..	..	..	..	110
					542

<i>Recurring.</i>					Rs.
Supplies and Services	..	..	..	..	3,800
Contingencies	..	..	..	..	600
Pay of Establishment	..	..	..	..	2,000
Variable labour	..	..	..	..	2,500
Travelling Allowance	..	..	..	..	1,500
					10,400
Total recurring and non-recurring					10,942

*Requirements of a grainage for producing 1,500 ounces of silk seed annually.*

A. BUILDINGS (on the assumption that the P. W. D. Rest House at Nagrota will not be available).

1. One well-lighted room 30' x 20' x 18' for microscopic examination of moths.
2. One dark room 20' x 15' x 15' with a 10' wide verandah all round for keeping the coupled moths.
3. One room 20' x 15' x 15' for green cocoons also with a 10' wide verandah all round.

The entire building shall have to be ant and rat proof.

4. One hut for *mali*.
5. One hut for *chaukidar* (watchman).
6. One shed for nursery implements.

Approximate cost .. .. Rs. 10,000

**B. EQUIPMENT.***Non-recurring.*

	Rs.
Incubators, racks, machines for crushing moths, microscopes, funnels for coupling moths, netting bags, tubes and basins for washing seed, boxes for storing seeds, thermometers, chemicals for washing seeds, weighing scales, glass jars, slides, etc. ..	4,950

*Recurring.*

Boxes for seed and miscellaneous recurring .. .. .	250
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**C. STAFF.**

Staff already sanctioned *vide* Punjab Government letter No. 275-D.(S.), dated 16th June 1925.

1. Two Sericulture Inspectors @ Rs. 50—5—100 p.m. .. .. .	2,400
2. Four Sericulture Sub-Inspectors @ Rs. 30—1½—51 p.m. each (two posts of these have been held in abeyance) .. .. .	1,800
3. Six Sericulture Mukaddams @ Rs. 20—1—30 p.m. each. (Three posts of these have been held in abeyance) .. .. .	1,800
4. One Sericulture Clerk @ Rs. 40—2—80½—90 .. .. .	720
Compensatory allowance @ Rs. 3 p.m. for six Sericulture Mukaddams and Sericulture Clerk .. .. .	252

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6,972

*Additional staff required.*

1. One Sericulturist @ Rs. 250—25—750 p. m. .. .. .	3,000
2. One peon @ Rs. 15 p. m. .. .. .	180
3. One watchman @ Rs. 15 p. m. .. .. .	180
4. One Laboratory Attendant @ Rs. 20—1—30 p. m. .. .. .	240
5. Extra labour for grainage, Rs. 500 p. a. .. .. .	500

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4,100

*Mulberry staff required for rented plantation.*

.. One mali @ Rs. 25 p. m. .. .. .	300
.. Five beldars @ Rs. 15 p. m. each .. .. .	900

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1,200

Total additional staff for which money will be required from the Government of India .. .. .

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5,300



*Abstract of expenditure involved in the grainage scheme.*

	Annual recurring expenditure.	Non-recurring expenditure.
	Rs.	Rs.
1. Building with necessary fittings as detailed above .. .. .	.. .. .	10,000
2. Plantations—price of land .. .. .	.. .. .	10,000
3. *Equipment as detailed above .. .. .	250	4,950
4. Rent of houses for rearing .. .. .	600	..
5. Leaf price (for first six years annually) .. .. .	200	..
6. Sericulture staff as detailed above .. .. .	11,072	..
7. Mulberry staff as detailed above .. .. .	1,200	..
8. Contingencies .. .. .	1,000	..
<b>Total .. .. .</b>	<b>14,322</b>	<b>24,950</b>
<i>Deduct</i> already sanctioned by Punjab Gov- ernment .. .. .	6,972	..
* <i>Deduct</i> apparatus and chemicals to be sup- plied by the Entomological Section .. .. .	..	2,000
<b>Balance to be provided by the Government of India .. .. .</b>	<b>7,350</b>	<b>22,950</b>

*Burma.\**

The work of the Sericultural Section in Burma is at present centred mainly at

- (1) Maymyo where there is a mulberry garden and experi-mental station for improving the races of silk-worms.
- (2) Paukaung in the Prome district where there is a mul-berry garden and rearing station for the distribution of eggs and cocoons to local reelers.
- (3) Leiktho in the Toungoo Hill Tracts where there is a small sericultural industry supervised by the Italian Roman Catholic Mission.

\*Note by the Director of Agriculture.

That there is a very great scope for extension of sericulture in Burma can be seen by a scrutiny of the figures for the imports of raw silk as shown in the following table :—

*Imports of Raw Silk into Burma.*

	1926-27.	1927-28.	1928-29	1929-30.	1930-31.
	lbs.	lbs.	lbs.	lbs.	lbs.
Land Frontier Trade ..	400,816	354,404	299,300	393,436	349,730
Sea-borne Trade (Foreign)	108,084	102,322	46,879	49,846	11,151
Sea-borne Trade (Coasting)	11,478	8,118	6,809	4,266	3,272
Total ..	520,378	464,844	352,988	447,548	364,153

It would thus appear that at the present price of Rs. 15 per viss the total value of raw silk imported into Burma by land and sea amounted in 1930-31 to Rs. 15,17,308. Before the depression and in normal times the value of the import was nearly a crore. The difficulty which has been experienced up to date by the department in extending the industry has been due to a prejudice which exists among the Buddhists against the killing of the larvæ which is an essential part of the process of silk-worm rearing. At Leiktho, however, most of the people are non-Buddhist Karens and this difficulty does not arise. At other places it could be overcome by the setting up of a *central reeling station* run by Government which would purchase the cocoons raised by the rearers who would then be no longer under the necessity of killing the insect. This would mean that the rearing of silk-worms and the reeling of cocoons would be differentiated into two separate industries. Another difficulty that has been experienced is that there have been in the province no facilities for the proper twisting or "throwing" (as it is technically called) of the thread after the silk is reeled and the thread is thus at a disadvantage in competing with that imported from abroad. This difficulty can be overcome by Government erecting a small pioneer "throwing" plant at which would be spun the thread reeled at the central reeling stations mentioned above. It is for want of taking these steps in the past (owing to want of funds) that the industry in Burma has not made greater progress. A grant from the Government of India could, therefore, be most usefully

1934.]

*Sericultural Research.*

133

utilised in making good these deficiencies and it is proposed that the sum of Rs. 15,000 should be spent as follows :—

*Non-recurring.*

	Rs.
(1) Erection of a reeling shed and purchase of reeling machinery at Paukkaung .. .. .	2,000
(2) Erection of a reeling shed and purchase of reeling machinery at Leiktho .. .. .	2,000
(3) Purchase of throwing machinery to be erected at Mandalay..	6,000
	10,000

*Recurring.*

	Rs.
(1) One Senior Agricultural Assistant for propaganda work in the Promé district on Rs. 125 per mensem .. .. .	1,500
(2) One Senior Agricultural Assistant for propaganda work in Leiktho on Rs. 125 per mensem .. .. .	1,500
(3) Four extra Fieldmen for Leiktho on Rs. 30 each per mensem ..	1,440
(4) Cost of labour at the two reeling stations .. .. .	1,500
	5,940
Grand Total .. .. .	15,940

2. The above figures indicate how the grant can be used in the first year. In subsequent years the non-recurring expenditure at Paukkaung and Leiktho would not be necessary but after the stations had been got into order the "throwing" depôt at Mandalay should come into operation and certain extra staff will be required for that. It is not possible, owing to the absence on leave of the Entomologist in charge of sericulture, to give very accurate estimates for this "throwing" depôt but to save time the estimate for machinery has been included as it corresponds with a previous estimate for American machinery which the Entomologist desired to purchase. It is expected that the "throwing" depôt at Mandalay can be accommodated in one of the buildings on the Agricultural College Estimate and there would, therefore, be no expenditure on buildings.

*Bihar and Orissa.*

Of the three kinds of silk, namely, *Tasar*, *eri* and mulberry, *Tasar* alone is a natural product of Bihar and Orissa. As *Tasar* worms cannot be domesticated, experiments have been conducted in the Bhagalpur

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Silk Institute more in the reeling and bleaching of the yarn and the designing and weaving of *Tasar* fabrics than in the rearing of silk worms. The humidity and temperature of the province are generally unsuitable for the rearing of mulberry silk worms and an experimental farm, which was worked at Khunti in Ranchi sub-division, for over five years, did not prove to be a lasting success. The rearing of *eri* silk worms offers great possibilities. Castor plants, the leaves of which form the food of these worms, grow widely over almost all parts of the province and it is not difficult for women and children in rural areas to attend to the rearing of these worms. *Eri* cultivation is at present chiefly carried on in Assam and the production of *eri* silk in India may be said to be negligible. The Advisory Committee of the Imperial Institute, London, advised this Department in 1926 that there was an appreciable demand for this material in the world markets. It is considered therefore that research in this province should be devoted to sericulture rather than to mulberry or *Tasar*.

2. In the development of sericulture the Department of Industries in Bihar and Orissa continued at the Silk Institute, Bhagalpur, the experiments made by Professor Maxwell Lefroy at the Agricultural Research Institute, Pusa. The activities of the Department in regard to sericulture were, however, discontinued on account of financial stringency. With the abolition of the seed supply station at Netarhat and of the entire demonstration staff, a promising cottage industry was deprived of all momentum for further progress. The scheme which is now suggested provides not only for research and experiment but also for the practical application of the results of research to the development of sericulture as a cottage industry. With this object in view it is proposed to establish a Central Research Station at Ranchi or some convenient centre in charge of a Superintendent who should be a sericulturist with previous experience of sericultural research and in particular the rearing of *eri* silk worms. The lands and building for the research station will be obtained on a five years' lease. The main functions of the research station will be to establish a suitable race of *eri* worms, and if possible also mulberry worms, to find out methods for eliminating disease, to produce suitable thread and to carry on experiments in weaving. The research station will also supply disease-free seed eggs to the rearers of the province and will consider how the methods adopted by them could be improved. For this purpose the research station will grow castor and mulberry plants and will require suitable instruments for the careful examination of seed eggs. Under the Superintendent there will be a weaving supervisor and twelve rearers and spinners. Part of the staff including the supervisor will be required to do intensive touring in areas where *eri* cultivation is carried on as a cottage industry.

3. The cost of the scheme outlined above is given below :—

*Recurring.*

	Rs.
(1) Superintendent at Rs. 300 per mensem .. ..	3,600
(2) <i>Eri</i> Supervisor at Rs. 150 per mensem .. ..	1,800
(3) Twelve rearers and spinners at Rs. 20 per mensem .. ..	2,880
(4) One clerk at Rs. 30 per mensem .. ..	360
(5) One chappraasi at Rs. 10 per mensem .. ..	120
(6) One chaukidar at Rs. 10 per mensem .. ..	120
(7) Travelling Allowance for rearers and spinners .. ..	600
(8) Travelling Allowance for Superintendent and Supervisor .. ..	600
(9) Contingencies and wages for weavers .. ..	2,000
(10) Rent for land and building for research station and office .. ..	1,800
	13,880
Say Rs. .. ..	14,000

*Non-recurring.*

(i) Instruments, equipments and furniture for research station .. ..	3,000
(ii) Capital for purchase of cocoons and yarn .. ..	4,000
	7,000

*Central Provinces.*

The province does not produce mulberry silk. The culture, reeling and weaving of *tussore* silk is, however, an important industry in the province. According to the Census of 1931, the number of persons employed in silk spinning and weaving in the Central Provinces and Berar is 3,962. This figure is much less than the actual number engaged in the industry. The census figure does not take account of a large number of people engaged in the *tussore* industry only as a part-time activity. People engaged in rearing *tussore* are primarily agriculturists or agricultural labourers. The reeling is done generally by the women folk of cotton and silk weavers. The weaving of silk is also a part-time business to weavers in certain districts. All those who weave silk bordered fabrics and silk and cotton mixed cloth use imported mulberry silk. Only about 3,000 per-

sons are said to deal exclusively in silk. But the number of persons engaged in the silk industry in general will be several times the number indicated by the census. The number of weavers using mulberry silk for borders of *saries* and *dhoties* is approximately 12,000. The number engaged in *tussore* rearing as a subsidiary occupation is between 4,000 and 5,000, while *tussore* reelers and weavers may be about 2,000 and 1,200, respectively. The rearers work for about two months in the year. Rearers earn Rs. 20 for two months and *tussore* weavers Rs. 1-8-0 to Rs. 2 per day. About 90,000 *kahans* (each *kahan* = 20 × 80) of *tussore* cocoon are produced in the province, valued roughly at 14 lakhs of rupees, while the value of waste would be about Rs. 22,000. In addition, about 1,000 maunds of mulberry and 4,000 maunds of *tussore* are imported into the province and used by the weavers. The Central Provinces holds, therefore, a not unimportant place in the silk industry of India.

2. No intensive and scientific efforts on approved entomological lines have been made to improve *tussore* rearing in this province. It would help the *tussore* rearers and improve the volume of the cocoon output in the province if a small organization is set up which would purchase cocoons, would get them reeled and sell suitable reeled *tussore* to the weavers. It is proposed to employ three instructors for the purpose at Rs. 25 per month each. These instructors will also be able to collect the necessary data to be forwarded to the imperial entomologist or to any other agency which may be conducting research in *tussore* silk. A sum of Rs. 4,000 may be granted to this province to be utilised as follows:—

	Rs.
(a) Three instructors to collect cocoons, supervise reeling and market reeled <i>tussore</i> at Nagpur, at Rs. 25 per month each .. .. .	900
(b) Charges for carriage of cocoons from the forest to the reeling centres (Rs. 260) and wages to be paid to reelers for one year (Rs. 850) .. .. .	1,100
(c) Working capital for purchasing cocoons .. .. .	2,000
	4,000

#### *Assam.*

Sericulture like weaving is a very important cottage industry in the province of Assam. Out of the 12 districts, in no less than 8 is silk rearing practised and a start has already been made in two of the remaining districts. The Government of Assam realising the importance of this industry, have taken steps to prevent its decay but for want of resources they have not been able to undertake adequate investigations and research work, so necessary for its improvement. Under the advice

of experts, sericultural farms one in the hills and another in the plains—have been established but here again the work of expansion has been hindered for want of funds. For this very same reason, it has not been possible to increase the small number of officers engaged to introduce improved methods in the sericultural operations in the villages.

2. The rearers who had been benefited much in the past by being engaged in this occupation have suffered much loss from the keen competition of cheap silk from abroad. Unless proper investigations and research are carried on to improve the methods of rearing and reeling with a view to bring down the cost of production and to turn out a better marketable quality of yarn, it will be most difficult to withstand the struggle.

3. Nowhere perhaps in India except in Assam are the three species, viz., the common mulberry silk worm, the *muga* and the *eri* reared in India, cultivated. Even the fourth, viz., *tasar* though not cultivated, occurs in a wild state. The *muga* silk yarn which is of a golden yellow colour besides being made into fabrics, is greatly esteemed for its use in embroidery and artistic weaving as a substitute for gold thread, etc. The rearing of this worm is confined to this province. The question of improving the race with a view to make it more disease resistant and to increase its commercial possibilities has not been subjected to a thorough scientific investigation.

4. Besides *muga*, investigation is also necessary for the improvement of the *eri* silk worm which is universally reared in Assam—its original home. Researches done with regard to the mulberry silk, though most useful, are not sufficient for Assam which has two indigenous varieties of its own, i.e., Borpat and Sorupat. Improvement of these as well as introduction of other suitable varieties into the province, are matters of vital importance to the silk industry.

5. In view of the favourable climatic conditions prevailing in Assam, which make it possible for the province to rear three of the four species of silk worms cultivated in India as already noted above, it would be well for the Government of India to investigate into the possibilities of establishing a Central Research Institute within this province.

6. The expenditure involved in the scheme is set out in the tables below :—

1. *Sericultural Research and investigations. (Recurring expenditure.)*

Details.	1st year.	2nd year.	3rd year.	4th year.	5th year.	Total.
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
<i>Staff.</i>						
1 Research officer @ Rs. 250— <del>7</del> —360 .. .. .	3,000	3,000	3,300	3,300	3,600	16,200
2 Laboratory Assistants @ Rs. 75— <del>5</del> —150 .. .. .	1,800	1,920	2,040	2,160	2,280	10,200
4 Field Assistants @ Rs. 40— <del>2</del> —60 .. .. .	1,920	2,016	2,112	2,208	2,304	10,560
1 Reeler @ Rs. 40— <del>2</del> —60 .. .. .	480	504	528	552	576	2,640
1 Peon @ Rs. 12 .. .. .	144	144	144	144	144	720
Allowance honoraria—Travelling allowance .. .. .	1,000	1,000	1,000	1,000	1,000	5,000
Contingencies .. .. .	200	200	200	200	200	1,000
<b>Total</b> .. .. .	<b>8,544</b>	<b>8,784</b>	<b>9,324</b>	<b>9,564</b>	<b>10,104</b>	<b>48,320</b>

2. *Extension of the Shillong Sericultural Station.*

Details.	1st year.		2nd year.	3rd year.	4th year.	5th year.	Total.	
	Non-rec.	Rec.	Rec.	Rec.	Rec.	Rec.	Non-rec.	Rec.
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
<i>Establishment.</i>								
1 Overseer @ Rs. 40— <del>2</del> —60 .. .. .	..	480	504	528	552	576	..	2,640
<i>Contingencies.</i>								
Acquisition of 10 acres of land .. .. .	4,500	..	..	..	..	..	4,500	..
Construction of buildings .. .. .	2,800	..	..	..	..	..	2,800	..
Instruments and appliances .. .. .	400	..	..	..	..	..	400	..
Fencing .. .. .	500	..	..	..	..	..	500	..
Miscellaneous contingencies including cultivation charges .. .. .	..	1,000	1,000	1,000	1,000	1,000	..	5,000
<b>Total</b> .. .. .	<b>8,200</b>	<b>1,480</b>	<b>1,504</b>	<b>1,528</b>	<b>1,552</b>	<b>1,576</b>	<b>8,200</b>	<b>7,640</b>



1934.]

*Sericultural Research.*

139

3. *Extension of the Titabar Sericultural Station. (Non-recurring expenditure.)*

Details.			1st year.	Total.
			Ra.	Ra.
Contingencies—				
Construction of quarters	..	..	250	250
Laboratory equipments	..	..	500	500
Total			750	750

4. *Establishment of a Muga Farm in Kamrup.*

Details.	1st year.		2nd year.	3rd year.	4th year.	5th year.	Total.	
	Non-recurring.		Recurring.	Recurring.	Recurring.	Recurring.	Non-recurring.	Recurring.
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
<b>Establishment—</b>								
1 Overseer at Rs. 40—2—60 ..	..	480	504	528	552	576	..	2,640
4 Rearers at Rs. 20—1—35 ..	..	960	1,008	1,056	1,104	1,152	..	5,280
1 Chowkidar at Rs. 12 ..	..	144	144	144	144	144	..	720
<b>Contingencies—</b>								
Acquisition of 20 acres of land ..	2,000	..	..	..	..	..	2,000	..
Construction of buildings ..	3,100	..	..	..	..	..	3,100	..
Equipments ..	2,000	..	..	..	..	..	2,000	..
Miscellaneous contingencies including cultivation charges ..	..	1,600	1,600	1,600	1,600	1,600	..	8,000
<b>Total</b> ..	<b>7,100</b>	<b>3,184</b>	<b>3,256</b>	<b>3,328</b>	<b>3,400</b>	<b>3,472</b>	<b>7,100</b>	<b>16,640</b>

*Mysore.**Note on Sericultural Research.*

The imperative and urgent need for research in all branches of the Silk Industry in India has been greatly emphasized by the Indian Tariff Board in their report on the grant of protection to the Sericultural Industry (*vide* paragraph 200 of the Tariff Board Report). The Government of India have also recognised the need for research and have set apart funds as can be seen from the following extracts of Sir Joseph Bhore's speech in the Assembly and the Government of India Resolution (Finance Department) issuing the report on the Provincial Economic Conference held at Delhi from April 3 to April 6 :—

As for raw silk, Government of India proposed to watch the course of the price and Sir Joseph added " We shall not be justified in allowing the protection given to this industry to be defeated by still further serious lowering of the prices. But the master key to the permanent improvement of this industry lies in research. The Government are considering how to improve research, and if the Government find further research necessary, I am sure we shall have the support of the Assembly." " In this connection it may also be recorded that the Government of India have decided to give a grant for Sericultural research."

2. Mysore produces about fifty per cent. of the total output of raw silk in India. The silk industry of Kollegal Taluk of Madras Presidency is a continuation and organic part of the Mysore system. The Government of Mysore have been bestowing their attention on the development of the industry. The Indian Tariff Board in paragraph 38 of their report state as follows :—

" The Mysore State spends about 2 lakhs of rupees annually to assist the Sericultural Industry. Its Sericultural Department is efficiently organized and though much remains to be done, as a result of its operations since 1920 the face of the industry has changed. The Department has been able to achieve success in all these objects, but it has done enough to inspire us with confidence in the future of the Industry."

3. In paragraph 40 of their report they state as follows :—

" The principal silk producing Taluk—Kollegal—adjoins Mysore and is therefore able to get the full benefit of the work done for silk by the Mysore Government."

4. Mysore offers an ideal position for carrying on Sericultural research work and the results achieved will not only benefit the

Sericultural Industry in South India but also that of other parts of India. The Government Central Silk Farm, Chennapatna, is situated in the midst of important sericultural centres, and has been carrying on research work on a small scale, in all branches of the industry. It is best suited to develop the research activities to the extent now required by the industry to reduce the cost of production speedily.

5. It is now necessary to carry on research work as detailed below on a larger scale.—

*Moriculture.*—Cost of mulberry leaves constitute about 60 per cent. of the total cost of production of silk; to reduce expenditure under this item, in addition to popularization of mulberry tops the following items of research work should be carried out:—

1. Manurial experiment.
2. Determination of suitable foreign varieties of mulberry and their acclimatization to local conditions.
3. Improvement of local mulberry by grafting and other methods.
4. Evolving new varieties of mulberry with a view to secure economic advantages.
5. Determining the comparative merits of various methods of cultivation.
6. Mulberry diseases.

*Sericulture.*—The following items of work are necessary to increase production of cocoons per unit and to improve their quality thus reducing cost of production of cocoons:—

1. Study of pathology and embryology of silk-worms;
2. Study of silk-worm genetics with a view to evolve new races;
3. Determining the suitable foreign races and cross-breeds;
4. Experiments in cold storage;
5. Experiments in feeding and spacing;
6. Experiments in grainage technique.

*Reeling.*—To effect economies in the cost of reeling and to improve the quality of silk, the following items of work are necessary:—

1. Experiments in stifling of cocoons;
2. Experiments in preservation of cocoons;

3. Experiments in cooking cocoons ;
4. Experiments in the methods of reeling and of re-reeling ;
5. Silk examination and conditioning ;
6. Utilization of by-products, especially silk-waste.

Detailed estimates for work on the above lines are appended.

*N.B.*—In the accompanying estimates no provision has been made for the expenditure necessary to conduct experiments in connection with the utilization of silk-waste as a separate scheme is under preparation for starting a silk-waste spinning factory in Mysore. It may, however, be stated that utilization of silk-waste is an important item in reducing cost of production of silk. The Indian Tariff Board in their report in paragraph 116 state as follows :—

“ We have already pointed out the intimate connection which exists between the price of silk-waste and the prosperity of the raw silk industry. If the price of this by-product improves, it would naturally reduce the cost of production of raw silk. If a silk-waste spinning factory is started in India the silk-waste which used to be exported and which has no market now either foreign or home, can be utilized thus affording scope for reducing cost of production of raw silk in India.”

#### BUDGET ESTIMATES.

##### I. *Moriculture.*

- A. The work consists of the following :—
  1. Manurial Experiments.
  2. Determining of suitable Foreign varieties of mulberry and acclimatizing them to local conditions.
  3. Improving local mulberry by grafting and other methods.
  4. Evolving new varieties of mulberry with a view to secure economic advantages.
  5. Determining economic methods of cultivation :
    - (a) Bush system :
    - (b) Middlings ;
    - (c) Trees ;
    - (d) Seedling plantations and nurseries.

## 6. Eradicating disease of mulberry.

## B. Requirements are :—

## 1. Capital Expenditure—

	Rs.
<b>(a) Mulberry garden ; 12 acres—</b>	
Establishing the garden, i.e., digging and other cultural operations inclusive of improvement of land, and planting etc. .. .. .	3,000
Fencing .. .. .	1,500
Irrigation wells ; 4 open ones .. .. .	5,000
2 Electric pumps and electric installation .. .. .	2,000
Garden shed .. .. .	1,500
Garden implements, etc. .. .. .	500
Culture house .. .. .	3,000
Miscellaneous and contingencies .. .. .	1,000
	17,500
<b>(b) Rearing Houses, etc.—</b>	
3 big rearing houses at Rs. 3,000 each .. .. .	9,000
1 small rearing house for chawki .. .. .	1,000
	10,000
<b>(c) Combined Laboratory for Botanical and Biological work (Building) .. .. .</b>	
	6,000
<b>(d) Underground leaf chamber .. .. .</b>	
	1,500
	17,500
<b>(e) Laboratory equipment—</b>	
	Rs.
1. Furniture .. .. .	400
2. Scientific appliances and chemicals .. .. .	3,000
3. Miscellaneous .. .. .	600
	4,000
<b>(f) Books .. .. .</b>	
	1,000
<b>Grand total of capital expenditure for Moriculture Branch .. .. .</b>	40,000

*Recurring Expenditure—*

(a) Garden :—	Rs.
1. Maintenance including lease amount at Rs. 250 per acre per year .. .. .	3,000
2. Tools and plant and repairs—wells, etc. .. .. .	1,000
(b) Laboratory requisites .. .. .	600
(c) Books and Journals .. .. .	300
(d) Contingencies .. .. .	300
(e) Rearing appliances, etc. .. .. .	300
(f) Rearing and other labour .. .. .	600
	6,100

*Staff—*

1. Research Assistant in charge of Botanical work ; at Rs. 200—10—250 per month (Botany and Zoology Graduate) per year	3,000
2. Botany Assistant Rs. 75—10—125 (Botany Graduate) ..	1,500
3. Bio-Chemist (Chemistry Graduate) Rs. 75—10—125 ..	1,500
4. Rearing Assistant (Zoology Graduate) ..	1,500
5. Garden Assistant (B. Ag.) ..	1,500
6. Garden and Rearing operators 6 at Rs. 40—2—50 ..	3,600
7. Clerk 1 .. .. .	600
8. Laboratory attenders 1 on Rs. 20 } .. .. .	420
1 on Rs. 15 }	
	13,620
Grand total of recurring expenditure . . . . .	19,720

*II. Sericulture.**A. The work consists of the following :—*

1. Study of the pathology and embryology of silk-worms.
2. Study of silk-worm genetics and evolving of new races.
3. Determining of suitable Foreign races and cross-breeds.
4. Experiments in feeding and spacing.
5. Experiments in grainage technique, etc.
6. Experiment in cold storage.

## B. Requirements are :—

## 1. Capital Expenditure—

	Rs.
(a) Mulberry garden of 10 acres ; establishing the garden, i.e., digging and other cultural operations inclusive of improvements of soil and planting, etc.	2,500
Fencing .. .. .	1,200
Irrigation 4 open wells.. .. .	5,000
2 Electric pumps and installations .. .. .	2,000
Garden implements .. .. .	500
Miscellaneous and contingent expenditure .. .. .	800
	<hr/>
	12,000
	<hr/>

## (b) Rearing Houses, etc.—

3 big rearing houses at Rs. 3,000 each .. .. .	9,000
1 Small rearing house at Rs. 1,000 .. .. .	1,000
(c) 1 Grainage building .. .. .	3,000
(d) 1 Leaf chamber underground .. .. .	1,500
(e) 1 Pathological rearing room .. .. .	3,000
	<hr/>
	17,500
	<hr/>

## (f) Laboratory equipment—

	Rs.
1. Furniture .. .. .	400
2. Scientific equipment .. .. .	5,000
3. Miscellaneous fittings .. .. .	600
	<hr/>
	6,000
(g) Refrigerator .. .. .	5,000
(h) Books .. .. .	1,000
	<hr/>

Total of Capital Expenditure .. 41,500

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*Recurring Expenditure—*

(a) Garden—	Rs.
1. Maintenance including lease amount at Rs. 250 per acre per year for 10 acres .. .. .	2,500
2. Tools and plant, repairs—walls, etc. .. .. .	1,000
(b) Laboratory requisites .. .. .	1,000
(c) Books and Journals .. .. .	300
(d) Contingencies .. .. .	300
(e) Rearing appliances, etc. .. .. .	300
(f) Rearing and other labour .. .. .	800
	6,200

*Staff—*

1. Research Assistant in charge of Biological work at Rs. 200—10—250 (Zoology Graduate) .. .. .	3,000
2. Rearing Assistants 2 (Zoology Graduates) at Rs. 75—10—125 each .. .. .	3,000
3. Garden Assistant on Rs. 75—10—125 (B. Ag.) .. .. .	1,500
4. Grainage Assistant on Rs. 75—10—125 (Zoology) .. .. .	1,500
5. Rearing and garden operators 8 on Rs. 40—2—50 .. .. .	4,800
6. Clerks 2 on Rs. 40—2—50 each .. .. .	1,200
7. Attenders 3 one on Rs. 25, one on Rs. 20 and one on Rs. 15 .. .. .	720
	15,720
<b>Total of Recurring Expenditure .. .. .</b>	<b>21,920</b>

III. *Reeling.*

A. The work consists of the following :—

1. Experiments in stifling of cocoons.
2. Experiments in preservation of cocoons.
3. Experiments in cooking of cocoons.
4. Experiments in methods of reeling and re-reeling.
5. Silk examination and conditioning.

**B. Requirements :—**

1. Capital Expenditure—	Rs.
(a) Mechanical appliances, basins, cocoon cooking machinery, stifling apparatus, Boiler fittings, and silk examining appliances .. .. .	20,000
(b) Accommodation, etc., reeling room, stifling chambers, cooking room, re-reeling room, silk examination room and offices .. .. .	15,000
(c) Minor scientific instruments .. .. .	1,000
(d) Books .. .. .	500
	36,500

**Recurring Expenditure—**

(a) Fuel power and water charges .. .. .	2,000
(b) Books and Journals .. .. .	200
(c) Tools and plants renewals .. .. .	500
(d) Workshop requisites .. .. .	300
(e) Cocoons .. .. .	2,500
(f) Wages to reelers, cookers and helpers .. .. .	1,500
	7,000

**Staff—**

1. Research Assistant (Physics or Engineering Graduate) (Rs. 200—10—250) .. .. .	3,000
2. One Reeling Assistant on Rs. 75—10—125 (Chemistry Graduate) .. .. .	1,500
3. Reeling Master on Rs. 40—2—50 .. .. .	600
4. Mechanic (Engineer) on Rs. 75—10—125 .. .. .	1,500
5. One clerk on Rs. 40—2—50 .. .. .	600
6. 2 Attenders (20) (15) .. .. .	420
	7,620
Total of Recurring Expenditure .. .. .	14,620

1934.]

*Sericultural Research.*

119

*IV. Quarters for the Staff—Capital Expenditure.*

	Rs.
3 Houses for 3 Research Assistants .. .. .	10,000
10 Houses for Assistants .. .. .	25,000
22 Houses for other staff .. .. .	45,000
Cost of lands .. .. .	2,000
Recurring charges .. .. .	1,500
	83,500

*V. Requirements of Research Officer.*

(a) Non-recurring—Furniture, Type-writer, etc., Office equipment .. .. .	Rs.	1,500
(b) Recurring—	Rs.	
1. Allowance to Officer .. .. .	250	3,000
2. Accountant .. .. .	50—4—70	840
3. Steno-typist .. .. .	50—2—60	720
4. Despatcher .. .. .	30—2—40	480
5. Peon 2 at Rs. 12 each .. .. .		288
6. Stationery—contingency, printing and publications .. .. .		1,500
7. Travelling allowances .. .. .		2,500
		9,328

## ABSTRACT.

	Non-recurring.	Recurring.
	Rs.	Rs.
I. Moriculture .. .. .	40,000	19,720
II. Sericulture .. .. .	41,500	21,920
III. Reeling .. .. .	36,500	14,820
IV. Quarters .. .. .	82,000	1,500
V. General Office .. .. .	1,500	9,328
Total .. .. .	2,01,500	67,088

*Gwalior.*

It was as early as the year 1914 that the Durbar sanctioned the scheme for introducing Sericulture as a cottage industry among the villagers. For this purpose a grant of Rs. 35,000 was given to begin with. This work was to be done by the Forest Department. The work was started on a moderate scale at four convenient centres in the State but without much success.

2. The scheme continued to work till the year 1920, when a special sub-committee was appointed to go over the work done in this line and to submit a fresh and detail report regarding the possibilities of Sericulture in the Gwalior State.

3. The Committee in their report has said that the silk worms can be successfully reared in the Gwalior territory at certain seasons of the year. It can be introduced as a subsidiary industry to agriculture among the cultivators.

4. In order to make it successful the help of the Revenue officials is absolutely necessary, in such matters as selections of suitable families of cultivators and encouraging them to plant Mulberries and give proper attention to the rearing of the silk worms.

5. In the year 1930 as a part of agriculture work and spare time occupation, the first lot of Univoltine silk eggs were obtained from France and introduced at the Mirkabad Criminal Tribes Settlement.

6. Though on a moderate scale the rearing of silk worms at the Settlement serves a very important purpose of giving particular demonstration to the people interested in this line.

7. At present they have about four acres under Mulberry plantation and about a maund of fairly good cocoons are reared annually, silk is being reeled from these cocoons and manufactured into a finished product.

8. In order to encourage this industry it is necessary that some funds should be found out. Keeping Mirkabad Settlement as a central place, some half a dozen more centres can safely be started.

9. As regard to funds an annual recurring grant of a very moderate sum of Rs. 1,372 and a non-recurring grant of Rs. 1,320 (detail estimates for which are given below) extending over a period of five years to begin with, is all that is required for the present.

10. This should help in reviving once more an industry which has every possibility of thriving in the Gwalior State.

1934.]

*Sericultural Research.*

151

*Plantation charges for 8 bighas at Mirkahad.*

	Rs.
3 men at Rs. 10 per month .. .. .	30
2 women at Rs. 6 per month .. .. .	12
Grain for a pair of bullocks p. m. .. .. .	5
Grass for bullocks .. .. .	10
Extra expenses (Lump sum) .. .. .	5
	<hr/>
	62
For 12 months 62 × 12 .. .. .	744

*To raise about one maund of cocoons Univoltine variety.*

	Rs.
3 men at Rs. 8 per month .. .. .	24
Sundry charges for disinfectants, etc. .. .. .	5
	<hr/>
	29
For two months 29 × 2 .. .. .	58

*For Mulberry plantation in 8 bighas in one village.*

	Rs.
Seeds and grafts .. .. .	20
Silk house .. .. .	100
Stands .. .. .	40
60 trays each Rs. 1 .. .. .	60
	<hr/>
	220
For six villages Rs. 220 × 6 .. .. .	1,320

*Recurring charges.*

	Rs.
Pay for Supervisor at Rs. 30 p. m. .. .. .	360
Travelling expenses .. .. .	200
Eggs 2 oz. .. .. .	10
	<hr/>
	570

	Rs.
Recurring charges .. .. .	744
	58
	<hr/>
	570
	<hr/>
	1,372
Non-recurring charges .. .. .	1,320
	<hr/>

*Jammu and Kashmir.**Establishment of a Sericultural Research Institute.*

The Sericultural Industry in Kashmir is of ancient origin. It is believed that, in times immemorial, Kashmir, lying on one of the main caravan routes from Central Asia to Western countries *via* Gandhara, contributed to the export trade in Silk of those days and was familiar with the interesting little caterpillar which gives the world its best and most valued textile. The organisation of the Industry on the existing lines of policy, *viz.*, State Control, dates back to the eighties of the last century and owes its origin to the earnest efforts of a large number of British friends, backed as they were by the good offices of the Government of India and His Majesty's Secretary of State.

2. The industry enjoys a position of unique importance not only in British India but also in the whole of the British Empire. No other country or part of His Majesty's Domains is endowed by Nature with such facilities for the success of the Industry as this country is. The climate, the economic condition of the people and the tradition of art in this country are all most favourable assets which hardly leave anything to be desired.

3. With these advantages, the progress made by the industry so far has been remarkable. We are now producing annually about 20,000 ounces of silkworm seed, all cellular, 40,000 maunds of cocoons and 2,50,000 pounds of raw silk in the State, besides silkwaste of different kinds. The quality of raw silk is the highest available in India and is comparable to the "Classical" of Italy and "Petit Estra" of France—the two most advanced sericultural countries of Europe.

4. The industry affords means of livelihood, wholly or partially, to no less than 50,000 families in the State.

5. While much has been done, much more still remains to be accomplished, if only the industry can get a chance to live in the face of extraordinary competition from China and Japan which threatens its very existence at present. Judging by the progress made in recent years by Japan in the production of Silk, there is every reason to think that, provided protection is there of an adequate character and assistance of the nature under reference is forthcoming from the Imperial Government, the industry can grow to many times its present size. This is not an exaggerated claim; a mere comparison of the natural resources of the two countries will amply bear this out.

6. Hitherto the State has been trying to conduct the industry on approved lines followed in European sericultural countries and to avail of the results of investigation and research carried on in those countries.

Accordingly the silkworm seed of monovoltine races, usually cellular, was imported in the beginning from Europe, but, by adopting the Pasteur system of microscopic examination and selection, approximately one-half of our annual requirements of disease-free seed is now produced in our own grainages equipped with modern machinery. Various races of silkworm have been and are being tried and those best suited from practical point of view are being encouraged. Experiments have been made with various methods of stifling the cocoons and ultimately a most up-to-date type of Italian Sechoirs has been installed for dealing with a substantial portion of the annual crop. Similarly the reeling equipment of the factory is based on the European Model and modern machinery has been installed in two out of the four existing Filatures. Even in mulberry culture certain varieties of European mulberries have been tried and those that gave satisfactory results are being encouraged along with the best indigenous varieties.

7. While all this work of practical utility has been accomplished in the course of routine working of the industry, the State has at the same time been fully conscious of the desirability of introducing, on systematic lines, a scientific investigation and research into local problems which, from time to time, have been confronting the Department in various branches of its activity. Want of such investigation has been felt to be a great hindrance in the way of realizing, in full measure, the benefits of the industry. To remove this want, in 1929, a proposal was submitted jointly by the two Directors of Sericulture in the two Provinces of the State and the Director of Industries and Commerce for the establishment of a Silk Institute, the cost of which in the first year was estimated to be Rs. 21,729 (Non-recurring, excluding lands and buildings) and Rs. 10,657 (Recurring). Soon after, the economic depression set in, resulting in great financial stringency year after year and recurring losses to the Sericulture Department. The proposal therefore has had to remain in abeyance.

8. The conditions prevailing at present, however, have revealed the importance of research work in a different light. The industry is now faced with a crisis the like of which it has never seen before. Unless the industry is now run on the most up-to-date and scientific lines which alone can enable us to reduce the costs of production to the minimum possible, there is very little chance of standing the foreign competition, especially with a country which is leading the world at present in organisation, research and cheapness of costs so far at least as this industry is concerned.

9. Again, the question of establishment of a Silk Institute or Research Bureau has assumed a new aspect because of the interest lately evinced by the Government of India in the welfare of the industry and its keenness to see it thrive in the country wherever possible.

The results of enquiry and investigation proposed have therefore to be studied with due regard to their applicability not only to local problems but also to those relating to such localities in British India and other Indian States where there is a possibility of cultivating the same races as those practised in Kashmir.

10. Now, the monovoltine races of silkworms cultivated in Kashmir have their own place in the economy of silk industry in India. With them we produce, by employing the most modern methods of reeling, a quality of raw silk which has a reputation for fineness almost unequalled by silk produced in any other part of India. This high quality is indispensable for the manufacture of superior silks on Indian looms. Since it is very necessary to encourage the production of high class silks alongside the cheaper varieties in demand in India, the desirability of extending, wherever possible, the cultivation of silkworms on the lines practised in Kashmir is obvious. Fortunately, such extension is possible in large tracts of the North Western Frontier Province, the Punjab and the United Provinces, also, perhaps, in a smaller measure, in certain parts of other Provinces and Indian States.

11. In view of the foregoing, the Government of Jammu and Kashmir is of opinion that a beginning should be made now in the direction of systematic and continuous research by establishing an Institute as contemplated by the State five years back and recommended by the Indian Tariff Board *vide* paragraph 200 of their Report on Sericultural Industry.\*

12. The functions of the said Institute will be :—

- (a) to make experiments with the cultivation of the best varieties of mulberry, indigenous and foreign, early and late budding, with due regard to various climatic conditions, the yield and quality of leaf and its ultimate value for production of cocoons. The experiments will include the study of most suitable fertilisers and methods of propagation, also the cultivation of bush plantations to suit the bivoltine or polyvoltine races of silkworms proposed to be introduced wherever possible,
- (b) to make experiments with the cultivation of the most suitable races of silkworms, foreign and indigenous, with a view to increase the average yield of cocoons and improve the quality and outturn of raw silk. This will involve numerous experiments with hybridization or crossing of breeds and acclimatisation of the race or races proved best by selection,
- (c) to make experiments with the treatment of diseases of silkworms, common in this country,



1934.]

*Sericultural Research.*

155

- (d) to make experiments with reeling and testing of raw silk with a view to ensure the supply of qualities which can stand the most modern commercial tests (including that of Seriplane) as applied in advanced Sericultural countries,
- (e) to make such other experiments as may appear from time to time necessary to reduce the cost of production at various stages of the process and the development of the industry,
- (f) to arrange demonstrations of rational methods of the cultivation of mulberry and rearing of silkworms, and
- (g) to take practical steps for spreading scientific knowledge of sericulture among the agricultural classes.

13. We are also aware of the supreme importance of proper gradation and standardization of Indian silks, establishment of one or more conditioning houses, organization of sales and compilation of reliable statistics regarding the production and consumption in different centres. These are however work which can appropriately be taken up by the Central Advisory Agency. So far as the State is concerned, it has already developed a fairly reasonable system of grading, testing and organised sales.

14. The expenditure involved in the establishment of a Research Institute in Kashmir consists of the following:—

*(a) Staff.*

Serial No.	Designation.	No.	Scale of pay.	Amount.	
				Per month.	Per annum.
			Rs.	Rs.	Rs.
1	Superintendent .. ..	1	500	500	6,000
2	Technical Assistants .. ..	2	150 each	300	3,600
3	Operators .. ..	2	30 ..	60	720
4	Head trained Mali .. ..	1	20	20	240
5	Malis .. ..	2	15 each	30	360
6	Chowkidar .. ..	1	15	15	180
7	Peon .. ..	1	15	15	180
8	Clerk and Store-keeper .. ..	1	75	75	900
		11	..	1,015	12,180

*(b) Non-recurring.*

	Rs.
1. Land including that required for Nursery .. .. .	.. ..
2. Buildings .. .. .	.. ..
3. Machinery and Apparatus .. .. .	16,000
4. Technical Scientific Books .. .. .	2,500
5. Typewriter .. .. .	400
6. Tents .. .. .	500
7. Furniture and Fittings .. .. .	600
	<hr/>
	20,000

*(c) Recurring.*

1. Supplies and Services (including price of seed cocoons, Rearing and Reeling charges) .. .. .	2,000
2. Books and Journals .. .. .	200
3. Heating, Lighting and refrigerating charges .. .. .	350
4. Travelling Allowance .. .. .	400
5. Contingencies including fire insurance, Postage and telegrams, etc. .. .. .	700
	<hr/>
	3,650

*Abstract.*

	Rs.
(a) Staff .. .. .	12,180
(b) Non-Recurring .. .. .	20,000
(c) Recurring .. .. .	3,650
	<hr/>
Total .. .. .	35,830
Say .. .. .	36,000

15. It will be observed that no provision has been made for lands and buildings in the above estimate. It is proposed that the State will provide all land, including that required for experimental mulberry nursery, and a suitable building costing about ten thousand rupees for housing the Institute. The State is further prepared to contribute to the extent of Rs. 11,000 towards the expenses of non-recurring nature.

16. This will leave expenditure amounting to Rs. 9,000 (non-recurring) and Rs. 16,000 (recurring) to be arranged. If the Imperial Government could, in the interests of general Sericultural industry in India, contribute a sum of Rs. 25,000, for the first year and Rs. 16,000, annually for subsequent years, a start could be given to the Institute as proposed above.

17. The State has for the last four years been shouldering very heavy financial responsibility to keep alive the industry for which it has got so many natural and acquired facilities. The scheme of grant-in-aid has been drawn up on the approved principles of the State finding all land, buildings and substantial portion of machinery and other fixtures and asking the Government of India for assistance in the matter of recurring expenditure necessary for running the Research Institute and meeting partly the cost of machinery and fittings required in the beginning. It is hoped that this assistance would be forthcoming for a certain number of years in order to enable the work started to be completed and valuable results obtained in the interests of the industry.

18. The State is inaugurating its first Legislative Assembly this year and in order to justify the budgeting of non-recurring expenditure for the establishment of the Institute, the State would have to convince the members of the Assembly that substantial assistance towards the purchase of fixtures necessary for the Institute would be forthcoming from the Government of India and the recurring cost of running the Institute will also be met from the same source. The State is prepared to do everything in its power to create the necessary milieu for satisfactory investigation of every avenue that would lead to discovery of facts which would enable us to "set our house in order". The importance of this matter was stressed also by the Hon'ble Commerce Member in the last session of the Assembly at Delhi and no efforts would be spared to devise a *modus co-operandi* for which all administrations in India would contribute, so that a satisfactory solution of difficulties which are confronting us can be found.

19. Needless to add that, in case the grant-in-aid asked for is allowed, the Research Institute in Kashmir will work on the lines proposed or approved by the Central Research Bureau, to whom the results of experiments conducted will, from time to time, be reported for such action as they deem necessary.

#### Indore.

A Silk Institute was started in Indore in the year 1912 under the advice and guidance of the Salvation Army, Simla. It was divided into the following six branches :—

- (1) Rearing of silk worms.

- (2) Reeling of cocoons and spinning of waste silk cocoons.
- (3) Dyeing and Bleaching.
- (4) Weaving.
- (5) Central Nursery.
- (6) Museum and Library.

2. The following table gives the various varieties of eggs tried at the Institute :—

Variety of eggs tried.	Name of the place from which the variety was obtained.	Results.
Nistari .. ..	Government Sericulture Department, Behrampur, Bengal.	Hatched well and spun well.
Eri .. ..	Baroda State, Shahjanpur and Almera.	Very satisfactory.
Eri .. ..	Local .. ..	Do.
Bombay-Morie ..	Salvation Army ..	Successful. (This variety gives only one crop in a year while the others give four or five).
Eri .. ..	Pusa .. ..	Eggs hatched well but their development was not successful on account of dry weather.
Mulberry European variety of eggs.	Salvation Army, Simla	Climate found suitable, hatched well.

Apart from the above varieties, Bengal, Bara Polu, Chhota Polu, and univoltine were also reared successfully at the Institute. Of these varieties univoltine variety of eggs being of superior quality was imported from Italy and France through the Salvation Army.

3. The first rearing of worms in the Institute was generally carried on from October to April. In the months of April, May and June, it was not taken up on account of rise in the temperature. It was commenced in August. Rearing took place in the months of December, January and February, which were particularly suited for the univoltine variety of eggs. A uniform temperature of 70° to 75° was kept by artificial means. For hatching incubators were utilised and rooms were kept warm to a temperature of 70° to 75°. The other varieties could be reared at all times of the year, except the summer season. From the actual experiments it was found that Indore was a suitable place for sericulture. Univoltine variety of the

1934.]

*Sericultural Research.*

159

French worms, it seemed, could be profitably reared by the cultivators in February and March, which happens to be their slack season, without interruption to their agricultural work.

4. Village teachers were specially trained and deputed in the mofussil to explain to the cultivators the methods of rearing silk-worms. Several experiments were made by the cultivators themselves in Sawyer, Mhow and Depalpur parganas of the Indore District and it was reported that they were all successful.

5. The cloth produced in this Institute was generally fine. The following were the chief varieties of cloth manufactured in this Institute :—

- (1) *Safas*.
- (2) Shirting and suiting cloth (both fine and rough).
- (3) Handkerchiefs.
- (4) Saries, plain as well as with Brocade embroidery.
- (5) Pitambers, plain as well as with Brocade embroidery.
- (6) Paithanies, plain as well as with Brocade embroidery.
- (7) *Mardani* and *Zanani* Muktas.

6. Mr. Maxwell Lefroy, the Imperial Silk Specialist to the Government of India, visited the Holkar State Silk Institute in the month of August 1916 and as a result of his inspection he gave His Highness' Government a note containing his observations and recommendations (copy enclosed). Mr. Maxwell Lefroy laid great stress on the fact that the Institute should be a profitable concern—at least self-supporting. The Institute could not show profits for want of plantation and the cultivators would not earnestly take to the rearing work and as such all the work at the Institute had to be done by importing cocoons from outside and by hired labour. Mr. Maxwell Lefroy's note was seen by Mr. Coventry of the Plant Institute, Indore, and he was also of opinion that unless the industry was self-supporting it had no chance in India as an additional source of income, because the standard of living of the people was low and therefore they were satisfied with staking their whole on one kind of business. He was also of opinion that people with small bits of land in their possession, such as Balais, chowkidars, etc., may take to silk rearing if convinced of its profitableness.

7. The Silk Institute was in existence at Indore from 1912 August till the end of December 1922 when it had to be closed because, although the Institute was a success in so far as the experiment of rearing up of worms was concerned it failed to attract people to take to this industry. All the same the fact seems that Indore is the suitable centre for sericulture research for the central parts of India and

besides, in its geographical position and industrial and commercial importance it has the added advantage of once being a centre of this activity for about 10 years.

*The Indore Silk Institute.*

“ I have inspected the Indore Sericultural Institute and I do not think that it should be continued on its present lines. The Salvation Army, who laid down the original lines, think that it is sufficient to actually carry on silk rearing and weaving, for the industry to be taken up ; but no one in India is willing to spend money on an industry unless they know it to pay and they have no means of knowing if the Institute pays or not, or if sericultural or silk weaving can be made to pay. The Indore Institute has a grant to support it and is not compelled to make a profit and it is not in a position to say to the cultivator or to the weaver, this is how you can make a good living out of silk rearing or weaving. I would suggest that an attempt be made to carry the industry to the point where you ascertain definitely what profits can be made, so that they can be compared with the profits of other industries.

To start the rearing industry now, 5 acres should be planted for five selected families of cultivators. I would plant the two mulberry varieties available in Indore, the local and the one from Mysore, not the Cashmere. Cuttings should be put down at four feet apart and these should be cut and planted under the guidance of the Superintendent of State Gardens. For each rearer, money should be provided for a rearing house, *i.e.*, a house of the local pattern not less than 12 feet by 9 feet in these wood uprights should be fixed 2 feet 6 inches apart with 4 horizontal crosspieces lashed on, to serve as supports for trays on wire netting. That will allow for 32 trays in each house, enough for 1 maund of cocoons. Trays may be of the pattern found cheapest in the institute, preferably three feet by two feet ; or wire netting may be used for the February brood. Five ounces of Italian or French seed should be obtained from Simla by the Superintendent and properly incubated by him to hatch at the right time at the end of January. When hatching approaches these should be given to the five families under the direction of the overseer. He should superintend the rearing, teaching them use of nets and proper feeding : the worms should spin among dry twigs or straw, on the trays : the green cocoons should be weighed and purchased by the State for the institute. Good green cocoons from French seed are worth fifty rupees per maund at present. I anticipate a yield of twenty seers green cocoons per ounce, *i.e.*, half the full yield obtainable in India : in the second and later broods it should rise to thirty to forty seers. The cultivators will require an advance now to cover cultivation till January : the cost of seed and the advance should be deducted from

the sale of cocoons. In July a fresh start should be made with Madagascar or the Cleghorn hybrid : seed of both these has been obtained for the Superintendent and he should rear these carefully from now to January to determine which does best. Samples of at least a seer of dry cocoons of each may be sent to me for testing in October or November. If the Madagascar does well, it may be issued in January instead of seed from Simla.

The rearing at the institute is very bad and I suggest that the clerk there be sent to Pusa for four months for training in rearing and mulberry cultivation only. He should on his return be put in charge of all rearing at the institute and of the cultivators. The institute should concentrate its activities on showing whether the production of silk fabrics for the local market can be done to a profit. The cloth saleable in the bazar should alone be made, on the most economical method ; no experimenting should be done further and the Superintendent should be allowed to spend up to Rs. 500 on raw materials such as silk or yarn. The object should be to show if a small handloom factory can be run at a profit ; account should be kept of all labour, materials and expenses and this balanced against returns from sales of cloth. If it shows a profit large enough to return good interest on capital invested in it, then business people in Indore can see how to make a profitable industry out of silk weaving. Such handloom factories are profitable elsewhere but only by making what is immediately saleable and using economical methods. The Superintendent should by now know how to do this and if he can not make it pay, probably no one else can. Every penny of expenditure needs to be scrutinised and the whole institute run as if the profits were the sole income of the Superintendent, as they would be in any business enterprise. Naturally the expenses on rearing mulberry cultivation and the like must be kept separate as they can not show a profit and are pioneer efforts ”.

*Note on the advantages of the Institute of Plant Industry, Indore, as a centre for Sericultural Research by Mr. J. B. Hutchinson, Officiating Director of the Institute.*

The location of a research project to serve a large area is always a problem of great difficulty.

2. Concentration of research projects in a few fully equipped institutions is a well recognised policy, and cases might be cited where it has been considered advisable even to incur handicaps in the matter of site and climate rather than to forego the advantages of exchange of apparatus and library facilities, and of contact and discussions with fellow workers.

3. While centralisation is essential in order to ensure economical use of the resources available, conclusions drawn from experience at one place

are usually of very limited application. The selection of a "typical" centre is not sufficient. The staff of the centre must have facilities for testing their conclusions under a wide range of conditions, and must have experience in devising experimental methods simple enough for wide-spread use and accurate enough to provide reliable tests of the questions under experiment.

4. When considering the location of a sericultural research project the Institute of Plant Industry offers the following advantages:—

(1) It is a fully equipped research Institute already engaged on fundamental research on a wide range of problems.

(2) It serves an exceedingly varied area, and can arrange for experiments to be carried out co-operatively with State department under selected ranges of conditions.

(3) A special study is being made of the problem of testing experimental station conclusions over a large and varied area under cultivator's conditions, and considerable advances have already been made in the statistical technique of simple cultivator's trials.

(4) Sericulture has already been attempted in Central India, and no serious difficulties appear to have been met. With proper research work to provide the necessary knowledge and confidence, there is every reason to believe it would be successful.

(5) The most urgent agricultural problem in Central India at present is the provision of an alternative crop in place of opium. To fill the place of the opium crop with a single alternative crop has so far proved impossible, and there have resulted such changes in the agricultural balance of the area as the silting up and abandonment of tanks, and neglect of wells, with a consequent decrease in the area under irrigation and the very abnormal expansion of the cotton crop on inferior lands. The growing of mulberries for sericulture would fill the gap left by the opium crop in the following respects:—

(a) It would provide a cash return.

(b) It would provide a crop for the irrigated lands thereby checking the present degeneration of irrigation facilities and rendering possible their reclamation and improvement.

(c) It would require much less land to give the same cash return than other cash crops such as cotton, thereby relieving the seasonal rush of work at sowing and harvest.

(d) The care of the silkworms and the preparation of the produce would provide a substitute cottage industry for those



skilled workers who have lost their employment on the opium crop.

(6) On account of the loss of its cash crop Central India has rather special claims to consideration, if money is to be spent on sericultural research. If the work is to be done in Central India, the facilities of land, library, and laboratories, and the scientific contacts are available at the Institute as nowhere else. Independent laboratory accommodation would, of course, be required, since the existing laboratories are staffed almost to the limit of their bench space. But there are always large savings to be made in the way of sharing the use of expensive apparatus and special facilities when several laboratories are situated in the same place.

(7) Modern sericultural research in the far east has developed considerably on genetic lines, and the production of improved strains of silkworms is no doubt one of the objects of the proposed research scheme. Genetic research is one of the main interests of the Institute at present and the genetics section could be very easily expanded to undertake breeding work on silkworms.

(8) Preliminary work could be started very rapidly, as temporary accommodation can always be made for some extra workers, and the land and irrigation facilities are already available.

(9) *Eri* silk culture can be studied in parallel with mulberry silk-worm culture, since castor is already an established crop in the area.

*Note on the utilisation of the proposed grant for sericultural research by the Animal Husbandry Expert, Imperial Council of Agricultural Research.*

The proposals from provinces and States cover a very wide field of research and include proposals for the establishment of a Central Institute, which it would not be possible to undertake with the limited funds available. In fact, it would not be possible to deal effectively with more than a very small portion of the work proposed, and it is considered that it would be wise to concentrate on a line of work which appears likely to be of the greatest immediate benefit to the industry, *viz.*, the perfection of existing arrangements for the supply of disease-free seed.

2. From past experience in other countries and in India, it is evident that the production, testing and issue of such seed is one of the most important factors in the success or otherwise of the industry, and the importance of this work is strongly emphasized in paragraph 71 of the Report of the Indian Tariff Board, as follows :—

“It is in our opinion necessary, if the industry is ever to become self-supporting, that the local Governments

and States concerned should without delay undertake the operations necessary to provide a supply of disease-free seed sufficient to meet all demands."

3. Similar emphasis is laid on the necessity for a complete supply of disease-proof seed by Dr. Maxwell-Lefroy on page 34 of Volume I of his Report and on the necessity for careful planning and proper organization of the work, and though a great deal has already been done, it is clear that the position is still far from satisfactory. It is, therefore, suggested that it would be well to spend the whole of the present grant on developing and perfecting the present arrangements for the production, examination and issue of seed and, at the same time, to consider the possibility of undertaking legislation, on the lines recommended by the Indian Tariff Board, which would "make it a penal offence for anyone after a prescribed date to buy, sell or raise a crop from any seed other than that guaranteed to be disease-free".

4. It is not possible to decide regarding the allotment of funds until details are available of existing organisations and facilities in different sections of India and, to deal with this and the suggested legislation, it is proposed that a Sericultural Committee should be formed, on the lines already suggested in the Indian Tariff Board Report.

5. For the breeding and examining of moths, for the production of seed, experienced and well trained experts in the production of the necessary food materials, in the rearing and handling of silk-worms and in bacteriology and biology would be required and if located at suitable centres, in the three main areas in which sericulture is carried on in India, these field workers should be able to provide ample material for research at existing laboratories, or at a Central Sericultural Research Institute when such an institute is established.

6. In this way, the money now provided, besides giving much needed immediate assistance to the industry, might form the basis of an organisation for scientific development, on the lines adopted in the principal competing countries, when funds are available, to undertake this on an adequate scale.

#### DISCUSSION.

*Wednesday, July 11th, 1934.*

(See also the opening speech of the Chairman.)

The following report of the Sub-Committee on Sericulture was presented to the Conference :—

#### Report of Proceedings of the Sub-Committee on Sericulture.

(WEDNESDAY, THE 11TH JULY 1934.)

Discussion proceeded on the basis that Sericulture was an All-India concern but that the States would be able to participate in the

Government of India grants for Sericulture only if the work which they could undertake would benefit British India. The Sub-Committee was of opinion that with only Rupees one lakh to spend attention should be devoted to one only of the various problems facing the industry and that should be the problem which promised the most immediate benefit to the industry. The Tariff Board's suggestion of engaging a whole-time Imperial Silk Specialist (paragraph 200 of report) was first considered, but the balance of opinion was decidedly against this proposal. It was the general sense of the Conference, that the most important problem to be tackled was the provision of disease-free seed. The Chairman stated that he had no hesitation in holding that this would come within the definition of research for the purposes of the grant. The Sub-Committee was of opinion that money should not be given to enable the industry to be started where it did not exist. Provision of disease-free seed would, however, assist those Provinces which wished to experiment with new undertakings to do so.

2. The conclusion that the money available should be spent on producing disease-free seed made it unnecessary for the Sub-Committee to examine in detail the schemes put forward by Local Governments and States, these schemes having been drawn up on other assumptions.

3. The first essential, in the Sub-Committee's view, was the appointment of an Imperial Sericultural Committee as suggested by the Tariff Board (paragraph 200 of report). It was agreed that the following constitution for this Committee would be suitable :—

(1) One representative each from the following Provinces and States :—

Bengal,  
 Madras,  
 Assam,  
 Bihar and Orissa,  
 Punjab,  
 Mysore,  
 Kashmir,

The Government of Burma should be asked whether they wished to be represented on the Committee.

(2) Representatives of the Government of India—

Joint Secretary, Industries and Labour Department (as President).

Animal Husbandry Expert, Imperial Council of Agricultural Research.

One or two representatives from the Forest Research Institute (presumably the Entomologist or Sylviculturist or both as the Education, Health and Lands Department may recommend), and

The Officer in charge of the Industrial Intelligence and Research Bureau.

4. This Committee should be constituted as early as possible and the question of the allocation of the rupees one lakh should be referred to it with the decision of the Industries Conference that the provision of disease-free seed was the first matter to be undertaken but that a sum of, say, Rs. 10,000 should be retained for such investigation of minor questions on disease as appeared urgent and would not entail substantial expenditure. Local Governments and States should also be asked that their representatives should attend the Committee with as full authority as possible so that the distribution of the grants might proceed with the least possible delay.

5. The Imperial Sericultural Committee should form a part of the Advisory Council of the Industrial Intelligence and Research Bureau so as to acquire a definite status as part of that organisation. The Committee should report regularly to the Industries Conference which should now become an annual event. The relation of the Advisory Council and Sericultural Committee to the Industries Conference would thus be somewhat analogous to that between the Advisory Council to the Governing Body of the Imperial Council of Agricultural Research and the Governing Body itself.

6. The Sub-Committee also recorded the opinion that the difficulties facing Sericulture are numerous and serious. It therefore proposed that a recommendation should be made to the Government of India that since the grant which is being placed at the disposal of the Provinces for the improvement of Sericulture is entirely inadequate to enable the difficulties which face that industry to be overcome it should be substantially increased as soon as possible.

7. The Sub-Committee were further of opinion that the subject of Sericulture should in all Provinces be placed under the Provincial Directors of Industries (or provincial officers in charge of industries.)

---

The Hon'ble Diwan Bahadur Kambli said that he understood that the Conference recognized the necessity for research on leaf production.

The Chairman replied that there was no reason why the Sericultural Committee should not consider it when the whole question came up before them. They recognized that the problem of leaf culture should be considered, but the Sub-Committee held that the money should be devoted, in the first instance, to the question of supply of disease-free seed.

1934.]

*Sericultural Research.*

167

Colonel Sir Hashmatullah Khan hoped that in the general development scheme of sericulture research if the Government gave any help to the States for the development of the industry it would not entail any liability on the States and they would not be asked for any subscription.

The Chairman said that he did explain that point at the start. He did not think that either Mysore or Kashmir, the States most interested, would wish to have a grant without liability. If a grant was made to them for a definite piece of work, there would be the liability to carry out that piece of work.

The report of the Sub-Committee was then unanimously adopted by the Conference.

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After a vote of thanks to the Chair from the representatives of the provinces and States, and a reply by the Chair, the Conference dispersed.

BULLETINS OF INDIAN INDUSTRIES & LABOUR.

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No. 56

PROCEEDINGS  
OF THE  
SEVENTH INDUSTRIES CONFERENCE

*(Held in New Delhi on the 28th and 29th October 1935)*

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APRIL 1936



Published by order of the Government of India

## CONTENTS.

	Page.
Agenda .. .. .	1
Representatives who attended the Conference .. .. .	2
Chairman's opening speech .. .. .	5
<b>I.—Handloom industry.</b>	
<b>APPROVED SCHEMES—</b>	
Madras .. .. .	7
Bombay .. .. .	10
Bengal .. .. .	12
United Provinces .. .. .	15
Punjab .. .. .	25
Bihar and Orissa .. .. .	26
Central Provinces .. .. .	33
Assam .. .. .	36
Burma .. .. .	38
Delhi .. .. .	41
<b>STATEMENT SHOWING THE EXPENDITURE INCURRED BY THE LOCAL GOVERNMENTS ON HANDLOOM WEAVING INDUSTRY DURING 1934-35 .. .. .</b>	
	42
<b>OPERATION OF THE SCHEMES—</b>	
Madras .. .. .	46
Bombay .. .. .	46
Bengal .. .. .	47
United Provinces .. .. .	47
Punjab .. .. .	48
Bihar and Orissa .. .. .	49
Central Provinces .. .. .	51
Assam .. .. .	54
Burma .. .. .	54
Delhi .. .. .	57

I.—Handloom Industry—*contd.*

PROPOSALS FOR MODIFICATION OR EXPANSION OF THE SANCTIONED SCHEMES—		
Bihar and Orissa .. .. .		58
Central Provinces .. .. .		58
Assam .. .. .		60
Delhi .. .. .		62
PROPOSALS FOR BASIS OF ALLOCATION OF GRANT FOR 1936-37—		
Madras .. .. .		66
Bombay .. .. .		66
Bengal.. .. .		66
United Provinces .. .. .		67
Punjab .. .. .		67
Bihar and Orissa .. .. .		67
Central Provinces .. .. .		68
Assam .. .. .		69
Burma.. .. .		69
COMBINED STATEMENTS OF HANDLOOMS AND WEAVERS .. .. .		70
INCLUSION OF SILK AND UNION FABRICS .. .. .		74
DISCUSSION .. .. .		75
II.—Handloom exhibitions and competitions.		
GENERAL MEMORANDA .. .. .		92
PATNA EXHIBITION .. .. .		96
DELHI EXHIBITION .. .. .		98
DISCUSSION .. .. .		102
III.—Abolition of distinction in respect of fees charged by educational institutions under the Departments of Industries from students belonging to the province and those coming from outside .. .. .		
		112
IV.—Regulation of labour conditions in workshops.		
SUMMARY OF CHAPTER VII OF THE LABOUR COMMISSION'S REPORT .. .. .		121
ACTION ALREADY TAKEN .. .. .		124
POSSIBLE METHODS OF ADVANCE .. .. .		125
DISCUSSION .. .. .		128
V.—Minutes of the first meeting of the Imperial Sericultural Committee .. .. .		
		145



## iii

	PAGE.
VI.—Matters arising out of the proceedings of the first session of the Advisory Council for Industrial Intelligence and Research :— ..	
1. UTILIZATION OF PROVINCIAL FACILITIES FOR INDUSTRIAL RESEARCH. .. .. .	146
2. ALLOCATION OF PRIZES .. .. .	153
3. CO-ORDINATION OF RESEARCH .. .. .	154
4. GLASS RESEARCH .. .. .	158

BULLETINS  
OF  
INDIAN INDUSTRIES AND LABOUR

No. 56]

1936

[April

PROCEEDINGS OF THE SEVENTH INDUSTRIES  
CONFERENCE.

*Held in New Delhi on the 28th and 29th October 1935.*

**AGENDA.**

I. Progress of the schemes for the development of handloom weaving industry and the question of allotments for 1936-37.

Inclusion of silk and "union" fabrics within the scope of handloom scheme.

II. Grants for an All-India exhibition or All-India competitions pertaining to handloom industry.

The All-India hand-weaving exhibition and competition to be held along with the Bihar and Orissa Provincial Exhibition at Patna in February 1936.

Exhibition of handloom products and improved handloom machinery and appliances at the All-India Industrial Exhibition to be held in Delhi in February-March 1936.

III. Abolition of distinction in respect of fees charged by educational institutions under the Departments of Industries from students belonging to the province and those coming from outside.

IV. Regulation of labour conditions (with particular reference to child labour) in unregulated factories and workshops.

V. Minutes of the first meeting of the Imperial Sericultural Committee.

VI. Matters arising out of the proceedings of the first session of the Advisory Council for Industrial Intelligence and Research.

**PRESENT :***Government of India.***Department of Industries and Labour.**

The Hon'ble Sir Frank Noyce, K.C.S.I., C.B.E., I.C.S.,  
Member of the Governor General's Executive Council  
—*Chairman.*

Mr. A. G. Clow, C.S.I., C.I.E., I.C.S., Joint Secretary.

**Indian Stores Department.**

Sir James Pitkeathly, Kt., C.M.G., C.I.E., C.V.O., C.B.E.,  
D.S.O., A.M.I.E.E. (Lond.), M.I.Mech.E. (Lond.),  
M.I.E. (Ind.), Chief Controller of Stores.

Mr. N. Brodie, M.Sc., F.C.S., A.I.C.,\* Director, Industrial  
Intelligence and Research Bureau.

**Department of Commerce.**

Dr. J. Matthai, C.I.E., I.E.S., Director General of Commer-  
cial Intelligence and Statistics.

**Imperial Council of Agricultural Research Department.**

Mr. B. C. Burt, C.I.E., M.B.E., I.A.S., Offg. Vice-Chairman.

Mr. N. C. Mehta, I.C.S., Secretary.

*Provincial Governments.**Madras.*

Mr. L. B. Green, M.B.E., M.I.E. (Ind.), Director of Industries.

*Bombay.*

Mr. P. B. Advani, M.Sc. Tech., M.I.E., J.P., Director of  
Industries.

*Bengal.*

Mr. A. T. Weston, M.Sc., M.I.C.E., M.I.E. (Ind.), Director of  
Industries.

Khan Bahadur A. M. Arshad Ali, Registrar, Co-operative  
Societies.

*United Provinces.*

The Hon'ble Sir Jwala P. Srivastava, Kt., M.Sc., A.M.S.T.,  
Minister.

Mr. R. T. Shivdasani, I.C.S., Director of Industries.

1936.] *Proceedings of the Seventh Industries Conference.* 3

*Punjab.*

The Hon'ble Dr. Sir Gokul Chand Narang, Kt., M.A., Ph.D.,  
Minister.

Rai Bahadur Lala Ram Lal, M.B.E., Director of Industries.

*Bihar and Orissa.*

The Hon'ble M. Saiyid Abdul Aziz, Bar.-at-Law, Minister.

Mr. S. M. Dhar, I.C.S., Offg. Director of Industries.

Mr. K. S. Rao, L.T.M., A.T.I., Textile Expert.

*Central Provinces.*

Mr. G. S. Bhalja, I.C.S., Director of Industries.

*Assam.*

Mr. S. L. Mehta, I.C.S., Director of Industries.

Mr. N. M. Sundram, Weaving Superintendent.

*Indian States.*

*Hyderabad.*

Mr. Ghulam Ali Mahamadi, B.A., F.C.S., Director of Commerce  
and Industries.

Mr. Nagnath, Textile Expert.

*Mysore.*

Mr. S. Abdul Wajid, B.A., Director of Industries and Commerce.

*Baroda.*

Mr. A. B. Pandya, B.A., LL.B., Director of Commerce, Industries  
and Labour.

*Gwalior.*

Tajir-ul-Mulk Lala Ramji Das Vaishya, F.R.S.A., M.R.A.S.,  
Secretary, Commerce Department.

*Jammu and Kashmir.*

Mr. T. C. Wazir, M.A., Deputy Director of Sericulture.

*Indore.*

Mashir Bahadur N. S. Rahalkar, B.A., Commissioner of  
Customs, Excise and Commerce.

1936.] *Proceedings of the Seventh Industries Conference.*

*Monday, October 28th, 1935.*

### CHAIRMAN'S OPENING SPEECH.

GENTLEMEN, it gives me very great pleasure to welcome you here this morning. The venue of our meeting has been changed this year and I hope that the journey to New Delhi has proved less inconvenient to you than that to Simla.

The Conference will, I am sure, be sorry to hear that the Minister for Industries in Bengal has been prevented from attending by serious illness in his family and I think you would like me to express our sympathy with him. I am sorry that there are not more Ministers present; we had hoped for a larger number, but a number of them have been prevented from coming owing to pre-occupations with other affairs of State.

This is the third occasion on which it has been my privilege to preside over the deliberations of this Conference and its aims and objects are now too well-known to make it necessary for me to enlarge upon them. Most of you were present at the last Conference and it will, therefore, I think, be sufficient if I review briefly the work which has been done since we last met in July, 1934. The Industrial Intelligence and Research Bureau has been established on what I have every hope will prove a sound basis and the first Session of the Advisory Council, which has been constituted in pursuance of the recommendations of our last Conference was held in July of this year. It got through quite a heavy programme of work and the important conclusions it reached have been placed before you. Now I come to the first and perhaps the heaviest item on our agenda, the progress of the schemes for the development of the handloom weaving industry and the question of the allotments for 1936-37. As you know, a sum of Rs. 5,76,000 was allotted to the Provincial Governments for expenditure on approved schemes during the seventeen months from November, 1934 to March 1936. With the assistance of these funds various schemes have been started and we hope to have from you the latest available information about the progress they have made. They are of a varied character for they include the training of weavers in improved methods of production, the establishment of sale depots and weavers' co-operative societies for the marketing of handloom products and the introduction of new patterns, new designs and improved appliances. Most of them have, I gather from the reports, been started so recently that it is much too early to form any definite conclusions about their prospects of success but those of you who are engaged upon them may be able to give us some indications of their possibilities. The question of allotments for 1936-37 will, I fear, prove a difficult one for it is only natural that you should have differing views on that subject. I would at this stage only express the hope that the spirit

of friendliness and co-operation which was so evident at the last Conference will enable us to arrive at an agreed solution.

We have followed up the third item considered at the last Conference and the recommendation of the Tariff Board and have established an Imperial Sericultural Committee which held its first meeting on February 25th last. In accordance with its recommendations, grants amounting to Rs. 94,000 have been allocated to various provinces to enable them to set up schemes for the benefit of sericulture. The schemes started in Bengal, Assam, Madras, Bihar and Orissa and Burma are designed mainly to increase the production of disease free seed ; there are also schemes connected with silkworm disease. The second meeting of the Imperial Sericultural Committee will be held at the close of this Conference.

Of those subjects on the Agenda to which I have not already referred, I should like to draw your special attention to No. IV, the Regulation of labour conditions (with particular reference to child labour) in unregulated factories and workshops. The inclusion of this subject in our agenda marks a new departure of some importance which, I hope, will meet with your approval, in that my Department is seeking your advice on a matter which relates more to labour than to industry. I am aware that labour is not yet the concern of Ministers but it shortly will be. I have little doubt that in many provinces, if not in most, the Minister for Industries will also be the Minister for Labour and I hope that this Conference in future years will be of as much assistance in labour matters as it has been in respect of industry. It is in that hope that I am asking you to give preliminary consideration to the question of the regulation of labour conditions in workshops. The subject is one of great importance and complexity and we shall, I think, be rendering most valuable service both to the Government of India and Local Governments if our deliberations result in concrete and practicable proposals being placed before Provincial Governments and the public.

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1936.]

*Handloom Industry.***I.—HANDLOOM INDUSTRY.****MEMORANDA.****SCHEMES FOR THE DEVELOPMENT OF HANDLOOM WEAVING INDUSTRY SUBMITTED BY THE LOCAL GOVERNMENTS, AS APPROVED BY THE GOVERNMENT OF INDIA.****Madras.**

The crux of the problem of handloom weaving is marketing. The Government of India have accordingly agreed to assist by grant of subsidy, schemes for developing co-operative buying and selling on behalf of the handloom weavers and generally for the better organization and improvement of the handloom industry. The grant for this Presidency is Rs. 26,500 for 1934-35 and Rs. 59,500 for 1935-36. The Director of Industries proposes to utilize this grant in giving subvention to a co-operative organisation and has accordingly in consultation with the Registrar of Co-operative Societies proposed the formation of a Provincial Co-operative Society. The area of operations of this Society will extend to the whole Presidency. The headquarters of the Society will be Madras and its authorised capital Rs. 5 lakhs divided into 10,000 shares of Rs. 50 each. Co-operative societies intended for the benefit of weavers are, among others, eligible to become members and each such primary society will, at the outset, consist of at least 50 members. 30 such societies will be organised in the first instance. The Provincial Society will be managed by private persons subject to the general control of the officers of the Departments of Industries and Co-operation acting as *ex-officio* members of the Board of Directors of the Society.

2. As the success of the scheme depends upon the regular sales of hand woven cloths produced by the Weavers' Societies, a Marketing Officer will be appointed and attached to the Provincial Co-operative Society. Besides this officer, there will be five marketing agents appointed in suitable centres. The agents will assist the primary weavers' societies in their jurisdiction in marketing their output. In course of time, the paid Marketing Agents will be replaced by Marketing Agents paid on a commission basis only and the services of paid men will be utilized for new centres.

The Marketing Officer will prepare a standard wage list for handloom weavers, regulate the cost of cloths manufactured in

primary weavers' societies and co-ordinate the work of the Marketing Agents. He will also secure forward contract orders from wholesale dealers of cloth and pass them on to the Marketing Agents for execution.

3. To supply the weavers' societies with a wide and varied range of improved designs for fabrics, a Cloth Designer will be appointed by the Provincial Co-operative Society. He will keep in close touch with the designs and patterns of mill cloths which are in great demand and evolve suitable designs for corresponding types of handloom cloths.

4. Attempts will be made to bring down the cost of production of cloths. The inclusion as members of the Provincial Society of firms engaged in the production, distribution or sale of raw materials required by the handloom weavers, such as, yarns, dye stuffs, chemicals, etc., will, it is expected, secure for the weavers' societies the required supplies of raw materials on advantageous terms and under guarantee of quality.

Small units of power-driven machinery for preparing and distributing ready made warps for handlooms will also effect reduction in the manufacturing costs of handloom cloths, and such installations will pave the way for the standardization of handloom products which will facilitate marketing. Proper finishing is also likely to create or to develop the demand for handloom cloths. It is therefore proposed to instal separate units of power-driven warp preparation plant and finishing plant. A small dyeing factory will be attached to the Provincial Society.

As the grant from the Government of India is however limited, it is proposed to make a subsidy to the Provincial Society to cover part of its expenditure on installing the above machinery.

5. The primary weavers' societies will be given a subsidy to cover the cost of their staff and to purchase appliances. When they begin to show a profit, the subsidy will be diverted to new societies to be started in other areas. Their activities will be mainly directed towards producing such fabrics as can be marketed in or near their areas of operation, and to undertake also the manufacture on handlooms of fabrics similar to mill cloths imported for use in their areas. Fabrics for the export market such as *lungees*, *kailies* and Madras handkerchiefs will also be produced and marketed:



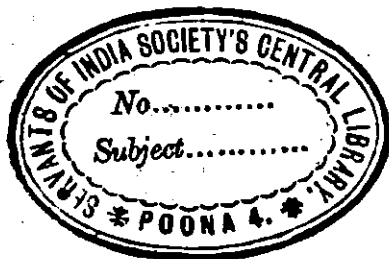
1936.]

*Handloom Industry.*

9

A statement of the expenditure likely to be incurred in giving effect to the scheme is given below :—

	Ra.	Per month.	Per year.
		Ra.	Ra.
Marketing Officer .. ..	400		
Cloth Designer .. ..	100		
Secretary .. ..	250		
Head clerk .. ..	75		
Accounts clerk .. ..	45		
Typist .. ..	40		
Cloth costing clerk .. ..	40		
2 Peons at Rs. 12 each—one for the Marketing Officer and one for the Secretary .. ..	24		
Travelling allowance for Marketing Officer and Secretary .. ..	275		
	1,249 or nearly	1,350	15,000
Marketing Agents .. ..	75		
Travelling allowance .. ..	40		
Rent .. ..	25		
Watchman .. ..	10		
	150		
5 Marketing Agents and their charges : 150 × 5		750	9,000
<i>Primary Weavers' Societies—</i>			
Manager .. ..	20		
Rent .. ..	10		
Healds and reeds .. ..	20		
Watchman .. ..	8		
	58 or nearly	60	..
30 Primary Weavers' Societies : 60 × 30 .. ..		1,800	21,600
Machinery .. ..			10,000
Advertisement, propaganda and other miscellaneous expenditure .. ..			3,900
		For a full year ..	59,500



## Bombay.

1. *Industrial District Associations.*—(a) It has been decided to start Associations in :—

- (1) Poona, (2) Ahmednagar, (3) Hubli (Dharwar District), (4) Ahmedabad and (5) Hyderabad. These will be registered under the Bombay Co-operative Societies Act to enable the Associations to be financed by the various Co-operative Banks.

(b) Membership will be open to individual weavers, weavers' societies and sympathisers. To enable as many weavers and others as possible to join, the shares will be of small value. Each Association will have a Board of Management of which the following will be *ex-officio* members, namely, the Marketing Officer (Handloom Products), local Assistant Registrar of Co-operative Societies and the local Weaving Assistant of the Department of Industries.

(c) The principal aims and objects of the Associations will be :—

- (i) to supply improved appliances on hire-purchase system or otherwise ;
- (ii) to supply raw materials at reasonable rates ;
- (iii) to advise weavers and others in regard to the production of improved and easily marketable patterns and designs ;
- (iv) to undertake preparatory and finishing processes and dyeing and printing in connection with handloom industry ;
- (v) to accept on consignment account against partial payment handloom products from weavers and to purchase outright handloom products and sell same, etc.

(d) To fulfil these objects, each Association will start a shop in the headquarter town of its district. In the case of Dharwar District the shop will be located in Hubli.

(e) Each shop will be directly supervised and managed by the Board of Management of the Association concerned, under the general control of the Joint Board referred to hereafter. The shops will accept on consignment account against partial advances and sell on commission basis products of handloom weavers. They will also purchase outright and stock the products of handlooms and sell them ; and whenever possible carry out the other objects mentioned in sub-paragraph (c) above. In determining the percentage of commission to be charged on consignment goods and rate of profit.

to be fixed in connection with other goods the aim of the shops will be to make themselves self-supporting as soon as possible.

2. *Utilization of existing organizations.*—It is also intended to help some of the existing organizations which are interested in the sale of handloom weavers' products, such as the Surat Peoples' Co-operative Bank's Emporium at Surat, Sholapur District Weavers' Co-operative Union Shop, Sholapur, and a shop proposed to be opened by the Sind Provincial Co-operative Bank Limited in Karachi, by a small subsidy from the Government of India grant for the scheme. The Joint Board will make suitable grants to these organizations, if and when, funds are available.

#### *Administration.*

3. (a) *Joint Board.*—The scheme will be generally controlled by a Joint Board consisting of the Director of Industries and the Registrar of Co-operative Societies. The administrative officer will be the Director of Industries.

(b) An Advisory Committee which will meet once in three months will be appointed for reviewing the working of the scheme as a whole. The proceedings of its meetings will be forwarded to Government by the Director of Industries with his remarks. The Committee will comprise (1) Director of Industries (Chairman), (2) Registrar of Co-operative Societies, (3) Managing Director of the Provincial Co-operative Bank, Bombay, (4) and (5) two non-officials actively engaged in piecegoods trade, specially fabrics produced on handloom, nominated by Government. The Marketing Officer will be the Secretary of the Committee.

(c) A Marketing Officer (Handloom Products) will be appointed on Rs. 450 per month for organizing the various District Industrial Associations and shops under them and for arranging for the sales of the products of handloom industry in the markets of Bombay City and elsewhere.

There will also be appointed a Textile Designer on Rs. 200 per month. This officer will advise the various shops, weavers and weavers' societies in connection with improved and marketable designs. These officers' headquarters will be in Bombay in the office of the Director of Industries.

(d) *Staff of each shop.*—Each shop will have a Manager, a Salesman, an Accounts Clerk and a peon. The Manager will be entitled to receive in addition to his salary, a bonus of 10 per cent.\* on the net profits earned by his shop.

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\*This has since been made divisible between the Manager and the Salesman in the proportion of 7 to 3.

*Financing of the District Industrial Associations.*

4. (a) *Capital for stocks.*—Each Association will obtain an advance of capital from Co-operative Banks for its shop for the purpose of purchasing its stocks and giving advances on account of consignment stocks received from the weavers, etc.

(b) *Non-recurring cost.*—Charges on account of furniture and other sundry requirements of each shop will be met from the savings effected from the Government of India grant not utilized so far. Same remarks will apply to the furniture in Bombay for the Marketing Officer and the Textile Designer. Expenditure on advertisements for the different posts under the scheme will also be met from the savings accrued so far.

(c) *Recurring expenditure.*—Recurring expenditure on account of the salaries, travelling allowance, etc., of the head office establishment, viz., Marketing Officer, Designer, clerk and peon, as well as the establishment of the shops, will be met from the Government of India grant.

(d) Provision has also been made for contingencies, publicity for goods under sale in the shops, etc., postage, bad debts and depreciation of stock. The latter charge has been fixed at Rs. 2,000 per year, per shop, as this sum is considered necessary in order to enable the District Co-operative Banks to advance the necessary capital.

(e) *Grants to existing organizations.*—No specific grants are provided for at present for the existing organizations mentioned in paragraph 3 above. The Joint Board will examine this point after the main scheme has been started with a view to see if any funds are available for making such grants.

*Statement of expenditure in connection with the Scheme (Details omitted).*

<i>Recurring—</i>		Rs.
Entertainment of supervising staff working in the whole Presidency.		12,504
Opening of 5 District Industrial Association Shops at 5 centres.	5,340 × 5	26,700
	<b>Total recurring</b>	<b>39,204</b>
<i>Non-recurring—</i>		
Shop equipment for District average per shop	535 × 5	2,675
Appliances for hire-purchase system	500 × 5	2,500
	<b>Total non-recurring</b>	<b>5,175</b>

1936.]

## Handloom Industry.

13

## Bengal.

Revised schemes for providing expert staff and machinery to Co-operative Industrial Societies for improvement of handloom industry.

1st December 1934 to 31st March 1935.

(Details omitted.)

Requirements of—	Non-recurring.	Recurring.	Total.
	Rs.	Rs.	Rs.
I. Bagerhat .. .. .	15,000	200	15,200
II. Alamdanga .. .. .	2,800	460	3,260
III. Bankura .. .. .	800	780	1,580
IV. Dacca .. .. .	800	940	1,740
V. Naogaon .. .. .	800	620	1,420
VI. Choumohani .. .. .	800	620	1,420
VII. Raipura .. .. .	800	460	1,260
VIII. Provincial Society .. .. .	..	1,660	1,660
IX. Travelling Allowance and Contingency .. .. .	..	3,125	3,125
X. Research Scheme for Serampore Weaving Institute.	1,000	1,430	2,430
	<b>22,800</b>	<b>10,295</b>	<b>33,095</b>
Balance to meet unforeseen expenses or to be carried over to next year .. .. .	..	..	2,405
<b>Total</b> .. .. .	..	..	<b>35,500</b>

1935-36.

(Details omitted.)

	Non-recurring.	Recurring.	Total.
	Rs.	Rs.	Rs.
I. Bagerhat .. .. .	..	600	600
II. Alamdanga .. .. .	24,000	2,340	26,340
III. Bankura .. .. .	24,000	3,300	27,300
IV. Dacca .. .. .	..	2,820	2,820
V. Naogaon .. .. .	..	1,860	1,860
VI. Choumohani .. .. .	..	1,860	1,860
VII. Raipura .. .. .	..	1,380	1,380
VIII. Provincial Society .. .. .	..	4,980	4,980
IX. Travelling Allowance and Contingencies .. .. .	..	7,500	7,500
X. Research Scheme for Serampore Weaving Institute.	..	4,290	4,290
	<b>48,000</b>	<b>30,930</b>	<b>78,930</b>
Balance to meet unforeseen expenses or carried over to next year .. .. .	..	..	1,070
<b>Total</b> .. .. .	..	..	<b>80,000</b>

The main points on which the revised scheme differs from the original scheme are noted below :—

- (1) In view of the remarks of the Sub-Committee of the Sixth Industries Conference the provision for subsidies to the Industrial Unions has been omitted except in the case of the Alamdanga Union. The provision of Rs. 2,000 in this special case is intended to enable the Union to make advances to the weavers in lieu of their finished products. This is retained as being of material importance to the success of the scheme.
- (2) Similarly, the provision for a subsidy of Rs. 10,000 to the Provincial Society has been omitted.
- (3) The pay of the Weaving and Dyeing Expert to be attached to each Union, fixed at Rs. 60 in the former scheme, has been increased to Rs. 75. This increase is recommended in view of the fact that experts are required with previous experience, and it is very doubtful whether men with adequate qualifications will be secured at less than Rs. 75.

At the same time, the number of supervisors has been reduced from 17 to 13.

- (4) Part of the staff proposed in the original scheme to be attached to the Provincial Society has now been provided under the head "Research Scheme for Serampore Institute". The reason for this is that, while the previous scheme was restricted to co-operative organization, there are outside the range and influence of the Industrial Unions, many weavers in different parts of the province with a traditional reputation for skill but congregated in areas where there are at present no co-operative organizations. The Department of Industries is doing what it can for men of this class but has found itself hampered for lack of an agency to study the changing fashions of the market, to watch the opportunities for new ranges of textures and ornamental styles likely to attract the public and to demonstrate to the weavers the methods and changes in their processes necessary to accommodate themselves to the market. An agency of this type has accordingly been included in the revised scheme with the special object of assisting those groups of weavers who are not organized into Industrial Unions, though the results of the research will be equally at the disposal of the co-operative bodies.— The staff entertained to carry out

1936.]

*Handloom Industry.*

1b

this work will be located at Serampore in view of the facilities provided by the Institute. The principal officer will be an expert textile organizer, whose duties will be—

- (i) to collect samples and to obtain information regarding their size, price, consumption and markets ;
- (ii) to find out from examination of the samples the nature and quality of the raw materials used, the structure of the fabrics, the dye stuffs and methods employed, etc. ; and
- (iii) to manufacture samples of cloth likely to have a success in the market.

He will be assisted by the two artisan assistants and one workman labourer provided in the original scheme for the Provincial Society so that the staff will form a complete self-contained unit. Provision is included for travelling allowance and contingencies so as to enable the staff to visit the markets and to introduce the new designs and patterns desired to the co-operatively organized weavers through the weaving schools and demonstration parties which the Department of Industries has already introduced.

- (5) The revised scheme provides for the installation in the Alamdanga and Bankura Unions of a complete range of modern power-driven warping, sizing and preparatory machinery for the purpose of supplying the local handloom weavers with ready warped beams suitable to their requirements, the yarn being obtained and supplied by the Union by wholesale purchase and the dressing and warping operations being conducted on concentrated and therefore cheaper lines by the use of modern machinery. This means an expenditure on machinery of Rs. 24,800 in each Union (except Bagerhat) as against Rs. 8,200 in the previous proposals. In the case of Bagerhat as a certain amount of winding and warping equipment as well as steam power are already in existence, one slasher sizing machine and one calendering machine at a cost of Rs. 15,000 are being provided. The non-recurring expenditure required for foundations, shafting, driving, etc., has not been separately estimated, and will be met from the lump provision for unforeseen charges.

### The United Provinces.

#### I.—Scheme for the survey of the cotton handloom weaving industry.

A general industrial survey of the different districts of the United Provinces was undertaken in 1922-24 ; but owing to financial difficulties, the scheme could not be completed by taking up a survey of the various industries ; moreover the results of the previous survey are now out of date. A census and detailed survey of the cotton handloom weaving industry is highly desirable, as a preliminary to organized and effective State aid. It is therefore now proposed to carry out a survey of this industry to ascertain the number of looms and their production to form an estimate of the capacity of the weavers of the different weaving centres, and to enquire into the different systems in operation for the supply of yarn for the production of fabrics and for the marketing of the products. On the basis of the information so collected it will be possible to draw up a suitable plan of action for each centre.

2. It is proposed to appoint fifteen special investigators. They will be men with technical training in weaving with a capacity to handle the census and survey including the technical and commercial aspects of the industry. A comprehensive questionnaire has been prepared for their use. Their work will be supervised by three Superintendents of Industries who are among the survivors of the Industrial Survey staff that was recruited over a decade ago and have therefore had experience of survey work ; one of these Superintendents will co-ordinate the work at the different centres and will be in charge of the compilation work at headquarters.

3. The investigators will have to undergo a preliminary training for about two weeks before starting work. It is estimated that they will remain occupied for eight months which includes the preparation of their reports and further investigations where necessary at the instance of the Superintendents of Industries. The clerical staff and the Superintendents of Industries will have to work for about a month longer.

4. It is proposed to pay the investigators Rs. 80 per mensem and their travelling allowance is estimated to be Rs. 20 per mensem. Further, they will be allowed a bonus to be paid after the completion of their work. It has been found that temporary investigators become careless especially towards the end of the period of employment. It is often necessary to refer some points to them for explanation even after they have sent in their report and ceased to be in employment but in such cases it is usually difficult to get replies from them. The bonus is designed to secure that they should attend to such inquiries even after the completion of their term. A bonus of



Rs. 80 per investigator has been proposed. It will be paid after they have completely satisfied the Director of Industries. In addition, it is proposed to allow each investigator a peon or porter on a salary of Rs. 12 per mensem inclusive of travelling allowance.

5. The scheme is estimated to cost Rs. 31,219. The United Provinces Government will meet the cost of the tabulation typewriter (Rs. 500) and the salary and allowances of the three Divisional Superintendents of Industries which come to Rs. 13,500. The balance, *viz.*, Rs. 17,719, is to be met from the Government of India's grant. The expenditure over this scheme will be non-recurring and will be paid out of the amount sanctioned for the first seventeen months.

## II.—Organized State aid for the development of the handloom weaving industry—(Cotton).

The survey will last for 6 or 8 months; it is not however proposed to wait for the result of this survey before taking up other work. It is well known that the primary difficulty of handloom weavers is in connection with the disposal of the articles made by them. It is therefore necessary to provide proper marketing facilities and at the same time to ensure that the goods made should be such as would appeal to the public and find a ready sale.

2. *Samples.*—Accordingly, it is proposed that the first step should be the collection of samples of the articles that are being made at present. These samples will be obtained partly by the Investigators employed in connection with the Survey Scheme and partly by the regular staff of the provincial Department of Industries. These samples will be examined and those likely to attract customers will be selected. At the same time, samples with new and improved designs will be prepared at the Weaving Schools. The approved samples will be graded and their specifications drawn up. Suitable sample cards and books will be prepared and, where necessary, full size or reduced size samples will also be prepared. Owing to the large variety of the handloom products of the United Provinces the number of samples will be fairly large. It is estimated that Rs. 3,000 will have to be spent for the samples in the first year over and above the amount provided for in the Survey Scheme, while Rs. 2,000 a year will be required for the purpose in subsequent years.

3. *Commercial Travellers.*—These samples will then be given out to Commercial Travellers who will go round to different places and find out for which classes of goods there is a market and suggest new lines of work in the light of the information obtained by them as regards the requirements of consumers. They will also canvass

for orders on the basis of these samples. These Canvassers will be of two types one for rural areas and the other for urban areas. Efforts will be made to select intelligent weavers for the rural areas who will visit important markets. Six Commercial Travellers will have to be appointed over and above the special arrangements that may be made in the rural areas. The total cost involved is Rs. 7,590 in 1934-36 and Rs. 10,440 in the next year.

4. *Design.*—If these Commercial Travellers are to continue to find a ready sale for the goods made, it will be necessary to keep on evolving new designs or adapting old ones to modern conditions. Textile designing is, however, a specialised trade and, though artistic training and aesthetic inspiration are indispensable qualifications, further specialisation for textile designing is required. It is proposed to appoint one head designer who will be a trained textile designer both for ordinary as well as jacquard work and to have under him two artist draftsmen, who will be trained in textile designing and will work under the head designer. Printing is an important branch of the textile industry and it is proposed to have one designer exclusively for printing. The designers will have to work in consultation with the Arts and Crafts Schools on the one side and industry on the other. They will be attached to the Central Weaving Institute, where these designs will be executed on the looms before being sent out to the weavers. The Printing Designer will be at the Government Dyeing and Printing School, Cawnpore. But the selection of the designs will be entrusted to a suitable committee, and separate designs will be introduced for the foreign market to suit European tastes. In addition to the appointment of the requisite number of designers, allowance must be made for meeting the losses incurred in connection with the execution of these designs by inexperienced men and also to meet the loss due to failure of the designs in the market. The cost under this head is estimated to be Rs. 7,280 in 1934-36 and Rs. 7,280 in the next year also.

5. *Supervision of manufactures.*—Weavers are not expected to prepare goods of new designs and according to specifications without guidance and control. The existing arrangements of giving demonstrations of improved methods by the demonstration section of the Model Weaving Schools will continue to be utilized for this work for the present ; later they will be replaced by Tuitional Classes as proposed by the Industries Re-organisation Committee for imparting training to the weavers in new and improved methods and for introducing new designs and appliances among them. But the task of supervising production for marketing cannot be solely entrusted to these schools or classes. It is necessary to ensure that orders received are complied with promptly and that the goods

made are up to standard. A separate staff of Supervisors will have to be engaged for this purpose at each centre selected for intensive work under this scheme. These Supervisors will be Master Weavers who can introduce improved methods and appliances among the weavers, get articles made in accordance with the new designs evolved, supervise the manufacture when orders are received and see that no delay occurs in complying with orders.

6. *Subsidised production of superior goods.*—Besides getting orders executed the Supervisors should also try to encourage the manufacture of articles of better quality. The cost of production of such articles will naturally be higher than the existing articles of the same type ; better yarn or dyes may have to be used or higher wages paid to make good the loss of the weaver in attempting new varieties which he may not be able to produce at the same speed at which he would be working on the old ones. It will, therefore, be necessary to subsidise such manufacturers, in the first instance, till the experimental stage is over and the consumers are educated to the fact that they can get better value for their money by purchasing articles of superior quality, and are prepared to pay for them accordingly.

7. *Improved appliances.*—In order to produce better articles, improved looms and appliances are usually required. These appliances are often beyond the reach of weavers. To improve the work at the different centres it will be necessary to demonstrate the use of improved looms and appliances and to lend them to weavers—preferably to those organized co-operatively rather than to individuals. The weavers will be induced to buy them either on the hire-purchase system or otherwise, or to return them if they are not satisfied. Some loss is bound to be involved in the process and it is proposed to provide Rs. 2,000 in the first year for the experimental supply of such appliances, and later the provision will have to be increased to Rs. 2,500 a year.

8. *Stores.*—As the work develops, there will have to be some organization at the weaving centre other than the Master Weaver, to organize production, marketing and finance. It is proposed to have a small Store at each centre which would serve as a clearing house or link between the market and the weaver. It will attend to correspondence, packing and despatching, etc., it will get special types of articles made and will also keep a small stock of standardised goods, which are in demand, for customers will not always like to wait till the articles can be manufactured. In cases in which the weavers have any difficulty about the purchase of their raw material and appliances or have to pay an abnormally high price for them, the Store could arrange for the supply of the same.

The Store will be run on more or less co-operative lines and, as far as possible, money will be obtained through the Co-operative Bank to enable the weavers to manufacture the articles required for which orders have been received or may reasonably be expected. The recurring expenses on staff, contingencies, subsidy, etc., will have to be met from the Government grant. Where co-operative organization will not be immediately possible, the Store will be a branch of the Central Marketing Organization and will have to be financed from its commercial operation grant. The Store will look specially to the marketing of the products in the rural areas and may arrange with dealers to stock some articles on its behalf on commission sale. Its primary work will be to canvass for orders both directly and through the Central Organisation and commercial travellers and to see to the proper compliance of these orders. It will be assisted on its technical side by the Supervisor and the Tuitional Weaving Classes. It is estimated that the cost of supervision and of running six such Stores will be Rs. 16,588 in 1934-36 and Rs. 23,164 next year. This amount does not include the cost of the school or the staff to be maintained by the United Provinces Government.

*9. Provincial Marketing Organization.*—One of the main difficulties of small Stores at the weaving centres is that they would not, if left to themselves, be able to get into touch with distant markets or to advertise the articles. A Provincial Central Organization will, therefore, be necessary to organize wholesale marketing and to co-ordinate and integrate the various activities. Its main functions will be :—

- (i) To secure orders and business through commercial travellers or otherwise.
- (ii) To advertise the products.
- (iii) To display samples.
- (iv) To do some wholesale business in standard goods.
- (v) To participate in exhibitions.
- (vi) To supply commercial intelligence.
- (vii) To help and guide in introducing new designs.

For the present, a beginning will be made by adding a section to the United Provinces Arts and Crafts Emporium at Lucknow. This section will be a self-contained organization under the general supervision of the Business Manager who will be assisted by an Assistant Manager. The officer of the Industries Department in charge of the handloom scheme will be the Controller. At first, a portion of the existing show room will be fitted up with samples and a separate store-keeper appointed. As soon as the commercial

travellers begin work, the Assistant Manager will be appointed. After the completion of the survey work the commercial intelligence section will be organized. As the work develops, necessary additions will be made to the staff. The services of the Textile Expert and the Textile Inspector, Co-operative Societies, will be utilized for the technical side of this organization till a whole-time technical man with business experience is appointed to be in sole charge of the textile section of the Provincial Marketing Organization. The Marketing Organization will have a commercial operation grant till such time as finance is taken over by Co-operative Banks. To start with, it is proposed to enhance the commercial operation grant of the Emporium to finance the marketing of the products of handloom weavers. It is not possible to run this provincial organization from the profits of its commercial operations. It will be a subsidised organization and the net cost is estimated to be Rs. 10,247 in 1934-36 and Rs. 19,976 in the next year.

10. *Finishing or rather calendering of the handloom products.*—

One of the chief difficulties about the marketing of the products of handloom weavers is their lack of finish. The articles may be more durable but have to be sold at a lower price on account of this defect. Finishing machinery and appliances are, however, expensive and beyond the means of weavers. It is, therefore, proposed as an experiment to instal a calendering machine at one weaving centre; if circumstances permit, this may be combined with a bleaching plant. Goods from other centres also would be brought to the factory for bleaching and calendering; a special grant would be needed for meeting the recurring expenses required for this purpose. The cost of a small calendering plant is said to be Rs. 28,000 and if a bleaching arrangement is attached this would add another Rs. 10,000 to the cost; building and erection charges would be about Rs. 5,000 so that the total non-recurring cost would come to Rs. 43,000 (of which the Local Government would be prepared to meet Rs. 5,000). In addition, the recurring charges for running expenses are estimated at Rs. 3,000 to Rs. 4,000 a year.

11. *Research and experiments.*—The appliances and processes generally used by the weavers, dyers and printers are old fashioned and uneconomical. The evolving of better, but at the same time, simple and inexpensive appliances needs to be carefully studied. The Central Weaving Institute, Benares, was at one time intended to be an All-India centre for such research, but it has become more of an instructional institution. The Local Government already spend Rs. 35,000 a year on this institution, in addition to Rs. 1,68,000 spent on buildings and plant. There is however a proposal to reduce the expenditure on this institution. It does not appear

feasible to carry on research as well as to impart instruction with the existing staff. It is proposed to appoint special staff consisting of one Research Assistant, two Master Weavers, one Carpenter Mistri and one extra Warper to enable the institution to carry on research in a satisfactory manner. Provision will also have to be made for contingencies and travelling allowance. The cost is estimated to be Rs. 4,500 in 1934-36 and Rs. 7,110 next year.

If it is found by experience that part of the additional staff required for the Benares Weaving Institute to carry on research can be made available by some sort of reorganisation within the school, it is proposed to employ additional staff for research at the Dyeing and Printing School at Cawnpore. It is not however feasible at present to give any estimate about this.

12. The scheme may now be briefly summarised. Steps will be taken to have samples prepared as soon as possible. Designers will be appointed to evolve new and improved designs. As soon as samples are ready, commercial travellers will be appointed to take them round and find a market for them. Trial orders may then be expected to come in and supervisors will have to be appointed to see to the proper execution of these orders. As the work develops a Store will be started at the weaving centre concerned. The Central Marketing Organization will also have to be brought into being at the same time, to guide and help the work at the different centres and supplement the activities of the commercial travellers. Steps will also be taken to put up a small finishing (calendering) plant at a suitable centre as an experimental measure.

13. The expenditure involved in the scheme will be seen from the following statement :—

	Annual.	Require-
		ment during 1934-36.
	Ra.	Ra.
1. Purchase and supply of samples .. .. .	2,000	3,000
2. Commercial travellers .. .. .	10,440	7,590
3. Design .. .. .	7,280	7,280
4. Supervisors and Stores .. .. .	23,164	16,148
5. Provincial Marketing Organization .. .. .	16,830	7,247
6. Finishing .. .. .	3,000	40,000
7. Research and experiments .. .. .	7,110	4,500
	69,824	85,765
Deduct probable savings .. .. .	3,824	1,924
Total .. .. .	66,000	83,841

*Share of the United Provinces Government in the scheme for organized State aid to handloom weaving.*

1. *Design.*—The existing staff of the Weaving and Dyeing and Printing Schools will help in designing as well as in the production of the new design fabrics. No separate estimate of the cost, which will thus indirectly be borne by the Local Government, can be given.

2. *Supervision and Stores.*—The Superintendents and the Demonstration Instructors of the existing Model Schools, the staff of the Dyeing and Printing School at Bulandshahr and the peripatetic dyeing parties will be utilized for this work. At some centres the Stores may be located in the school building. It is proposed to replace these schools by tuitional classes. Such classes will be more directly utilized for improving the technique of the weavers of the centres where Stores will be located. These schools will not only train weavers in improved weaving but will produce new designs given out by the Central Weaving Institute on their looms and also show its working to weavers on their own looms. School contingencies and appliances will be utilized for this work.

Further, the supervision and control of the work at the centres will be done by the officers of the Industries and Co-operative Departments. The staff for the supervision and control of survey will be available for supervision of the entire scheme. The two Divisional Superintendents in charge of the weaving schools will supervise the scheme at the weaving centres. The heads of the three central textile schools will control the technical side of the work and the Inspectors of Co-operative Societies will look to the co-operative organization.

They will have to be relieved of some of their normal duties and their travelling allowance grants will have to be increased.

3. *Provincial Marketing Organization.*—The Emporium will be utilized for the scheme of a provincial marketing organization. The Business Manager of the Emporium will have to supervise the sales work and general control will be exercised by the officers of the Industries Department. The United Provinces Government will also find funds for commercial operations for the purpose. It is proposed to set apart Rs. 20,000 during 1935-36. This sum will be increased according to requirements.

4. *Research and experiments.*—Research and experimental work will be carried out at the School of Dyeing and Printing and at the

Central Weaving Institute on handloom weaving, dyeing and printing on cotton as far as funds permit.

5. *Finishing plant.*—The Local Government will meet the cost of the building for the finishing plant Rs. 5,000.

### III.—*Sole-Buying Agency Scheme.*

Weavers are too poor to be able to hold on to their stocks ; they must sell their products almost as soon as they are made, so that they may get money to manufacture more articles. Experiments have been tried in the Co-operative Department to induce them to deposit their manufactures with a sales organization on a sale and commission basis, but have not been successful mainly because of their need for immediate cash or financial accommodation. It would be a great advantage if reliable firms could be found each of which would undertake to purchase a particular line of goods as soon as they are made and then market them itself. Such a firm should be given a suitable subsidy on a sliding scale depending on the value of the goods which it purchases.

2. Such buying agents would be under an obligation to purchase all the goods produced—provided, of course, they are to standard and not to make purchases of similar articles from others. The rates at which the finished goods will be purchased by them will have to be settled beforehand ; arrangements for the purchase of the raw material required will have to be made at the same time, so that the manufacturers may not be adversely affected by fluctuations in the price of the raw materials used. Steps will have to be taken to ensure that the goods produced are not sold to any other agency. An alternative is that the articles produced may be purchased by the buying agents not at a price fixed in advance, but at a price which bears a definite relation to the ruling price of the yarn used. To begin with the Sole Buying Agent should confine his activities to articles made by co-operative societies of cottage weavers which number about 30 ; such societies can be trained under proper guidance and supervision to manufacture articles up to a certain standard and in their case the price to be paid for the goods can be settled more easily and with greater fairness to both sides than in the case of un-organized weavers ; the educative and propagandist value of the work done will thus be greater.

3. Such a venture will be a pioneer one in India ; no firm will take up such work without an adequate subsidy. The cost in 1934-36 will be Rs. 2,000 and in future Rs. 6,000 per annum.



1936.]

*Handloom Industry.*

25

The expenditure involved in all three schemes combined is as follows :—

	Annual. Ra.	During 1934-36. Ra.
The Survey scheme .. .. .	Nil	17,719
The present scheme .. .. .	66,000	83,841
The scheme for a Sole Buying Agency .. .. .	6,000	2,000
<b>Total .. .. .</b>	<b>72,000</b>	<b>1,03,560</b>

**Punjab.**

As the grant sanctioned is less than half of that asked for by plan of work. Under the original scheme it was proposed to have a central organization or depot at Amritsar with five branches at outlying places, viz., Ludhiana, Hoshiarpur, Jalalpur Jattan, Multan and Panipat. It is now proposed to establish the central depot at Amritsar but to locate branch depots at Hoshiarpur and Multan only and to utilize the funds available as follows :—

Details omitted.

	Expenditure during 1934-35. Ra.	Expenditure during 1935-36. Ra.
Central station at Amritsar (to be established from 15th December 1934).	10,604	24,972
Cost of two outlying depots (to be started from 1st January 1935).	6,396	13,028
<b>Total .. .. .</b>	<b>17,000</b>	<b>38,000</b>

3. The work of the depots will cover the following :—

(1) *Central depot.*

## (i) Designs, i.e.—

- (a) working out designs,
- (b) distribution of designs locally and to outlying depots,
- (c) execution of designs locally.

## (ii) Marketing.

(iii) Circulation of intelligence pertaining to the handloom industry, e.g., results of research work carried out by the depot.

## (iv) Printing.

(v) Introduction of improved looms.

(2) *Local depots.*

Supervision and actual assistance of weavers in the execution of designs, both those distributed by the central depot and others.

4. The duties of the staff will be as follows :—

*Marketing Officer and Canvassers.*—These officials will help in solving the problems of marketing including the utilization of the usual existing agencies with a view to promote sales. To ensure a keen interest on the part of the Marketing Officer it is proposed to make part of his remuneration payable on a commission basis.

*Designer.*—At present the handloom weaver is generally so helpless that he is unable even to copy, much less adapt, such imported designs as have captured the market. It will be the designer's duty to analyse marketable designs and work out their complete technical and commercial data. He will further, in co-operation with the Marketing Officer, be required to adapt foreign designs with suitable modification to suit the market. Designs after being worked out will be distributed by the central depot to local depots for circulation amongst weavers and also circulated locally.

*Printer.*—Printing is an important adjunct of the handloom weaving industry as certain coarse varieties of handloom cloth can only sell in competition with other cloths, if they are printed in attractive designs. A wholtime printer is, therefore, necessary to devote attention to developing this side of the industry.

5. The introduction of improved handlooms is an important direction in which assistance is called for, and this matter will be made one of the foremost functions of the depots. When passing on orders to the weavers for execution, those who use improved looms or improved appliances will be given preference. They will be granted loans, if they so desire, and in case of real hardship subsidies will be granted. It will only be through the use of proper appliances that the handloom weaver can hope to complete in these days of keen competition. Sized warps will be supplied where necessary to weavers from the depots, and standardisation will also be secured through the same source. Efforts will be made to secure to weavers the supply of cheap yarns and raw materials. Mills and other suppliers of these materials will be encouraged to stock their articles at the depots for sale to weavers without charging any commission.

**Bihar and Orissa.**

This scheme is drawn up on the assumption that the annual grant for a period of five years will be made available by the Government of India for the development of the handloom industry and that the amount of the grant for the remainder of the current

financial year will be Rs. 23,000 while for the year 1935-36 it will be Rs. 52,500. The estimate of cost for the remainder of the five year period is also based on the assumption that the annual grant will be Rs. 52,500 till the end.

2. The main difficulty of the handloom weaver has been marketing, which has rightly been referred to as the crux of the whole problem of the handloom industry. But successful marketing pre-supposes efficient and organized production. The handloom weaver not only requires assistance in the marketing of his products, but also guidance in the efficient and economic production of goods which are marketable. While, therefore, emphasis is rightly laid on marketing, the necessity for linking marketing with organized and sufficient production is obvious. In this province an outstanding success of the Department of Industries in the development of the handloom industry is the organization of the Purdah Section of the Cottage Industries Institute. This Section not only finds markets for Bihar handwoven textiles of special designs but also supervises the efficient production of these goods by cottage weavers. The object of the scheme now submitted is to extend the work of the Purdah Section by promoting the manufacture and sale of standard goods, *e.g.*, *sarees*, *dhoties*, towels, shirtings, etc., as a flourishing cottage industry. In doing so regard will be had to the nature of the competition from mill-made goods and to the importance of designing and of ascertaining the special peculiarities of local taste which can not be catered for by the mills.

3. As the organization which it is now proposed to set up will function on exactly the same lines as the Purdah Section of the Cottage Industries Institute, it is proposed that it should take over in its entirety the work of this Section and develop it with the aid of the Government of India grant. The organization will thus have, from the beginning, the ready-made flourishing business in Bihar Purdah. On similar lines it will endeavour to develop the sale of other hand-woven goods. It will also have the advantage of the regular supply on credit of hand-woven goods manufactured in the three important textile institutes of the Department, *viz.*, the Cottage Industries Institute at Gulzarbagh, the Silk Institute at Bhagalpur and the Wool Weaving Institute at Gaya. The goods supplied by these institutes will form part of the stock of finished goods of the marketing organization and should be of great assistance in exploring the possibilities of the market. The essence of the scheme is therefore that the Purdah Section should be absorbed in the new organization which will also work in co-operation with the Government textile institutes within the province.

4. The marketing organization for hand-woven fabrics will consist of three separate departments with a technical assistant in charge of each. The departments will be (a) Manufacturing, (b) Finishing, and (c) Marketing. A Business Manager will be in charge of the entire organization and will supervise the work of all the three departments. Much of the success of the scheme will depend on the initiative and ability of this officer. It is proposed to recruit a man on a suitable scale of pay subject to a maximum of Rs. 350 a month *plus* one-half per cent. commission on sales on excess of Rs. 1,20,000 which are the average annual sales of the Purdah Section for the last three years. This officer will work under the direct supervision of the Textile Expert and the Director of Industries. Apart from weekly reports on the working of the organization, he will be required to refer several matters for sanction before undertaking any expansion of the business or any expenditure on exhibitions and publicity. The work of the new organization will thus entail a heavy increase of clerical and correspondence work in the office of the Director of Industries. To cope with this it is proposed to employ one temporary typist on Rs. 40 per mensem at the head office and to give an allowance of Rs. 25 a month to an assistant already in this office who will work as a steno-typist to the Textile Expert in addition to his ordinary duties. The functions of each of the three separate departments of the marketing organization may now be considered before dealing with the expenditure which these proposals involve.

5. *Manufacturing Department.*—The importance of organized production has already been stressed. The main function of this department would be to prepare specifications of the different varieties of textiles which will be required for marketing and to secure standardisation as far as practicable. It will also supervise actual production which will be undertaken through co-operative societies or failing such societies through qualified master weavers who should preferably be men trained in the various institutes. The aim will be to organize production as far as practicable through co-operative societies. Master weavers, if employed, will act as agents of the marketing organization. The Business Manager, after a careful study of the markets for cotton fabrics, will select a few samples of staple goods for manufacture. The samples with detailed instructions and specifications will be passed on to weavers' societies or master weavers for the manufacture and supply of goods at rates previously agreed upon. With a view to standardise the quality of woven goods, the societies or master weavers will be required to buy their yarn either from the marketing organization or from approved cotton mills. The Manufacturing Department will, therefore, be required to maintain a yarn Store at its headquarters at Patna and to stock both grey and dyed yarn. The

technical assistant in charge of this Store will assist co-operative societies and master weavers with technical advice in regard to manufacture. He will also receive and inspect the goods woven by them for the marketing organization. Finished goods will be paid for at prices which will allow reasonable wages to the weavers and profits to co-operative societies or master weavers. The agreement with master weavers, if employed, will provide for payment to weavers at definite rates to be fixed by the Business Manager. It will be the duty of the weaving supervisors of the demonstration parties and of the Textile Expert to see that the rates of wages fixed by the Business Manager are actually paid to the weavers. In special cases, with the sanction of the Director of Industries, yarn and raw materials may be supplied on credit to the extent of one-third of the value of the goods ordered. All dues on account of such advances will, however, be deducted from the subsequent bills of the parties for goods supplied. In order that co-operative societies may be sufficiently developed to handle the business of the marketing organization it is proposed to appoint a temporary organizer and three weaving supervisors to assist in the formation of these societies and to supervise their proper working. The pay of the organizer will be Rs. 150 per mensem and of weaving supervisor at Rs. 60 *plus* Rs. 10 as fixed travelling allowance per mensem. The appointment of the organizer and the weaving supervisors will be made from the 1st March 1935 and expenditure on this account is estimated to be Rs. 6,000 per annum. The estimates of expenditure for the year 1936-37 and subsequent years further provide for the appointment of three additional demonstration parties at a total cost of Rs. 12,000 per annum. These parties will consist of these weaving supervisors, three dyeing mistries and three peons. They will assist the weavers in producing new designs of cloth which may be required for the marketing organization after the first year's working.

6. *Finishing Department.*—One of the greatest handicaps in the marketing of hand-woven fabrics is the lack of proper finish and attractive "get up" which mill production has made familiar. For this reason the scheme provides for a small central finishing plant of the type employed by modern cotton mills. The plant consisting of bleaching, finishing and calendering machinery will be fitted in the workshop building of the Cottage Industries Institute which will require certain additions and alterations for the accommodation of a boiler and an engine. The finishing plant will consist of (1) sewing machine; (2) half ton boiling kier; (3) roller washing machine; (4) chemicking and souring machine; (5) scutcher with plaiter; (6) finishing range with drying cylinders; (7) three bowl calender and (8) a folding machine. The entire plant with boiler and engine is estimated to

cost a sum of Rs. 30,000 approximately which will be met from the Government of India's grant in 1935-36. The figure is higher than the one given in the memorandum submitted for the Industries Conference, but the latter figure was only tentative as there was no time to obtain quotations from firms.

The staff of the Finishing Department will consist of a finishing master, two mistries (one for bleaching and the other for finishing and calendering), an engine driver and a boiler attendant. The wages of labour to be employed in this department as well as the cost of coal, stores, etc., will be met from a lump provision for contingent expenditure for the Finishing Department. After finishing, the goods will be folded, labelled and printed with a suitable trade mark before being sent to the warehouse of the Marketing Department.

7. *Marketing Department.*—The marketing of finished goods of the handloom industry will be done by the following agencies :—

- (a) The Central Depot at Gulzarbagh.
- (b) Branch Sale Depots at Bankipore and other important centres within the province, *e.g.*, Bhagalpur, Ranchi, Cuttack, Jamshedpur and Muzaffarpur.
- (c) Selling agents in other parts of India and abroad ; and
- (d) A Commercial Traveller touring within and outside the province under the instructions of the Business Manager.

Supplies of all goods will be made from the central warehouse which is proposed to be located in a building adjacent to the Cottage Industries Institute at Gulzarbagh. The Business Manager will also have his office and the yarn Store in this building. The retail selling prices of goods manufactured for the marketing organization will be fixed by the Business Manager with the approval of the Director of Industries. The sale depots, selling agents and the Commercial Traveller will be required to sell the goods of the marketing organization at these prices but will be paid a commission on all sales at rates previously agreed upon. In addition, it is proposed to grant a subsidy to each sale depot which will cover roughly the cost of shop rent. The Commercial Traveller who will be required to canvas orders for the marketing organization will be paid Rs. 80 a month *plus* travelling allowance at the usual rates. He will also be allowed a commission of five per cent. only on such sales as will be effected by him.

8. *Expenditure on building.*—The central warehouse and the office of the Business Manager will be located in the building

1936.]

*Handloom Industry.*

31

adjacent to the Cottage Industries Institute, which, it is hoped, will be made available by the Public Health Department. No additions or alterations to this building will be necessary. The finishing plant will be located in the workshop buildings of the Cottage Industries Institute. The bleaching and finishing machines will be fitted up in the lecture hall of the workshop building and in the room to the south of it. The boiler, engine and the pumps will be placed outside this hall in a shed to be constructed for the purpose. An estimate of cost for necessary additions and alterations is being prepared by the Public Works Department. This expenditure will be met from the provincial revenues.

9. *Working capital.*—It is proposed that the working capital should be provided by the Local Government. The Purdah Manufacturing Section already receives an annual grant of Rs. 1 lakh under contingencies non-contract. This amount is utilized for the manufacture and purchase of purdahs, etc., and the sale proceeds are credited to the Industries Department budget as revenue receipts. It is now proposed that the Local Government should provide a grant of Rs. 1 lakh as stock advance to the marketing organization with effect from the 1st April 1935 on the same terms as the advances to the Department of Agriculture for organizing the supply of seeds, manure, agricultural implements and well-boring materials. This will be in the nature of a permanent advance and will be kept in a personal ledger account in the local treasury at Patna. This amount of Rs. 1-lakh will form the working capital of the organization in addition to the value of the stock in trade of the Purdah Section that may be available on the 31st March 1935. It may be noted in this connection that the stock in trade was estimated at Rs. 89,180 on the 31st March 1934. The annual profits that may be declared after audit will be credited to the Local Government as revenue receipts. The accounts will be subject to local audit annually by the Examiner of Local Accounts.

10. *Details of expenditure of the Government of India Grant.*—The grant from the Government of India will be utilized to meet the cost of the organization detailed in the preceding paragraphs and also for exhibitions and advertisement. Estimates of cost (details omitted) for the years 1934-35 and 1935-36 for which the Government of India have allotted Rs. 23,000 and Rs. 52,500, respectively, to this province are given in the following paragraph along with the estimates for the subsequent years, based on the assumption\* that the grant after 1935-36 will be Rs. 52,500 per annum. For the current year (1934-35) expenditure is estimated to amount to Rs. 4,000 only owing to the fact that the organization cannot be properly started

\* In approving the scheme it was pointed out to the Local Government that the Government of India could not give any undertaking that the amounts of the grants during subsequent years would remain the same as for 1935-36.

before the 1st February 1935 as some time will elapse before the several posts are advertised and the important posts are filled up.

11. Existing staff of Purdah Section will be utilized for marketing organization. The cost of this staff (Rs. 403) will continue to be met from provincial revenues.

	Rs.	
12. (1) Estimates of cost for the year 1934-35 ..	4,000	
(2) <i>Estimates of cost for the year 1935-36—</i>		
(a) Establishment (new staff)—		
(i) Business Manager and his staff (1,000×12) ..	12,000	
(ii) Finishing Department— .. .. .	4,500	
(b) Labour charges, coal, stores, contingencies etc., of the Finishing Department .. .. .	3,000	
(c) Grant to Co-operative Department for organizing weaver's co-operative societies .. .. .	6,000	
(d) Travelling allowance .. .. .	2,500	
(e) Advertisement and publication for propaganda ..	2,000	
(f) Cost of participation in exhibitions and fairs ..	2,500	
(g) Subsidies to branch Stores .. .. .	5,000	
(h) Contingencies which include packing charges, tele- phone, municipal taxes, hot weather charges, etc.	3,000	
	Total ..	40,500 (recurring)
(i) Purchase of a finishing plant .. .. .	30,000	} (non-recurring).
(j) Cost of furniture and equipment .. .. .	1,000	
	Total ..	71,500
(2) <i>Estimates of cost for the year 1936-37—</i>		
(a) Establishment, grant to Co-operative Department, subsidies to branch Stores, etc., as detailed in (2) above .. .. .	40,500	
(b) Cost of three additional demonstration parties ( <i>vide</i> concluding portion of paragraph 5 above) ..	12,000	
(4) <i>Estimates of cost for the year 1937-38—</i>		
(Same as for 1936-37) .. .. .	52,500	
(5) <i>Estimates of cost for the year 1938-39—</i>		
(Same as for 1936-37) .. .. .	52,500	
(8) <i>Estimates of cost for the year 1939-40—</i>		
(Till November 1940) .. .. .	32,000	



1936.]

*Handloom Industry.*

33

*(g) Abstract of expenditure—*

						Rs.
1934-35	..	..	..	..	..	4,000
1935-36	..	..	..	..	..	71,500
1936-37	..	..	..	..	..	52,500
1937-38	..	..	..	..	..	52,500
1938-39	..	..	..	..	..	52,500
1939-40	..	..	..	..	..	32,000
					Total	<u>.. 2,65,000</u>

13. The Local Government propose to provide the necessary working capital for the scheme and a sum of about Rs. 3,500 for repairs and alterations to the building in which it is proposed to locate the finishing plant.

14. The above estimates make no provision for payment of commission to the Business Manager, agents and branch depots, etc., as the same is proposed to be paid out of the profits earned by sales. The selling price of goods sold by the marketing organization will be fixed so as to allow a margin for the payment of all commissions, trade discounts and to cover losses on account of shop-soiled goods, damage to goods in transit, etc.

15. In submitting details of the five-year scheme for the development of the handloom industry it is necessary to emphasise the importance of flexibility in actual working. Variations in the scheme and the expenditure on various items should be possible in the light of actual experience.

**Central Provinces.**

It is proposed—

(i) To establish a Central Weavers' Co-operative Society with the whole province as the sphere of operation, at Nagpur. The number of members will be 100 to begin with. From the 1st April 1935 this will be raised to 200 and a branch society will be started at Kamptee which is also an important centre of handloom weaving.

(ii) There will be a central depot run by the society for the supply of raw material and for the sale of finished cloth.

(iii) The depot will purchase raw materials at the lowest possible wholesale rates and distribute to each member the quantity required for his use for one month at a time.

(iv) The members will be divided into groups of 5 and each group will be asked to manufacture a specified pattern of cloth at pre-arranged rates of wages per piece.

(v) The finished cloth will be handed over to the central depot for disposal. The depot will examine the quality of the cloth and, if it is found to be correct to the specifications, will accept it for sale with its guarantee. If, however, the cloth produced is not up to the specification it may be received by the depot on payment of fair wages and sold without its mark for whatever price it could fetch. There will be Supervising Instructors one for each set of 25 members whose duty will be to visit the houses of the members in their charge every day and to keep a watch on the progress of the work. He will be responsible for reporting promptly to the Manager of the depot any misuse of raw material supplied.

(vi) The whole output will be handed over to one or more wholesale dealers at fixed prices which would represent an addition of 6½ per cent. on the cost price of the cloth. Attempts will be made to find wholesale dealers who will pay cash down up to 75 per cent. of the total cost of the cloth delivered to them and the balance of 25 per cent. within a period of three months.

(vii) Fifty per cent. of the profits will be shared among the members in proportion to the value of the cloth supplied by them; the distribution being made at the end of the year or at such intervals as the Registrar, Co-operative Societies may fix. The other fifty per cent. of the profits will be carried to the reserve fund of the society which will be utilized (a) for the re-payment of the working capital borrowed from Government, (b) for expanding the membership or branches of the society, and (c) in such other manner as may be prescribed by the Registrar.

(viii) Each weaver member will be required to pay an entrance fee of annas eight and to purchase a share of a value of Rs. 5 to be paid at the rate of annas eight per month.

(ix) In order to encourage thrift among its members and by way of a security deposit towards the recovery of any damage to the yarn supplied each weaver member will be required to deposit a quarter anna per rupee out of the wages earned by him. The disposal of the amounts so deposited will be regulated by such orders as the Registrar may issue from time to time.

(x) It will be open to the central society to admit new members at Nagpur or to start and affiliate weavers' co-operative societies at other centres as funds become available and with the approval of the Registrar.

(xi) Government aid will be withdrawn at the end of five years except in the matter of supervision, guidance and audit.

(xii) Any amount that may have been advanced as working capital from the Government grant will be returnable not later than on the expiry of four years from the inception of the scheme.

1936.]

*Handloom Industry.*

35

(xiii) The establishment necessary for the central organization will be as follows :—

*(a) From 1st December 1934 to 31st March 1935.*

		Cost per month.
		Rs.
4 Supervisors at Rs. 25 per month	.. ..	100
1 Manager at Rs. 60 per month	.. ..	60
2 Attendants at Rs. 15 per month	.. ..	30
Total		<u>190</u>

*(b) From the 1st April 1935 to 31st March 1936.*

		Cost per month.
		Rs.
8 Supervisors at Rs. 25 per month	.. ..	200
1 General Manager at Rs. 100	.. ..	100
1 Assistant Manager at Rs. 60 per month	.. ..	60
1 Clerk at Rs. 30 per month	.. ..	30
2 Attendants at Rs. 15 per month	.. ..	30
Total		<u>420</u>

For each subsequent branch of 100 members the following establishment will be necessary :—

		Cost per month.
		Rs.
4 Supervisors at Rs. 25 per month	.. ..	100
1 Assistant Manager at Rs. 45 per month	.. ..	45
2 Attendants at Rs. 15 per month	.. ..	30
Total		<u>175</u>

The other recurring charges will be as follows :—

		Rs.
(a) House rent for the central depot	.. ..	100 p.m.
House rent for each branch depot	.. ..	25 "
(b) Travelling allowance and contingencies for the Central branch.		850 per year.
Subsidiary branch	.. ..	300 "

Thus the total recurring charges will be Rs. 8,190 for the period from 1st December 1934 to the 31st March 1935.

(xiv) Non-recurring charges will include Rs. 250 as the cost of furniture for the central branch and Rs. 200 for furniture for each subsidiary branch.

(xv) As regards working capital each weaver is expected to use on an average raw material up to the value of Rs. 50 per month. For each 100 members the amount required for purchase of raw material will be Rs. 5,000 per month and wages for cloth woven will be up to Rs. 2,500 per month. As 25 per cent. of the total value of the cloth will remain outstanding for three months, some additional working capital will be required to be advanced in the initial stages. It is calculated that about Rs. 16,000 out of the total grant for the first 17 months will be advanced in the form of working capital for the society and its subsidiary branch at Kamptee.

#### Assam.

The Assam Government have had to work out a programme for a five years' period and the cost of the schemes\* for the years after 1935-36 has been indicated on the assumption that the grants then given will at least not be less. The schemes as now revised provide for :—

- (a) The re-organization of the Government Emporium and Central Stores, Gauhati, as a really effective marketing agency, and the establishment of a branch at Sylhet. (Schemes I and II).

*The Government Emporium and Central Stores, Gauhati.*—Is at present a quasi-Government institution, the transactions of which are entered in a personal ledger accounts, the pay of the employees being borne from the gross receipts. The difficulties experienced hitherto by the institution in making any real impression on the industry are mainly (1) that the transactions have not reached such proportions as to enable the reasonable profits on working to cover the cost of staff and contingencies, with the result that the capital is steadily dwindling ; and (2) it has not been possible, on account of the low turnover, to employ a staff possessing the requisite knowledge and capacity to act as an efficient marketing agency. These obstacles mutually react, and create a vicious circle. The capital of the Institution has been provided by means of several grants from Government, but it has not been financially possible in recent years to find such sums as would enable the necessary expansion of business to be effected. There are two sides to the business (c) the

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\* In approving the scheme it was pointed out to the Local Government that the Government of India could not give any undertaking that the amounts of the grants during subsequent years would remain the same as for 1935-36.

1936.]

*Handloom Industry.*

37.

Central Stores, which procure and sell to the weavers their raw materials and implements, in order to secure the very necessary end of keeping down middleman's prices, and (b) the Emporium, which assists the weavers to sell their finished products. For some time it has been necessary on account of the present condition of the institution to restrict the work of the Emporium section to sale on private commission. This has, however, not proved at all satisfactory and it is highly desirable that the Emporium should, when necessary, be in a position to buy and sell the finished products according to convenience. The schemes will achieve both the expansion of business and the improvement of the business capacity of the institution; and will also carry its activities into the Surma Valley. In other respects the work will not be affected, and the Central Government's grant will be applied to the handloom industry only. The existing stock of yarn and accessories for the handloom cotton trade will be available to supplement the sum of Rs. 7,000 provided in the scheme. It may be mentioned that no gross profits are shown in the scheme as it is essential for the profits to be sunk in expansion of business.

(b) The appointment of two special Inspectors of Co-operative Societies with a knowledge of textile work, to organize societies amongst the weavers, supervise the work of such societies, and assist the weavers to standardize their products; and to take such action as may be necessary to keep them in touch with the market (Scheme III).

(c) The appointment of a dyeing instructor and a calico printer to assist the four weaving demonstration parties to introduce attractive designs which will obtain ready sale (Scheme IV).

*Statement showing total expenditure of the schemes for the 5 years.  
(Details omitted).*

	1st year ending 31st March 1935.	Tentative.			Total for 5 years.	
		1935-36.	3rd year.	4th year.		5th year.
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Scheme I	3,904	8,648	7,292	7,438	6,592	33,874
Scheme II	1,612	2,376	2,410	2,484	2,518	11,400
Scheme III	868	3,748	3,988	4,208	4,324	17,136
Scheme IV	870	2,920	2,940	3,040	3,060	12,830
<b>Total</b>	<b>7,254</b>	<b>17,692</b>	<b>16,630</b>	<b>17,170</b>	<b>16,494</b>	<b>75,240</b>

**Burma.**

To help the handloom weavers to find a ready sale for their cloth and for the general organization and improvement of the handloom industry the following proposals are submitted.

(1) (A) Establishment of a permanent exhibition room and a central sale depot at Rangoon and (B) Agencies at the principal weaving centres. (C) Travelling salesmen.

(A) The functions of the permanent exhibition and the central sale depot will be—

- (a) to maintain a permanent show-room of all the varieties of cloths woven by the handloom weavers of the province,
- (b) to keep a stock of handloom woven cloths for sale to the public,
- (c) to secure and supply orders for handloom woven cloth from Government Departments and business firms,
- (d) to get in touch with the foreign markets by expanding business in the special varieties of the handloom woven cloths,
- (e) to make joint purchase of yarn and dyes for weavers.

For establishing the exhibition room and the central depot, Rangoon will be the most suitable place. It is the principal port of the province and the centre of the import and export trade. Being the largest city in the province it is always visited by visitors from other countries and by the people in the province. The exhibition room and the sale depot will first be started and financed by Government and will be under the control of the Superintendent, Cottage Industries, Burma. A proper check on the stock and activities of the organization will thus be ensured. It may afterwards be handed over to a co-operative society, if and when, one is formed for the purpose.

(B) Agencies at principal weaving centres.

The work of these agencies will be—

- (a) to find sale for the locally woven cloth,
- (b) to distribute among weavers the orders for cloth which will be received from the central depot, examine the cloth and send it to the depot,

- (c) to co-operate with the demonstration parties in the proposals (2) and (3) and induce weavers to weave the varieties or adopt the improvements which may be demonstrated by the demonstration parties.

These agencies will be on the models of guilds or associations of local manufacturers and weavers formed on co-operative basis. It will be necessary to advance them money from Government for their stock: they are likely to keep for sale or the orders which are likely to be supplied by them, and as such there will be Government control over them. It may also probably be necessary to make them some monthly allowance for office establishment which it will be possible to gradually reduce as the work of the agency will increase whereby it will be able to defray this expense from the profit or commission derived from the transactions.

(C) Travelling salesmen. The travelling salesmen will be engaged to go round in the districts to popularize and sell the handloom woven cloth. The salesmen will be attached to the sale depot at Rangoon. They will receive a fixed pay *plus* commission on business which they will be able to secure. This will serve as an encouragement to them and also will enable them to defray their travelling expenses.

- (2) Establishment of a research or experimental station.

The work of this station will be :—

- (a) to watch the market and imports of cloths and experiment to weave such varieties as may be economically woven by handloom weavers, and also new designs and patterns which will appeal to the fancy of the people and thus find a ready market,
- (b) to demonstrate to weavers the weaving of the varieties and patterns in (a) above,
- (c) to test new machines, appliances and dyes for their suitability for handloom weavers and try to introduce them,
- (d) to assist the sale depot in the negotiations with business firms to secure orders for cloths.

The suitable place for establishing this station will be either Rangoon or Amarapura. The former will, however, have the advantage over the latter as it will be easier to study the market and to negotiate with business firms as regards their requirements in collaboration with the sale depot, and this will be one of the important works of the experimental station. The question of location of this

Statement showing the expenditure incurred by the Local  
[Information collected in pursuance of paragraph 8 of the report on handloom

Details.	Madras.		Bombay.		Bengal.		United Provinces.	
	From Provincial revenues.	From Government of India grant.	From Provincial revenues.	From Government of India grant.	From Provincial revenues.	From Government of India grant.	From Provincial revenues.	From Government of India grant.
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
(a) <i>Recurring—</i>								
(i) Pay of establishment excluding the pay of the head of Department in charge.	1,427	..	40,085	} No expenditure incurred during 1934-35 as the scheme did not come into force during this year.	79,140	..	15,768	..
(ii) Allowances and honoraria.	..	..	5,784		5,043	..	2,280	..
(iii) Supplies and Services.	} Included in item (vi).	..	..		4,955	..	Separate figures not available.	..
(iv) Contingencies ..		..	8,605		12,638	..	183	..
(v) Exhibitions ..	270	..	292		..	..	1,869	..
(vi) Scholarships ..	2,464	..	3,133		20,583	..	..	..
(vii) Expenditure incurred on Government institutions devoted to handloom industry.	36,186	..	17,172		70,075	..	1,47,868	..
(viii) Aid given to non-Government institutions devoted to handloom industry.	9,850	..	16,581		33,676	..	11,339	..
Total ..	50,197	..	92,652	..	2,28,010	..	1,79,307	..
(b) <i>Non-recurring—</i>								
(i) Building if primarily or exclusively reserved for the furtherance of handloom industry.	..	..	..	..	365	..	..	..



1936.]

*Handloom Industry.*

43

**Governments on handloom weaving industry during 1934-35.**

weaving dated the 10th July 1934 of the Sixth Industries Conference.]

Punjab.		Bihar and Orissa.		Central Provinces.		Assam.		Burma.		Delhi.	
From Provincial revenue.	From Government of India grant.	From Provincial revenue.	From Government of India grant.	From Provincial revenue.	From Government of India grant.	From Provincial revenue.	From Government of India grant.	From Provincial revenue.	From Government of India grant.	From Provincial revenue.	From Government of India grant.
Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
70,269	..	42,637	..	10,837	103	55,018	..	20,744	413	..	435
5,390	..	6,603	..	1,644	..	10,135	..	1,094	224	..	..
64,281	..	..	..	..	..	..	..	364	591	..	352
19,587	308	1,001	..	4,276	6,852	} 12,673		1,591	1,094	..	157
1,223	..	1,497	..	119	..	..	..	500	613	100	..
6,450	..	3,313	..	480	..	2,473	..	3,607	..	..	..
Included in first six items.	..	29,526	..	..	..	33,362	..	1,070	..	..	..
997	..	4,849	..	..	..	..	..	..	..	..	..
11,68,197	308	89,426	..	17,356	6,955	1,13,661	..	28,970	2,934	100	944
..	..	..	..	..	..	..	..	..	..	..	..

## Statement showing the expenditure incurred by the Local

[Information collected in pursuance of paragraph 8 of the report on handloom]

Details.	Madras.		Bombay.		Bengal.		United Provinces.	
	From Provincial revenues.	From Government of India grant.	From Provincial revenues.	From Government of India grant.	From Provincial revenues.	From Government of India grant.	From Provincial revenues.	From Government of India grant.
(b) <i>Non-recurring—contd.</i>	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
(i) Furniture ..	..	..	..	..	193	..	..	..
(ii) Machinery and appliances.	..	..	306	..	4,325	..	603	..
(iv) Stock .. ..	..	..	4,200	..	..	..	..	..
Total ..	..	..	4,506	..	4,893	..	603	..
(c) Any other expenditure pertaining to handloom industry not covered by the above items with necessary information.	..	..	*6,687	..	..	†10,500	8,590	..
Grand Total ..	50,197	..	1,03,845	..	2,30,893	10,500	1,83,500	..

\* Rs. 4,187 incurred by the Co-operative Department on hand weaving plus Rs. 2,500 on account of

† Rs. 10,500 being half of the grants paid to the "Bengal Home Industries Association," Calcutta;

‡ Includes a sum of Rs. 7,149 which was spent on the Government Industrial School, Kulu, which

1936.]

*Handloom Industry.*

45

**Governments on handloom weaving industry during 1934-35—concl'd.**  
weaving dated the 10th July 1934 of the Sixth Industries Conference.]

Punjab.		Bihar and Orissa.		Central Provinces.		Assam.		Burma.		Delhi.	
From Provincial revenues.	From Government of India grant.	From Provincial revenues.	From Government of India grant.	From Provincial revenues.	From Government of India grant.	From Provincial revenues.	From Government of India grant.	From Provincial revenues.	From Government of India grant.	From Provincial revenues.	From Government of India grant.
Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
..	..	..	99	..	..	Included in (is) above. The expenditure was small.	..	966	..	..	140
..	..	..	..	..	..	3,176	..	..	..	..	911
..	..	..	..	..	..	..	..	1,909	..	..	5
..	..	..	99	..	..	3,176	..	3,865	..	..	1,066
..	..	..	..	..	..	1,060	..	..	..	..	..
1,08,197	308	89,426	99	17,356	6,955	1,17,887	..	31,835	2,934	100	3,000

inspection and examination charges of recognised and aided institutions teaching hand weaving. and the "Good Companions", Calcutta from the year 1935-36. is a specialised school for wool-weaving.

**REPORTS ON THE OPERATION OF THE SCHEMES FOR  
THE DEVELOPMENT OF THE HANDLOOM INDUSTRY  
IN THE VARIOUS PROVINCES.**

**Madras.**

*(13th August 1935.)*

The Director of Industries was requested to give effect to the scheme, and the Registrar of Co-operative Societies was asked to give all the assistance the former required in the matter of advice and staff. The scheme was brought to the notice of influential persons interested in the handloom weaving industry who were invited to apply for membership in the prescribed form, to enable the Director of Industries to move the Registrar of Co-operative Societies to register the Weavers' Society under the Madras Co-operative Societies Act of 1932. As soon as the required number of signatures had been received, arrangements were made for the Madras Provincial Handloom Weavers' Co-operative Society to be registered by the Registrar of Co-operative Societies.

2. Under the bye-laws of the Society the members of the Board for the first year shall be nominated by Government. Accordingly, 12 non-official gentlemen were nominated as members of the Board of Directors for the first year, and the first meeting of the general body of the Society and of the Board of Directors will shortly be held. The principal question to be dealt with at the first meetings will be the allotment of shares and the admission of members (shares to the amount of Rs. 30,000 have already been applied for), election of President, and the appointment of a Secretary, a Marketing Officer, and a Cloth Designer, selection of centres of operation for the producing societies in the districts, and determination of the methods of operation in respect of (a) purchase of yarn and dyestuffs, and their supply to the production societies and (b) marketing of cloth.

**Bombay.**

*(13th August 1935.)*

The Marketing Officer (Handloom Products) was appointed and took charge of his post with effect from 1st June 1935. The post of Textile Designer has also been filled and the incumbent will join the duties of his post shortly. The Marketing Officer has taken the necessary steps to organize the District Industrial Associations in Poona, Ahmednagar and Hubli. Two of these Associations have already submitted their applications and bye-laws to the Registrar of Co-operative Societies for registering the Associations under the Co-operative Societies Act and the third is expected to forward its

1936.]

*Handloom Industry.*

47

application to the Registrar in a few days. It is expected that these Associations will start their marketing activities at an early date. Steps are also being taken for the organization of the District Industrial Associations at Ahmedabad and Hyderabad (Sind). The Marketing Officer has made a survey of the marketing of handloom products in the City of Bombay. As soon as the various District Industrial Associations are functioning satisfactorily and commence their sales of handloom products in the above places, the Marketing Officer will endeavour to market on a relatively large scale handloom products supplied through the Associations in the City of Bombay and other large centres.

**Bengal.***(17th August 1935.)*

The scheme has been put into operation recently, and it is therefore not possible to report any progress at this stage.

**United Provinces.***(16th August 1935.)*

Fifteen Investigators were appointed with effect from 1st April 1935, to carry out a detailed survey of the cotton handloom weaving industry of the province. They are either *ex-students* of the Government weaving institutions or graduates in Economics with experience of industrial survey work.

2. These Investigators were allotted from two to four districts each for detailed survey. After appointment they underwent a preliminary training for about two weeks, and then started investigations. Their work is being supervised by Divisional Superintendents of Industries. So far, the survey of the districts of Jaunpur, Sultanpur, Bara Banki, Hamirpur, Sitapur, Hardoi, Shahjahanpur, Aligarh, Bijnor, Bulandshahr and Garhwal has been completed.

3. The enquiry is being conducted by these Investigators on the lines of the questionnaire, and statistics regarding the number and types of looms, number of weavers (part-time and whole-time) and the consumption of yarn, etc., are being collected by personal investigation. They are also collecting samples of different types of fabrics woven. These samples will be classified and will be given to commercial travellers to be shortly appointed to find a market for these fabrics.

4. In order that these Investigators should be supplied in time with necessary information and instructions and that the figures of statistics sent by them should be checked and classified, a separate staff has been entertained. This consists of two compilation clerks and one typist.

5. The expenditure incurred in this connection from 1st April 1935 to 31st July 1935, is as follows :—

	Rs.
Pay of establishment .. .. .	6,584
Travelling allowance .. .. .	22
Contingencies .. .. .	118
<hr/>	
The total expenditure from the Govern- ment of India grant thus comes to ..	5,724

6. The expenditure of the United Provinces Government over this scheme comes to Rs. 8,183 as per details given below :—

	Rs.
Pay of 3 Divisional Superintendents of In- dustries from 1st April 1935 to 1st August 1935 .. .. .	6,683
Travelling Allowance of above .. .. .	897
Other charges .. .. .	603
<hr/>	
Total .. .. .	8,183

### Punjab.

(9th September 1935.)

Work connected with the development of cotton handloom weaving in the Punjab under the grant started in May 1935 on the appointment of the Marketing Officer. A Central Depot has been established at Amritsar. The branch depots at Hoshiarpur and Multan will shortly be opened.

2. A survey of the existing methods of manufacture and sales has been carried out, and over 500 samples of cloth manufactured in the province have been collected from the chief handloom weaving centres. Most of the samples have been analysed, and weavers are being taught, where practicable, how to produce them more cheaply and more efficiently. The existing defects in the different kinds of locally-produced cloth, particularly in respect of their lengths and breadths, have been studied with a view to standardization. Special study is being made of imported cloths selling in the market to see whether any of them can be copied or adapted with advantage by the handloom weaver. Orders have been secured for, and placed with,

1936.]

*Handloom Industry.*

49

weavers in several places, and in doing so, the following advantages have been secured to them :—

- (i) Better wages have been paid. In working out costs of any sample, reasonable wages, more than they were receiving previously, are included for payment to weavers.
- (ii) Raw materials secured at wholesale prices are supplied to them by the Central Depot.
- (iii) Master weavers and supervisors have been provided for them in the production of required designs. The master weavers and supervisors have to make good any loss caused through their negligence and lack of supervision.
- (iv) Weavers have been given new designs. The Central Depot is continually working out or evolving new designs.

3. To finance the weavers, sole buying agents have been appointed for certain specified areas. Some of the important terms of appointment of these agents are :—

- (a) A certain specified sum, mutually agreed upon with due regard to the importance of the area concerned, is placed at the disposal of the Marketing Officer to serve as working capital for the manufacture of various kinds of cloth. He can draw therefrom to meet expenditure on the purchase of raw materials, payment of wages to weavers, cartage and the like.
- (b) No order is to be accepted unless it provides for adequate wages to weaver besides the cost of raw material, profits, etc.
- (c) Each agent has to place orders for a certain minimum amount fixed in the contract.
- (d) No one else can sell goods in the area of the agent and the Marketing Officer has to see that goods are produced in time and in accordance with the specifications.

**Bihar and Orissa.***(13th August 1935.)*

1. *Preliminary work.*—The organizer for weavers' co-operative societies was appointed from 1st March, and other staff both technical and clerical from 1st April 1935. Only Rs. 98|8|- was spent on the purchase of a few articles of furniture during the year 1934-35.

Under the approved scheme, the old purdah manufacturing section was to be merged into the new marketing organization. The former was accordingly separated from the Cottage Industries Institute from 1st April and placed in charge of the Business Manager of the new marketing organization. Separate office rooms, warehouse, show-rooms, etc., for the marketing organization were set up and equipped.

2. *Weavers' societies and master weavers.*—The organizer for weavers' co-operative societies started 3 societies in Darbhanga district which started work from about the end of July, after they were registered and necessary share capital was collected from the members. Of the three weaving supervisors sanctioned, two were appointed and posted to Madhubani sub-division in Darbhanga district and Obra in Gaya district, to supervise the work of the weavers' societies of those places. Two other weavers' societies, one at Bihar Sharif in Patna district and the other at Irba in Ranchi district, and also 7 contractors or master weavers, have been brought under the scheme and are now working for the marketing organization on conditions laid down by the department.

3 *Finishing plant.*—The selection of suitable finishing plant was made by the Textile Expert after visiting several cotton mills in Bombay and Ahmedabad and orders were placed in June. The various machines costing about Rs. 29,000 are expected to reach Patna by the end of September, when the staff sanctioned for the finishing department will be appointed. In the meantime, arrangements are being made to effect necessary alteration in the buildings for the installation of the finishing machines.

Pending their arrival, staple goods are being bleached and finished with the help of local *dhobies* and put on the market. A second-hand boiler was obtained from the Government Press, Gulzarbagh.

4. *Sales Depots.*—Applications for agencies of the 6 sales depots in the province were obtained. As soon as the terms are approved, agents will be appointed and the depots opened. In the meanwhile, sales are being effected at the central warehouse at Gulzarbagh, Patna, and through a number of selling agents including those of London and New Zealand.

5. *Production and sales.*—During the period of 4 months ending the 31st July 1935, Rs. 35,588 worth of goods were manufactured by these weavers' societies and master weavers and sales of a value of Rs. 19,172 were effected (sales of foreign agents for June and July not included). A list of 17 staples cloths for which there is a demand in the province was prepared with detailed specifications for each and sealed samples against these specifications were obtained.



1936.]

Handloom Industry.

51

Handloom weavers are now manufacturing goods according to these specifications.

6. *Exhibitions.*—The marketing organization participated in May 1935 in a small exhibition held at Madhubani in the Darbhanga district on the occasion of Their Majesty's Silver Jubilee. Arrangements are also being made to send our exhibits to the Allahabad Swadeshi Exhibition to be held in October. The marketing organization is also preparing to take a prominent part in the big Provincial Exhibition which is being organized by the Department of Industries to be held at Patna next February.

### Central Provinces.

(15th August 1935.)

It was proposed to make a beginning with the establishment of a Central Weavers' Co-operative Society at Nagpur. It was contemplated that the scheme should be gradually extended to cover the whole province by means of branches or subsidiary societies at other suitable centres. The purchase of yarn as well as the sale of the finished produce was to be undertaken by the central depot at Nagpur and arrangements were to be made with some cloth merchant for taking over the out-turn of the Society. The scheme provided for a beginning with 100 members at Nagpur and in April 1935 the number was to be raised to 200 and a branch Society was to be established at Kamptee.

2. Accordingly the Central Provinces and Berar Weavers' Co-operative Society was registered with 79 members. A cloth merchant, agreed to take over the cloth manufactured by the Society. The Society began to function properly from 12th February 1935, when yarn was given out to the weavers for the preparation of cloth. The Society manufactures mostly *sarees* and *khans* according to the designs approved of or supplied by the purchaser. For every 25 members there is one supervisor, whose duty it is to see that the raw material supplied is not adulterated or substituted and that the weavers adhere to the design and specifications.

3. A sum of Rs. 6,500 was advanced to the Society up to 30th June 1935 as working capital. A further sum of Rs. 7,615 has been advanced, since. The total number of *sarees* manufactured by the Society up to 30th June 1935 was 896, out of which 688 *sarees* worth Rs. 4,685 had been taken over by the merchant and fully paid for. 208 *sarees* were rejected by the purchaser as they did not conform strictly to the specifications approved by him. The sale of 117 rejected *sarees* did not cause the Society any loss, as the Society recovered the price of the raw material *plus* one anna commission

and the difference between this figure and the price actually realised was retained by the weavers as wages. It is anticipated that the remaining 91 rejected sarees will also be sold on the same terms or will be taken over by the purchaser at slightly reduced rates. The Society has so far earned a profit of Rs. 327 as a result of four months' working. In response to a request from some residents of Kamptee, a branch of the Society has been organized there. So far only 21 members have joined.

4. The progress of the Nagpur branch has not been uniform. 23 of the original signatories dropped out soon after the commencement of business. 13 members severed their connection with the Society subsequently as they demanded wages at rates which raised the cost of the finished sarees to prohibitive figures. The places of the resigning members have been taken up by others, and the membership of the branch has now risen to 152. The total number of shares sold is 160 valued at Rs. 5 each. The share capital is being collected in monthly instalments of annas eight. Members have also deposited Rs. 24 at the rate of a quarter anna on each rupee of wages earned by them. A sum of Rs. 1,513 has been paid as wages, which works on to an average earning of Rs. 13 per month. This does not include the amount which the weavers would get for the rejected sarees. Considering the present depression and other difficulties the wages earned are fairly satisfactory.

5. The total grant to this province for the 17 months ending the 30th June 1936 was Rs. 24,500. This has been divided into 2 sub-heads (1) loan for working capital, Rs. 14,115 and (2) grant-in-aid to the Society, Rs. 10,385. The working capital is utilized for the purchase of raw materials and payment of wages. The grant-in-aid is utilized for the payment of staff, rent of buildings, purchase of furniture and other contingent expenditure; a sum of Rs. 742 was disbursed as pay of the establishment and Rs. 760 as contingencies till the 30th June 1935.

6. The staff of the Nagpur Weavers' Co-operative Society consists of 1 Manager on Rs. 60, 1 Assistant Manager on Rs. 40, 1 Clerk on Rs. 30, 6 Supervisors at Rs. 25, 2 Attendants at Rs. 15 per mensem. The pay of the Manager and the Assistant Manager is less than was contemplated when the scheme was submitted as it was possible to secure suitable men at lesser rates of pay. For the branch Society at Kamptee, there is 1 Manager on Rs. 40, 4 Supervisors at Rs. 25 and 1 Attendant on Rs. 15. The management of the Society has been entrusted to a Managing Committee consisting of 9 members, of whom the Assistant Registrar, 3rd circle, the Sub-Divisional Officer, Nagpur, and the Weaving Superintendent are *ex-officio* members. Four are representatives of the share holders and two have been nominated by the Registrar. The Registrar and

the Senior Deputy Registrar also have been attending the meetings of the Managing Committee frequently. The day-to-day working is carried on by the President and the Secretary.

7. The working of the Society so far has not been uniformly smooth and the results achieved do not wholly fulfil the expectations entertained. The difficulties mainly relate to the manufacture of cloth. It is hoped that they will be gradually overcome. The crux of the problem is, however, marketing, the agreement with a cloth merchant who has been granted a monopoly of selling the output has certain advantages. The Society gets a steady income of 6½ per cent., while all risks as well as extra profits are borne by the merchant. The resources of the Society, and the skilled staff at its disposal are not sufficient at present to enable it to undertake its own marketing. The present arrangement, however, is not without some drawbacks. The ordinary purchaser does not always realise the difference between the quality of the cloth manufactured by the Society and that prepared by an average *Koshti*. This difficulty, it is hoped, will be gradually overcome as the market recognises the uniformly high and reliable quality of the Society's products. The Society has also suffered from want of sufficient advertisement and publicity. Recently the Society has inserted advertisements in a widely read Marathi paper of Nagpur.

8. Another difficulty is the paucity of workers. The honorary members of the Managing Committee have been carrying on the work of the Society at considerable sacrifice of time and convenience and their efforts deserve every commendation. But they cannot be expected to devote as much attention to details as an undertaking of this kind demands, especially in the beginning. The result has been that the superior officers of the Co-operative Department have been burdened with the detailed administration, for which their other duties leave them little or no time. It is hoped that when the new Textile Expert is appointed he will be able to supply the necessary detailed supervision and instruction. The fluctuations in the market prices of raw materials and the finished articles have also caused a certain amount of uneasiness and uncertainty. This is, of course, an inseparable incident of business and can only be circumvented by foresight and capacity to judge the trend of the market, which will be acquired by the staff and workers with experience.

9. Attempts are also being made to reduce the cost of manufacture. It is proposed to buy the raw materials direct from the mills. This will be easier when the consumption of the Society increases. Preparatory warping of the yarn is also contemplated. For the present an experiment is proposed to be made by entering into a contract with the owners of warping machines. Later, if necessary, a warping machine will be installed. After some time it

may be also found profitable to undertake some of the processes for the better finishing of the produce.

#### Assam.

(14th August 1935).

SCHEME I.—*Re-organization of the Government Emporium and Central Stores, Gauhati.*—The new staff joined only during the latter part of July 1935. The appointment of Marketing Officer could not be made earlier as a suitable candidate had to be selected from outside the Province. He is now engaged in studying the local conditions in certain important centres. His preliminary survey will take a couple of months. The real work, it is hoped, will commence from October.

SCHEME II.—*Establishment of branch Emporium at Sylhet.*—The staff has been appointed recently. The branch Emporium will come into existence within a few days.

SCHEME III.—*Inspector for organization and supervision of weaving societies and standardization of products.*—Two officers to work as Inspectors have been selected from the staff of the Department. They will start work soon.

SCHEME IV.—*Dyeing and printing instruction to and through the peripatetic parties.*—The Dyeing Supervisor and the Calico Printer have already joined. They are now engaged in dyeing various shades of yarn and in printing some samples for guidance. As soon as these patterns are ready they will be sent out for peripatetic demonstrations.

#### Burma.

(12th August 1935).

*Exhibition Room and Sale Depot at Rangoon.*—It was decided to rent a three storied building at No. 119 China Street for a Sale Depot. The depot was opened on the 10th March 1935. Work was started on that date by the opening of a sale stall in the Arts and Crafts Exhibition at the Jubilee Hall, Rangoon. Good business was done during the period of the exhibition as no less than Rs. 2,262 worth of cotton and silk goods were sold. The cost of erecting the stall, decorations, lights and extra staff amounted to Rs. 613 but the money was well spent as its advertising value was great owing to the large crowds that flocked to the exhibition grounds every night during the 12 days the exhibition was in progress. After the close of the exhibition, the Depot continued its work at No. 119 China

1936.]

*Handloom Industry.*

55

Street the Manager being paid Rs. 150 and his assistant Rs. 60 per mensem. A durwan was also engaged on Rs. 18. The rent of the building was Rs. 120 but as the Manager was given the use of the topmost flat for Rs. 25, the cost to Government was Rs. 95 per mensem.

The total amount drawn from the Accountant-General, Burma, for the purchase of stock was Rs. 3,500 but the actual amount spent on replenishing stock with the sale proceeds, up to 30th June 1935 totalled Rs. 6,031. The total sales up to 30th June 1935 amounted to Rs. 3,791.

The following table shows the amounts sanctioned and spent up to 30th June 1935.

	Initial expenditure.		Recurring expenditure.	
	Sanctioned.	Spent.	Sanctioned.	Spent.
	Rs.	Rs.	Rs.	Rs.
1934-35 .. .. .	4,926	2,865	2,574	2,934
1935-36 .. .. .	5,250	1,000	11,750	811

*Comments on the work done up to date.*—The Depot was intended to be a connecting link between the trader and the small handloom weaver. The idea was to find a wider market for the products of the handloom weavers and to foster the sales of Burmese handloom products by bringing to the notice of consumers the various kinds of cotton and silk goods which can be produced cheaply on the handlooms in the province. It was also intended that the Depot should prove of service in obtaining from foreign countries yarn and other weaving requirements of the handloom weavers cheaply by wholesale purchases and then retailing them to handloom weavers at favourable rates thereby enabling the Burma handloom products to compete successfully with machine made cloths of foreign manufacture.

The work done so far has not been very successful for several reasons. The Manager through lack of experience in the cotton and silk goods trade made no headway in securing orders for wholesale purchase from the traders of Rangoon. All the sales were retail and the amount realised was too insignificant to make any impression on the output of the weavers. It was felt that the addition of another cotton and silk goods shop to the many already existing in Rangoon was of little use in increasing the output of the weavers unless and until the Manager was competent enough to secure orders from traders on a wholesale scale for the many kinds of cloth woven in the province. For this work, a Manager

with previous experience in the piece-goods trade was a *sine qua non* for the work in hand and it is proposed to replace the present incumbent by a person having previous experience in the kind of work which the Depot was expected to undertake. Another drawback was the difference in the existing methods of doing business between the private firms in Rangoon and the Sale Depot recently opened. The private firms, which have been established in the cotton and silk trade for many years, are in a position to give out goods on credit to their customers who have had probably business dealings with them for a long time whereas the Depot was not authorised to issue on credit to dealers in Rangoon. In consequence it was not possible to secure orders from retail dealers in the bazaar.

Another disadvantage was that the wholesale trade in cotton and silk goods of handloom manufacture was at present carried on by firms who keep a large stock of goods and retail dealers have a wide range of goods to choose from. These firms keep a number of buyers in Amarapura, Shwedaung and other weaving centres and buy up the products of the handloom weavers paying cash for the goods. These buyers are paid a commission of 1 per cent. on the purchase made. The Depot was not in a position to embark on the same scales of stock. The stock of goods to be purchased and kept on show had to be regulated according to the demand and a cautious policy had to be followed till more experience was obtained.

Steps have been taken to keep in stock a full supply of all the weaving accessories required by handloom weavers and negotiations are also in progress for stocking yarn from foreign countries.

With a more experienced man at the helm of affairs, better progress will be made in future.

*Local Agencies at various weaving centres.*—It was found that such agencies were not necessary at the present juncture as weaving associations existed at Amarapura, Shwedaung and Hanza and it was possible to order goods through the agency of these associations. Later on when the business at the Depot expands, it will be necessary to keep agencies for the purchase of the goods it requires.

*Travelling Salesman.*—It is proposed to appoint a suitable man for this post and canvassing for orders from traders in the districts will be started very shortly.

*Experimental Station for weaving new patterns and varieties of cloth.*—This has not been started as the need was not felt as yet. Two new firms who have each recently started a factory in

1936.]

*Handloom Industry.*

57

Rangoon with modern handlooms for the weaving of cloth have undertaken to weave any pattern or kind of cloth required by customers and have so far met the requirements of the Depot. Experimental work was, however, started at the Saunders Weaving Institute at Amarapura in connection with the weaving of *palekat lungees* and *acheik silk lungees*. A special weaver was engaged for the teaching of *acheik silk lungees* to teach the students at the Institute and it is hoped that in time this art which is on the decline, will be revived and innovations in *acheik* weaving will be introduced under the guidance of the Principal of the Institute.

*Demonstration Parties.*—One expert weaver was engaged and sent to Taungdwingyi on a request made by the handloom weavers of that place for expert instruction in the use of modern fly-shuttle looms. Another has been engaged to meet the requests of certain missionary institutions for instruction in modern fly-shuttle looms and in the art of dyeing fast colours. Only three such demonstrators have been sanctioned but probably six or more will be required to meet the needs of those who wish to set up for themselves weaving establishments. As a result of the opening of the Depot in Rangoon, these new concerns have been set up as they feel that they will not have to be too dependent on their own efforts to find a market. It is felt that many such weaving establishments will be set up in the neighbourhood of Rangoon if, as it is hoped, the Depot will find a market for the goods produced.

### Delhi.

(25th July 1935.)

The scheme was put into operation with effect from the 15th January, 1935, in the form of the establishment of the Government Cottage Industries Institute at Delhi. The preliminary work consisted of the appointment of an expert staff and acquisition of the necessary equipment. The classes started with effect from the 18th February, 1935, with 20 students on the rolls although 277 applications were received for admission. In addition to the holding of regular classes, casual training is also provided to those already engaged in different sections of the industry. The curriculum of the Institute consists of weaving including *durree*, carpet and tape, dyeing and calico-printing. The students are making rapid progress in efficiency, their products having already attained a stage of perfection in which those can be sold in the open market at a remunerative price.

The Institute participated in the All-India Industrial Exhibition held in Delhi where in a spacious departmental court the

teachers and students gave demonstrations of the improved handloom machinery and processes of weaving, dyeing and calico-printing together with the display of the handloom products.

Inquiries are received in large numbers from various interests regarding improved methods of manufacture economical appliances and novel and marketable designs. Free advice and demonstration are given in the Institute to those seeking such assistance.

The demand for training in weaving, dyeing and calico-printing is also being received from the agricultural and depressed classes, but the funds are not adequate to meet the requirements of the province.

Within the short space of time and the prescribed limit of grant, the progress made is to be considered highly satisfactory.

### **PROPOSALS FOR MODIFICATION OR EXPANSION OF THE SANCTIONED SCHEMES.**

#### **Bihar and Orissa.**

It is proposed to open two more sales depots outside the province at Delhi-Simla and Calcutta where there appears to be a good demand for Bihar hand-woven fabrics. It is also proposed to appoint the following additional staff:—

- (i) two more weaving supervisors for weavers' societies on Rs. 60 *plus* Rs. 10 each as fixed travelling allowance :  
and
- (ii) an additional commercial traveller on Rs. 90 a month *plus* a commission of 5 per cent. on sales.

The cost involved during the current year will be met from the savings effected.

#### **Central Provinces.**

It is necessary to spend more money in advertising, and in order to bring in products of the Society to the notice of the dealers and customers in the outlying parts of the province it is proposed to engage canvassers. For the present, they will be paid at the rate of Rs. 25 per month with a small commission on the value of the articles sold by them. If experience proves that the present system of marketing cannot be made to work satisfactorily, the canvassers would be converted into regular selling agents, and selling depots would be established at Nagpur and such other places as may be necessary. By 1936-37 it is hoped that in the normal course of evolution and expansion it would be possible to establish two more branches at Bhandara and Umrer. The choice of these is tentative



1936.]

*Handloom Industry.*

59

as they are close to Nagpur and would be changed if necessary in the light of subsequent experience and knowledge. It is also hoped that the membership of the Nagpur branch will have risen to 300 by 1936-37. The estimates for 1936-37 have been made on this basis.

The requirements of this province during 1936-37 would be—

(A) Establishment at Nagpur—	Rs.
Existing Manager on Rs. 100 p. m. ..	100
Assistant Manager on Rs. 60 p. m. ..	60
Clerk on Rs. 30 p. m. ..	30
8 Supervisors on Rs. 25 p. m. each ..	200
2 attendants at Rs. 15 p. m. each ..	30
	420
	$420 \times 12 = 5,040$
(B) Establishment for the branches—	
One Manager on Rs. 45 p. m. ..	45
4 Supervisors on Rs. 25 p. m. each ..	100
2 Attendants at Rs. 15 p. m. each ..	30
	175
For 3 branches (Kamptee, Bhandara and Umrer) for the whole year $175 \times 3 \times 12$	6,300
(C) House-rent for the Central depot at Nagpur	1,200
House-rent for 3 branches ..	740
	1,740
(D) Furniture for the 2 new branches ..	200
(E) Contingencies for all the 4 branches including Travelling allowance ..	1,220
(F) Proposed new establishment—	
Pay of 4 salesmen on Rs. 25 each $100 \times 12$ ..	1,200
Contingencies of salesmen ..	300
	16,000

It is not proposed at present to give any travelling allowance to the canvassers on the salesmen. The commission, which is not expected

to exceed 2 per cent., would, in addition to the pay of Rs. 25 per mensem, give them adequate remuneration.

With the expansion of the business, the Society would also need a larger working capital. If the weavers worked regularly they would require raw material of the value of Rs. 50 per month each. If the expansion contemplated above takes place, the total membership of the Society would reach the figure of 600 during 1936-37 as shown below :—

Nagpur branch	..	..	..	300
Kamptee branch	..	..	..	100
Bhandara branch	..	..	..	100
Umrer branch	..	..	..	100

Thus raw materials of the value of Rs. 30,000 would have to be supplied to the members every month, and the minimum working capital necessary would be Rs. 30,000. Out of the present grant of Rs. 24,500 a sum of Rs. 14,115 has been advanced as working capital. Thus the Society would need a further advance of at least Rs. 16,000. No provision has been made on account of payment of wages. The Society would be encouraged to effect a rapid turn-over of the capital, so that it may be possible to pay the wages without an undue increase in the working capital. If necessary, the Society would be advised to seek the aid of the Provincial Co-operative Bank. As it is contemplated that ultimately Society should refund the amount advanced as working capital, it is desirable to keep it as low as possible.

Thus the minimum requirements of this province in the normal course in 1936-37 would be Rs. 16,000 for providing the working capital, i.e., 32,000 in all.

#### **Assam.**

As the schemes have only recently been brought into operation, it is too early to consider what modifications will be necessary. The necessity of a few additions to the staff under schemes I and IV as detailed below has, however, come to notice :—

#### **Scheme I—**

As the Emporium at Gauhati is situated rather at an out of the way place, a show room at the bazaar is essentially necessary for the

1936.]

*Handloom Industry.*

61

purpose of advertisement of the finished products of the weavers and other cottage workers. The following provision should be made—

*Establishment :—*

	Rs.
1 Salesman at Rs. 30—2—34 .. .. .	360
1 Chowkidar at Rs. 16 .. .. .	192
<i>Contingencies :—</i>	
Furniture .. .. .	500
Contingencies .. .. .	500
Total	
Recurring .. .. .	1,052
Non-recurring .. .. .	500
	1,552

*Scheme IV—*

Adequate provision for equipment for the Dyer and the Printer was not made in the original scheme. The Dyer and the Printer require the services of operators and *Jugalis* to help them in their practical demonstration. The following additional staff and equipment is recommended—

*Establishment :—*

	Rs.
2 Operators at Rs. 25—2—29 .. .. .	600
1 <i>Jugali</i> at Rs. 15 .. .. .	180
	780

*Allowance, etc. :—*

Travelling Allowance .. .. .	500
<i>Contingencies :—</i>	
1 Aerograph printing set .. .. .	1,500
Wooden blocks and stencils .. .. .	500
Colours and Chemicals .. .. .	650
Contingencies .. .. .	350
Total	
Recurring .. .. .	2,280
Non-recurring .. .. .	2,000
	4,280

The expenditure would be met from the amount available for 1934-35 which was not spent during that year. As the new schemes have not come into full operation as yet, there will be further savings out of the amount available for the current year.

#### New Schemes.

It would be difficult to get any tangible results with one Dyer and one Printer who will have to work throughout the whole province. As work must be started in both the Valleys, another batch seems to be essentially necessary. They too will have to be given the services of two operators and a *Jugali* :—

#### Establishment :—

	Rs.
1 Dyeing Supervisor at Rs. 75—5 2—85 ..	900
1 Calico Printer at Rs. 60—5 2—70 ..	720
2 Operators at Rs. 25—2—29 ..	600
1 <i>Jugali</i> at Rs. 15 ..	180

#### Allowance :—

Travelling Allowance ..	1,000
-------------------------	-------

#### Contingencies :—

Aerograph printing set ..	1,500
Blocks and Stencils ..	500
Colours and Chemicals ..	1,000
Contingencies ..	500

Total	{	Recurring ..	4,900
		Non-recurring ..	2,000
			6,900

#### Delhi.

For the purpose of the development of the handloom industry, the Institute, which has been established as a nucleus, requires to be further expanded. Of the immediate requirements for the purpose of expansion the need for giving improved training in printing, which forms one of the important cottage industries in practice in Delhi, is felt keenly. Besides handloom products fetch greater value in the market if attractive designs are printed on them. Provision is, therefore, sought to be made for the appointment of a

master printer and the necessary equipment. The estimated cost is Rs. 1,490 in 1936-37, Rs. 870 in 1937-38 and Rs. 900 in 1938-39, as shown in Appendix I.

2. In view of the heavy pressure on the existing meagre staff of the Institute and the staff of the office of the Superintendent of Industries, the important work of collecting samples, keeping accounts, exploration of markets and general clerical duties are at present neglected. It is proposed to appoint clerk of the Institute who will combine all these functions on Rs. 40 per mensem.

3. The conditions in Delhi, where the demand for the manufactures exists already to a sufficient degree, point to the need for improved quality of products and acceleration of production. As there is no dearth of demand for finished products of the handloom industry, there is naturally a corresponding public demand for training in improved methods. With a view to meeting this, it is essential that the scope and activities of the Institute should be sufficiently expanded. The estimated non-recurring cost involved will be Rs. 2,570 as shown in Appendix II.

4. The hereditary weaver classes should be encouraged to implement and improve their training which is generally of a crude nature. To attract boys from these classes, it is necessary to provide for stipends as the boys, who are usually very poor, are as a rule engaged in their family occupations content with however meagre earnings. Unless, therefore, they are compensated, they cannot be persuaded to join the Institute. It is proposed to offer at present six stipends of the value of Rs. 8 each. The total expenditure involved will be Rs. 576 annually.

5. A peripatetic demonstration party which was included in the original scheme, is still felt to be indispensable. As the artisan classes are distributed over a wide area, it is not possible to concentrate them for training on a central place. The training should, therefore, be carried to their homes through a demonstration party. Unless the artisans are shown the practical advantages of improved methods and appliances, they can never be persuaded to forsake their old methods and appliances. The appointment of such a party will be of particular benefit to the agricultural and depressed classes who are rarely aware of the economic possibilities of the handloom industry if followed on modern methods. While the primary purpose of the proposed party is educative, its functions will include assisting artisans and others intending to take up industrial occupations to procure the requisite appliances and raw materials besides imparting information as to the marketing facilities. The cost is estimated to be Rs. 2,690 in 1936-37, Rs. 1,900 in 1937-38 and Rs. 1,960 in 1938-39 as per details in Appendix III.

6. The total expenditure involved in the proposals is —

	1936-37.	1937-38.	1938-39.
	Ra.	Ra.	Ra.
(a) Calico-printing section as per Appendix I ..	1,490	870	900
(b) One clerk at Ra. 40 per mensem as per paragraph (2).	480	480	480
(c) Additional equipment as per Appendix II ..	2,570	..	..
(d) Stipends as per paragraph (4) .. ..	576	576	576
(e) Village Demonstration Party as per Appendix III	2,690	1,900	1,960
<b>Total</b> ..	<b>7,806</b>	<b>3,826</b>	<b>3,916</b>

### APPENDIX I.

#### *Calico Printing Section.*

Non-recurring expenditure.

	Ra.
Cost of equipment .. .. .	650

Recurring expenditure.

	1936-37.	1937-38.	1938-39.
	Ra.	Ra.	Ra.
Master printer at Ra. 40 — 2/8 — 45 per mensem ..	480	510	540
Stores .. .. .	360	360	360
<b>Total</b> ..	<b>840</b>	<b>870</b>	<b>900</b>

1936.]

*Handloom Industry.*

65

**APPENDIX II.***Additional equipment for the Government Cottage Industries Institute.*

## Non-recurring expenditure.

	Rs.
Improved looms with jacquards and dobbies .. .. .	1,250
Sizing appliances .. .. .	70
Doubling machine .. .. .	150
Microscope .. .. .	150
Steam table .. .. .	150
Yarn mercerising set .. .. .	150
Tintometer .. .. .	400
Bleaching Kier .. .. .	250
Total .. .. .	2,570

**APPENDIX III.***Appointment of Peripatetic Demonstration Party.*

## Non-recurring expenditure.

	Rs.
Cost of appliances and accessories .. .. .	450
Cost of tents, tarpaulins, etc. .. .. .	400
Total .. .. .	850

## Recurring expenditure.

	1936-37.	1937-38.	1938-39.
	Rs.	Rs.	Rs.
One village demonstrator at Rs. 50—5—60 per mensem.	600	660	720
One carpenter assistant at Rs. 30 per mensem	360	360	360
One peon at Rs. 15 per mensem .. .. .	180	180	180
Travelling allowance .. .. .	200	200	200
Contingencies including stores .. .. .	500	500	500
Total .. .. .	1,840	1,900	1,960

## PROPOSALS FOR BASIS OF ALLOCATION OF GRANT FOR 1936-37.

### Madras.

Since the total consumption of yarn by the handloom weavers reflects accurately the extent and importance of the handloom industry in a province, it is suggested that the apportionment of grant from the Government of India for the year 1936-37 be based on the total annual consumption of yarn by the handloom weavers. The present method of basing the grant partly on the expenditure incurred by Local Governments during the last five years on handloom weaving operates somewhat unfairly in the case of the Madras Presidency as, although Madras is the most important of the provinces from the standpoint of handloom weaving, it receives a smaller grant than some other provinces in which the industry is of less importance. The reason for this is, of course, that in Madras the work of improving the technique of weaving, by the introduction of improved appliances, and of the introduction of modern methods of dyeing and stencil printing, through the medium of peripatetic weaving parties, was taken up many years earlier than in other provinces. Consequently when all the important weaving and dyeing centres in the Presidency had been visited by the weaving and dyeing parties, and the demonstration of improved manipulative processes and appliances had proceeded so far that no further propagandist work in this particular direction was necessary, it was found possible to abolish the district parties as a measure of retrenchment, and the expenditure on the textile section was correspondingly reduced.

### Bombay.

The allocation of grants for 1936-37 should be made on the basis of yarn consumed by handlooms and the expenditure incurred by the various Provincial Governments in connection with handloom industry. The number of looms in any province should not be taken into account, for in certain provinces quite an appreciable number of looms is engaged in weaving such short breadth fabrics, as cot-tapes and narrow width cloths, etc., the yarn consumption of which is very small.

### Bengal.

The criteria laid down at the Sixth Industries Conference, viz., the number of handlooms, the figure of consumption of yarn, the number of handloom weavers in the Province and the expenditure of Local Governments on handloom weaving, should be adopted.



## United Provinces.

The basis of allocation should be :—

- (a) the number of looms,
- (b) the number of weavers depending upon handloom weaving for their living,
- (c) the consumption of yarn, with special reference to the consumption of yarns of finer counts, and
- (d) the expenditure incurred by the Local Government.

Special importance should be attached to (c) and (d), and more particularly (d), as it will indicate the importance which has been attached to the industry in the various provinces in the past.

## Punjab.

In making allocation for funds consideration should be given to the undermentioned items which are given in order of their importance :—

- (1) number of handloom weavers,
- (2) number of working handlooms,
- (3) expenditure incurred by Local Governments in assisting handloom industry according to the various heads settled at the last Industries Conference.

## Bihar and Orissa.

The data now called for and furnished cannot be said to be absolutely reliable in the absence of a systematic survey in all the provinces and their relative value will be less as they are not likely to have been collected in the same lines and personal factors and conjectures must play an important part in their compilation. The actual allocation of grants should, therefore, continue to be made on the same basis as before, *viz.*, figures of consumption of yarn by handlooms and expenditure incurred by the Local Governments on handloom weaving. These data are absolutely reliable and the former is a true index of the use of handlooms in an area, the consumption, and therefore production, being governed both by the number and quality of the handlooms.

*Grounds for special consideration.*

1. In the absence of cotton mills in Bihar and Orissa, the province gets its supplies of cotton cloth from local

handloom weavers and the cotton mills outside. Due to this dependence on outside sources, for nearly 2/3rd of its requirement in clothing, the people of the province suffered most during the war when there was great scarcity of cloth. As such, handweaving is more important to Bihar and Orissa than it is to other provinces.

2. Recognising the great part played by this cottage industry in the economic life of the rural people, the Local Government spent during the last 15 years, a sum of Rs. 13,36,000 to help the poor handloom weavers who during this period increased their consumption of mill spun yarn by over 50 per cent. The province has so far been the only one to successfully market the handwoven fabrics in western countries through its Department of Industries. The remarkable success in its efforts to develop the handloom industry is therefore one of the reasons for a special grant.
3. With the funds recently sanctioned by the Central Government unique experiments of great importance are being conducted not only for the benefit of the local weavers but also of those of other provinces. These refer to the manufacture of staple fabrics on a mass production basis and finishing and calendering of the same with modern power machines. It is hoped that sufficient funds will be made available to continue these experiments to a successful finish.
4. It should not be forgotten that the province has not yet recovered from the effects of the great earthquake which caused considerable distress among those employed in this industry.

The above four points are for the consideration of the Central Government for a special grant in addition to the usual allotment which they may be pleased to make, based on the magnitude of the industry and on the money spent by the Provincial Governments out of their revenues.

#### **Central Provinces.**

The basis of allocation should be the number of handlooms, fly-shuttle looms and other improved appliances which have been introduced in each province and the percentage the improved appliances bear to the total number of looms actually working in the

1936.]

*Handloom Industry.*

69

province. This alone would indicate satisfactorily the position of the handloom industry in each province. It does not seem correct to adopt the expenditure incurred by the Provincial Government as a basis, as the allotment is not necessarily governed by the needs of the industry.

**Assam.**

Assam has not received a due share from the Government of India grant for development of handloom industry. This was due to the fact that the allocation of a part of the grant was made on the basis of yarn consumption and Assam like the North-West Frontier Province got only Rs. 1,000 on this basis.

2. It appears that the consumption of yarn by the province was stated to be 40,00,000 lbs. This figure cannot be taken as correct. In the absence of any trade statistics it is impossible to furnish accurate figures, but there is no doubt that the figure quoted is too low. Moreover, Assam spins a large quantity of cotton yarns which is consumed locally by handlooms. In allocating grants for 1936-37 the number of handlooms of the province should also be taken into consideration.

**Burma.**

Whatever may be taken the basis for allocation of grant-in-aid for the year 1936-37, number of handlooms in the province should be taken as one of the basis for allocating the grant. It may be that a portion of these looms may be worked part-time. But the problem of these looms also has to be considered with the general question of development of handloom industry.

2. The Province of Burma should receive a special consideration in the allocation of grant-in-aid in view of the fact that :—

- (i) The handloom industry in Burma is more widely spread, to organize which more funds will be needed.
- (ii) Burma has no interest in the industry (mill industry) for the protection of which the Indian Tariff (Textile Protection) Amendment Bill of 1934 was passed and of which the grant-in-aid in question is the side issue. The duties imposed by the Bill therefore fall without any corresponding benefit on the people, the bulk of whom are agriculturists and as handloom industry is an important subsidiary occupation of the agriculturist, it deserves a greater amount of share in the grant-in-aid.

Statement showing the number of Handlooms,  
[Information collected in pursuance of paragraph 8 of the report on handloom

Province.	Number and character of handlooms.		Number of handloom weavers.						
	In existence.	Working.	Whole time.	Part time.					
Madras .. ..	(a)		(b)	(c)	Not known.				
	Fly-shuttles .. ..					267,399	285,502	285,502	
	Hand-throw shuttles .. ..								
	Dobbies.. ..								13,292
Draw-boy harness .. ..	4,811								
		285,502							
Bombay .. ..	(d)								
	Fly-shuttles .. ..					47,861	107,960	110,183	14,298
	Hand-throw shuttles .. ..					63,322			
		110,183							
Bengal .. ..	No up-to-date statistical information is available.								
United Provinces .. ..	The survey of the handloom industry of the Province is not yet complete								
Panjab .. ..									
	Pit-looms .. ..					223,917	167,071	186,956	56,846
	Fly-shuttle looms .. ..					3,558	3,558		
	Other improved types of looms.					934	934		
		228,407	171,561						

(a) Including 35,184 silk weaving, artificial silk weaving, woollen cumbly weaving, coir mat weaving and Koras grass weaving looms.

(b) The number of looms represents the number of looms working although some of them may not be operated throughout the year as there is a slack season for weaving.

(c) As each loom implies a weaver, the total number of handloom weavers may be taken at approximately the same figure. It is not possible, however, to state without a special and expensive survey, how many of the weavers are part-time workers.

1936.]

*Handloom Industry.*

71

**Handloom Weavers, etc., in the various Provinces.**

weaving dated the 10th July 1934 of the Sixth Industries Conference.]

Number of fly-shuttle looms.	Percentage of total number of looms.	Other improved appliances.	Percentage to total number of looms.	Information as to the source of the figures and opinion regarding their capacity.
170,801	60	18,108	6.5	The figures are based on the statistics collected by the Revenue authorities at the instance of the Director of Industries and may be regarded as fairly reliable.
47,861	43.4	35,543	32.3	Figures collected by Weaving Assistants by special investigations and personal visits to most of the important hand-weaving centres and also from the records maintained by them and the Director of Industries. The information may be considered as reasonably accurate.
..	..	1,007	..	The figures only relate to the appliances introduced by the weaving schools and demonstration parties during the year 1934-35.
and the information is therefore not available.				
3,556	1.55	934	41	<i>Ad hoc</i> investigation has been carried out through the agency of Revenue Patwaris to ascertain the number of looms and weavers.

(d) The throw-shuttle looms are generally of 30" to 45" Reed space and the majority in use are 43". The fly-shuttle looms are generally of 30" to 72" Reed space and the majority in use are of 45" to 53".

## Statement showing the number of Handlooms.

[Information collected in pursuance of paragraph B of the report on handloom

Province.	Number and character of handlooms.		Number of handloom weavers.	
	In existence.	Working.	Whole time.	Part time.
Bihar and Orissa ..	180,090	(e) 180,000	446,000	55,000
Central Provinces ..	(f) 73,338	73,338	53,406	17,496
Assam .. ..	(g) 421,000	A large percentage is working.	↑ 10,000	↑ 411,000
Burma .. ..	Fly-shuttles .. .. 23,952	23,952	21,897	244,253
	Burmese looms .. .. 188,558	188,558		
	Gyat looms .. .. 54,046	54,046		
	271,556	271,556		
Belhi .. ..	Frame Fly-shuttle .. .. 118	45	697	364
	Pit-Fly shuttle .. .. 647	242		
	Hand-throw shuttle .. .. 331	75		
	Jacquard .. .. 2	2		
	Dobby .. .. 4	3		
	Durree frame .. .. 127	102		
	Tape frame .. .. 312	303		
	Carpet frame .. .. 14	9		
	1,554	781		

(e) No regular survey made; practically all the looms are working.

(f) Including looms used for weaving silk cloth and Gomas Tearad patties and woollen blankets.

1936.]

*Handloom Industry.*

73

**Handloom Weavers, etc., in the various Provinces—concl'd.**

weaving dated the 10th July 1934 of the Sixth Industries Conference.]

Number of fly-shuttle looms.	Percentage of total number of looms.	Other improved appliances.	Percentage to total number of looms.	Information as to the source of the figures and opinion regarding their capacity.
30,844†	17	1,136†	Introduced for the first time.	*Based on the figures of 1921 Census. A rough allowance has been made for the subsequent increase as shown by the consumption of mill-spun yarn which has increased by more than 50 p. c. since 1921. †Based on the registers maintained by the Weaving Supervisors.
31,573	43	14,978	20.4	Based on the results of a regular census carried out by the land records staff under the general supervision of the Deputy Commissioners. The information is therefore correct and reliable.
7,029	1.6	422	.1	*Census of 1921. No fresh census of handlooms was made during the census of 1931 but their number must have increased in proportion to the increase in the female population as every Assamese, Naga or Mainpuri woman possesses a loom. †Figures collected by the weaving parties and may be taken to be more or less accurate as the Demonstrators are in touch with the looms and have been keeping records of the progress.
23,952	6.9	145,762	34.9	Figures obtained from village headmen and are approximately correct.
765	49.2	0	Introduced recently.	

(9) The looms in the plain districts are of the frame loom type. The loom has warp and cloth beams and a slay with bamboo reed and threadles. The healds are of cotton. About 7,000 of these looms have been fitted with fly-shuttle slays, steel reeds and in some cases with English healds. The looms in the hills are either of frame type or the warp is stretched between the wall and the waist of the woman weaver but the exact number of each type cannot be stated.

## INCLUSION OF SILK AND UNION FABRICS WITHIN THE SCOPE OF THE HANDLOOM SCHEME.

### United Provinces.

Assistance to the silk handloom industry has been kept out of the scope of the scheme already in operation with a grant from the Government of India. In practice, however, it is difficult to keep assistance to the cotton handloom portion from State-aid to the silk hand-weaving portion of what is and will continue to be a unitary, though multiple-phased, industry at certain centres in the United Provinces. Many cotton handloom weavers, especially at the well-known centres of the handloom industry (e.g., Benares, Mau, Azamgarh, Shahjahanpur) weave spun and reeled silk and union fabrics in addition to cotton ones. The degree of specialization which appears to have been tacitly assumed when it was decided to keep the silk handloom industry out of the scope of the Government of India's grant does not in practice obtain in this province. Not only do cotton weavers take to silk and "union" (generally cotton and silk) fabrics according to the changing conditions of the market, but they can and do change over, for the time being, to wool-weaving, specially for blankets, woollen *chaddars*, etc. The primary claim on the benefit of the schemes financed out of the proceeds of the excise duty on cotton yarn produced in India is and should be that of the cotton handloom industry. At the same time, the question may be considered by the Conference whether State-aid to the silk, woollen and "union" hand-weaving industry can and should be completely kept out of the scope of the schemes financed with the Government of India's grant. A secondary question that may also be considered is whether at least in the direction of marketing and designing any watertight division can and should be maintained. It is not suggested that any special expert marketing, designing or technical staff should be engaged for the benefit of the silk, woollen or union handloom industry; the agency already employed or to be employed for the benefit of the cotton handloom industry can be utilized for that purpose. The issue therefore is—

Whether State-aid to silk, woollen and "union" fabrics, at least as regards marketing (including finance so far as it is ordinarily linked with marketing) and designing can and should be given in connection with the schemes financed with the Government of India's grant, especially if no special staff has to be employed.



1936.]

*Handloom Industry.*

75

**Discussion.***Monday, October 28th, 1935.*

The Chairman observed that very few provinces had spent what they had already got. He suggested that representatives should give particulars of the progress made.

Mr. Green said that the Madras scheme provided in essence for the setting up of a Central Provincial Co-operative Society in Madras for developing co-operative buying and selling on behalf of the handloom weavers, with a number of district primary production societies linked to it, and for the introduction on a co-operative basis, of small units of machinery for preparing and distributing ready made warps for the looms, and later on, for the installation of power-driven finishing plant, so as to permit of the finishing of hand-woven cloths, and of the creation of an increased demand for them. The grant was to be utilized to provide a subsidy to the Madras Handloom Weavers' Provincial Co-operative Society, Limited. The bye-laws of the Madras Handloom Weavers' Provincial Co-operative Society were drawn up, and the objects of the Society were brought to the notice of persons interested in the handloom weaving industry, who were invited to apply for membership. As soon as the required number of signatures had been received, arrangements were made for the Society to be registered. The orders of Government nominating the members of the Board of Directors were received in July. In August, the first meetings of the General Body and the Board of Directors were held. The Secretary and the Marketing Officer of the Society took charge of their duties in September 1935. The centres of operation in the districts were decided upon and six Supervisors of Production Societies were appointed. The Secretary had been employed chiefly in collecting share capital and looking after the financial side of the Society, whilst in the city of Madras the Marketing Officer had visited the principle firms and organizations engaged in the sale of hand-woven and other cloths with a view to ascertaining their requirements, and securing orders from them for goods which were produced by the existing weavers' production societies or could be produced by the societies in process of organization. He had also visited certain handloom weaving centres to study the classes of goods produced by the existing weavers' co-operative societies. He was also collecting samples of cloth produced in the several areas. The District Supervisors were engaged in ascertaining the needs of their areas in regard to yarn supply, and investigating the ordinary production, and how it was marketed.

Continuing Mr. Green said that one of the first questions to receive the consideration of the Society had necessarily been that of yarn supply. Several of the spinning mills in the Madras Presidency maintained consignment depots, so that stocks of yarn could be kept

in these depots, and supplied to the primary societies as required, at the price ruling on the day when yarn was delivered from the depot. The mills would allow the Society the usual discount paid to their agents on wholesale purchases. It would be stipulated that a bundle of yarn should be of a standard weight of 10 pounds, that it should contain as many knots as the number of its count, each knot to contain 10 hanks and each hank to measure 840 yards, thus securing correct count and safeguarding against short reeling. Further, each bundle would bear a guarantee of correct length and weight. Warp yarn would be distinguished by its label from weft yarn. Several of the mills had already agreed to these conditions and as soon as the requirements were known an approved list of suppliers would be drawn up, contracts entered into with the mills, and arrangements made for a regular supply of yarn at wholesale rates. For the financing of the weavers, the sources available were the mills, local district co-operative banks and the Society. Where they agreed to do so, the mills themselves might supply yarn on credit. Where the primary societies had some share capital and reserve, the district banks would be willing to advance five times the share capital and reserve, but the number of societies which would be able to take advantage of such an arrangement was likely to be limited for some time. The Society had decided to give a limited guarantee to the suppliers of raw materials where necessary. The Department of Industries had five hand-driven sizing machines and a power dresser sizing machine, and Government had agreed to place these at the disposal of the Society free of hire charges. There was some delay in the appointment of the first Board of Directors of the Society, whilst the preliminary organization of the Society had taken somewhat longer than was at one time anticipated. But the foundations of the Society had been well laid, and progress thereafter should be reasonably rapid.

Mr. Green added that the grant for the year 1934-35 could not be utilized that year, as the approval of the Government of India to the subvention scheme was received only in February. The grant for the year 1935-36 was Rs. 59,500. The amount of grant might be used to meet both recurring and non-recurring expenditure, and as the Government of India had decided that any unspent balance of grant remaining at the end of a financial year would be included in the budget for the succeeding year, a total sum of Rs. 86,000 was available as subsidy to the Society. It was a matter for consideration whether the unexpended portion of the grant for five months from April to August could be used for recurring expenditure for the remaining months of the current year, or whether it had to be devoted to non-recurring expenditure, such as, the purchase of machinery and plant, and whether readjustments within the subvention were permissible. The President and Directors of the Society had proposed certain deviations of detail, although

the scheme itself was in accord with that approved by Government. They wished to increase the grant to primary societies and to modify slightly the pay of officers and to provide for one or two matters of that kind; they had also incurred some expenditure in directions which were not expressly provided for or sanctioned in the scheme; for instance, the Society's office.

At the last Conference the speaker had suggested that by far the most equitable method of allocation of grants would be to base them on figures of consumption of yarn as this reflected accurately the extent and importance of the handloom weaving industry in a province. He agreed with the Director of Industries, Bombay, that the number of looms in a province could not be taken as a suitable basis as in some provinces there were a number of portable looms and looms engaged in weaving short breadth fabrics, the yarn consumption of which was comparatively small. Moreover, the number of looms in existence did not necessarily represent the number of looms that are actually working. He did not agree with the proposal that the basis of allocation should depend in part on the number of weavers. It was not possible to say how many weavers were part-time workers and no accurate figures were available of the number of weavers in the several provinces. In the United Provinces memorandum it was suggested that the consumption of yarn, with special reference to the consumption of yarn of finer counts, should be one of the criteria. The difficulty lay in ascertaining the quantity of yarn of finer counts consumed by the handloom industry in the various provinces. The Madras Presidency consumed more than 20 per cent. of the total foreign imports of yarn above 40s into this country; but they did not know the distribution of yarns of different counts within India itself. The objection to the number of fly-shuttle looms being accepted as one of the criteria for the apportionment of the allotment—as suggested by the Central Provinces—was that the fly-shuttle slay did not lend itself to the production of all kinds of fabrics, and that hand-thrown shuttle slays were necessary for the manufacture of certain specialised classes of goods. In Madras, the percentage of fly-shuttle slays to the total number of looms was about 60, and it was probable that fly-shuttle slays had been introduced in Madras to almost the full extent possible. In the memorandum of Bihar and Orissa it was pointed out that the data furnished in respect of handlooms, etc., could not be considered to be absolutely reliable, and that the allocation should, therefore, continue to be made on the same basis as before; since the data in respect of the consumption of yarn and the expenditure incurred by Local Governments on handloom weaving were absolutely reliable. He therefore suggested that the consumption of yarn should continue to be one of the basis for the apportionment of the grant for next year.

The Chairman observed that what was especially required was information regarding the extent to which provinces had spent the money that had been allotted, whether it had proved sufficient, and if there was really a little more available in the reserve, how far it could be utilized, and also whether all the schemes were prepared on a five-year basis. Last year two criteria were adopted—the figures of consumption of yarn and the expenditure of Local Governments on handloom weaving, and presumably provinces had drawn up their programmes accordingly. Consequently, if the Conference went back on any one of those criteria it would be upsetting arrangements considerably. Everybody seemed to be agreed that the consumption of yarn was one of the most useful criteria. And the adoption of some other criterion such as the number of looms or weavers, etc., would create difficulties, apart from the fact that the figures were not available. The United Provinces had not completed their survey: Bengal said that no statistical information was available. The bias should therefore be towards going on with the system already adopted: and if there was scope for expansion anywhere, a little more could be given from the reserve.

Mr. Advani said that the Bombay scheme was on the basis of selling handloom cloth on a co-operative basis in the districts; of the five district associations to sell handloom cloth which were to be set up three had been actually organized and registered; their selling organization had been set up and transactions had actually commenced. The marketing officer and the designer had been appointed and by the end of the year the remaining two organizations should have come into existence: the expenditure should then be equal to the allocation made. The scheme was prepared on a basis of five years, and on the assumption that Bombay would get at least the present grants. If larger funds were available there was not the slightest doubt that they could be satisfactorily utilized. There was no connecting link at present, no central organization at Bombay city, for drawing on the cloth manufactured in the districts and that was because the funds were not sufficient.

The speaker strongly supported the existing basis of allocation. He added that the yarn consumption on which the Bombay grant was based was 35 million lbs.; but the Bombay Government calculated it at about 55 million lbs. a year. The Director General had calculated that their consumption would be about 43 million lbs. for the current year. That might be correct; but the Bombay figures had been worked out in consultation with the Bombay Millowners' Association and the Ahmedabad Millowners' Association and they excluded the hand spun yarn. He suggested that the allocation should be made on the basis of the revised figures.

Dr. Matthai said that his Department had checked the figures and still maintained that their original figure was right. In the

figures submitted to the Conference, there were three possibilities of error. There was first the question of handspun yarn, on which no definite information was available. The information received from Directors of Industries in the course of the Tariff Board enquiry of 1932 and from non-official agencies working in conjunction with the *Khaddar* movement was that the total amount of handspun yarn did not exceed 25 million pounds. If that was distributed *pro rata* among the provinces, Bombay would get only about three million pounds more. Secondly, as regards the consumption of yarn in respect of hosiery, they had adopted the same standard as in the case of cloth; that is to say, 100 lbs. of yarn to 112 lbs. of cloth. That was generally correct in respect of cloth, but did not apply so well in the case of hosiery, because under hosiery various classes of miscellaneous goods were included. That might mean a variation to the extent of about 15 to 20 million pounds yarn for the whole country, but even that would not bring the Bombay figure any where near the figure mentioned. Lastly, they had no figures regarding the trade across the frontier, but that did not apply to Bombay, but only to Burma and Assam, so that, allowing for these possibilities of error, the figure suggested for Bombay was probably as good an approximation to the correct figure as his Department could give.

The Hon'ble Dr. Sir Gokul Chand Narang said that figures were wanted under two heads,—figures in respect of yarn imported through the Punjab from the mills both in India and outside India, and under the second head, the approximate figure of handspun yarn. He felt that it was impossible to arrive at these figures with any degree of accuracy. The question then was whether the allocation should be based on calculations which at best were only very rough, while other and more accurate data were available. In the Punjab they had utilized the services of some 20,000 revenue *Patwaris*. Through them they had obtained the figures of handlooms of various kinds working in the province and also the number of weavers. These figures were correct within a margin of less than 1 per cent.

The Hon'ble Mr. Abdul Aziz observed that the figures showed a great increase by comparison with the previous Punjab figures.

The Hon'ble Dr. Sir Gokul Chand Narang explained that on the previous occasion the machinery to which he had referred was not employed. The earlier figures were rough figures arrived at from census estimates but they had since employed the special staff to remove any doubts.

The Chairman observed that other provinces had not got that kind of special staff.

Mr. Weston said that in Bengal they had had the matter under consideration by their Economic Inquiry Board. They came to the conclusion that if they asked the village chowkidar, who was probably the only person available in those parts, or the President of the Union Board, they would probably be unable to give the information. In any case they could have no confidence in information so secured, because the persons collecting it were not able to assess the value of the information they collected. All handlooms were not of the same type; they could not give the same equivalent value to a pit loom as compared to a good handloom with jacquard attachment manufactured under the specification of the Industries Department. The variations in value between kinds of looms far exceeded any variations possible in Dr. Matthai's figures, and in Bengal the only practicable method of assessment was the one already adopted.

Continuing Mr. Weston said that they had not made much progress as they had only got financial sanction from the Government of Bengal from about 31st October. The experimental staff was set up in July last and had now got to work. The availability of a Marketing Organization had helped them very considerably. The "Good Companions", was a body of ladies who run a depot in Calcutta in conjunction with the Home Industries Association which had been rejuvenated and this body of ladies had given ideas which they were able to adopt with great advantage. They were at the time finishing fabrics of different kinds and colour effects which the ladies were buying in Calcutta and which the Army and Navy Stores in Calcutta were only too glad to secure. There was a further way in which they could help the village organization in Bengal and that was through the Kalimpong Association. They had taken a leaf from the Director of Industries, Bihar and Orissa, and had employed a very talented lady with all sorts of new ideas about weaves and colour effects. She had produced a great many colour designs and established a new weaving branch of the Kalimpong Association. They had the full confidence of the Government of Bengal and his own Department and might be given a sum of Rs. 2,400 if there was any extra money to spare.

Khan Bahadur Arshad Ali said that in Bengal a co-operative machinery had now been in existence for about ten years for the organization and working of the weavers' co-operative societies. The grant by the Government of India had given an impetus to this. They had a provincial organization; a district organization, industrial unions and primary weavers' societies. They had given them an expert staff with the help of the Government of India grant. The industrial union gave yarn to the weavers' societies and took back from them the finished products and these finished products were sold in the local markets sometimes and were also transferred

to the central organization in Calcutta. But most of these district industrial unions were finding it difficult to supply yarn for want of suitable capital and the original scheme (which was mooted by the Government of Bengal but not approved by the Government of India) proposed some sort of the subsidy for them either as a grant or as an advance so that they could supply the yarn and take back the finished products regularly. The chief difficulty was the marketing of the finished product. They were giving the new designs to the weavers through their officers and experts but in the mofassil areas these products were not generally sold at the rate at which they ought to have been. So they had to be brought to Calcutta where there was a market. But the provincial organization in Calcutta was also finding it difficult to make cash advance or to supply the weavers with yarn and take back the finished product. If a small sum of 5 to 10 thousand rupees could be given to the industrial unions as a sort of advance to be repaid after 5 years, the scheme would work more efficiently.

The Chairman inquired if the Kalimpong Association did any demonstration or propaganda work. It was obviously undesirable that grants made from the fund should be used merely to give employment.

Mr. Weston said that the Association was told that a grant would be conditional upon a free access to these designs, and had agreed. They also had little outstations where there used to be lace schools and it was their intention to spread their handloom weaving there. The work was identified with the welfare of the people of the neighbourhood. The designs and the ideas emanating from them would be used freely by the Department's demonstration staff.

Mr. Shivdasani agreed that a grant should be made on the same basis as last year. Describing the progress they had made since the original scheme was taken in hand he said that their main scheme aimed at an all-round assistance to the weavers more or less on the lines on which work was already being done by the Department. They had therefore been able to utilize their staff and institutions for preliminary work. The workmanship of the weavers and printers was already fairly efficient and their primary difficulty was lack of proper marketing facilities. The first step therefore had been the collection of samples. They had collected 1,200 samples, a large number of which had been approved and graded and their specifications drawn up. It was proposed to give these samples to commercial travellers, four of whom had been appointed to work in large towns. Under the original scheme six such travellers, were to be appointed, but it was considered better to appoint six men of the weaver class for work in rural areas out of the remaining grant. The canvassers would all be working by the end of the

year. They had not yet appointed designers as they were not till recently ready to utilize the designs for securing orders. But since their marketing organization had been completed they had invited applications from professional designers and appointments would shortly be made. The Head Designer might not be appointed but the savings on this account would be utilized for buying approved designs. Meanwhile, a good deal of work on new designs had been done in their weaving institutions and by means of the Emporium orders for goods worth about Rs. 4,000 had been booked and partially executed. Arrangements had been made to supervise production at five places and it was hoped shortly to have six, if not eight, such centres.

Continuing Mr. Shivdasani said that many new appliances had been tried at the Central Weaving Institute, Benares, and at some of the Weaving Schools and demonstrations of these new appliances had been given in a large number of villages. They had started a provincial marketing organization in August. A shop had been fitted up and goods obtained from the different centres out of the commercial operation grant of Rs. 20,000 given by the United Provinces Government. The necessary staff had been engaged under the supervision of the Business Manager of the Emporium. An order for fabrics of different kinds worth Rs. 3,500 had been secured from a firm for an exhibition train. They were also participating in some big fairs and arrangements had been made for participating in the Ganges Fair at Gurhmuktesar. The Government of India grant for the central finishing plant had not been utilized, but proposals to give a grant to private parties who were willing to put up a finishing plant at important centres were being examined. The resources of the Central Weaving Institute, Benares, had been utilized for preliminary research, and proposals for appointing extra staff for further work in this direction were under consideration. It was proposed to spend a part of the grant on experiments for hand finishing. The direct expense which the Local Government had to bear in working the handloom schemes was nearly Rs. 59,000 a year. In addition, the United Provinces Government had undertaken to bear the cost of the building required for the finishing plant, estimated at Rs. 5,000 and had also provided Rs. 20,000 for the commercial grant for the current year, which was likely to be increased to a lakh in the ensuing year. The scheme should be in full working by the end of the year.

Rai Bahadur Lala Ram Lal said that, in the Punjab they had started the scheme by opening a Central Depot at Amritsar and by appointing a Marketing Officer who had been round the Punjab to find out the main qualities of cotton cloth sold in the market. As a result of the survey they found that there were different cloths in the market which were being produced at uneconomic prices and



which could be produced at cheaper rates and with better returns. They appointed the remaining staff as needed. There would be one Central Depot and two outlying depots. The outlying depots at Hoshiarpur and Multan had yet to be opened. There would be two or three weavers in each depot in addition to supervisors. The master weavers would see that the orders were executed according to the accepted designs, and the supervisors would see that the master weavers were working properly. In the case of any loss or in the case of the weavers not producing a cloth according to design, due to negligence, deductions would be made from the remuneration of the master weaver and supervisor. At Amritsar he had found that nearly 99 per cent. of the cloth produced was quite up to the specified standard. The Central Depot at Amritsar had a designer who in addition to analysing and designing for a cheaper production what was already on the market, was working out new designs. The designs were explained to the weavers at the Central Depot and also to the master weavers, and supervisors. By this means an immediate increase of 50 per cent. had been secured in the wages of the weavers, while nothing was paid to the dealer in the shape of interest. They supplied the yarn to the weaver after dyeing it with fast colours where necessary. When the goods were brought back, they were immediately examined, and the weaver received his wages then and there without having to pay anything to the middleman or to anybody else, which had been the system up till then. They had found that the Central Depot at Amritsar was flocked by weavers for more orders.

Continuing Rai Bahadur Lala Ram Lal said that there were one or two difficulties to contend with. One was that they had not enough money to put up finishing plants at the depots. In the case of *khaddar* and similar articles, it was the finishing and printing that counted. The cost was estimated at Rs. 30,000. They had some money, but if they could have another Rs. 15,000 it would be of considerable help. At Amritsar they had made arrangements with a private concern which had put up an embroidery mill, to do the finishing for the local depot. But that might ultimately be more expensive. Nor was the money enough to enable them to let the weaver adopt the improved kinds of looms necessary for them to compete successfully and to produce cloths which would sell more readily. They also found that it was necessary to give effective assistance in the matter of the introduction of jacquards and dobbies. One way of doing this was to supply these articles to the weavers on the hire-purchase system and give them a certain rebate, say 25 per cent.

Dr. Matthai, on an inquiry regarding the Punjab figures, said that for the year 1933-34 the Punjab figures were based on the

total production of yarn by the mills in the Punjab *plus* the net imports by rail into the province *minus* the amount of yarn consumed by the mills. No allowance was made for handspun yarn, as there were no reliable figures. The best estimate the Tariff Board of 1932 could make was somewhere about 25 million pounds of yarn for the whole country.

Rai Bahadur Lala Ram Lal added that in the Punjab villages women spent most of their time in spinning yarn and he knew of no agency that had taken any steps to get anything like reliable figures of the production of such yarn. Practically every woman in the village, when she had spare time, spun her own yarn to make *kheses* and *khaddar* to meet her family requirements. He thought that Punjab women were more assiduous with the *charkha* than women elsewhere. Two years ago he had visited some of the poorer villages in Alwar, and was shocked to find that the women there did not do their own spinning and that weavers were using mill yarn for such coarse cloth as *khaddar*.

The Hon'ble Dr. Sir Gokul Chand Narang felt that Rs. 35,000 or Rs. 40,000 could not achieve very much. To enable the weavers to withstand competition, something more intensive and more substantial would have to be done and if the Government of India could spare more money it could certainly be utilized to great advantage. They could have parties instructing weavers in improved methods of weaving and giving them better designs and helping them in marketing their wares.

The Hon'ble Mr. Abdul Aziz said that before Mr. Dhar supplied the necessary particulars, he wished to draw attention to one point. Most of the weavers who produced the articles, some of which had been exhibited in Delhi, came from north Bihar. In view of the great disaster caused there last year by which these weavers had been very hardly hit the Government of India had made a special grant of Rs. 12,000. The weavers had not recovered from the effects and their position required special consideration.

Mr. Dhar said that they had made a survey and had selected 35 suitable articles for standardization apart from art textiles which had been manufactured by the weavers before. There were six weavers' co-operative societies and 17 master weavers or contractors were producing goods for the marketing organization. Apart from the central emporium at Patna they had opened shops at three places, and three more shops would be opened shortly. They were also effecting sales through their commercial traveller and a number of sales agents including those in London and New Zealand. They were widely advertising these articles, and had taken part in exhibitions. They were going to have a provincial exhibition in Patna the following year. They had till then spent Rs. 1,02,980, of which

1936.]

*Handloom Industry.*

85

the Government of India provided Rs. 75,500. The amount of sales effected up to that date under the organization was Rs. 64,280 against Rs. 19,172 shown in the memorandum because that figure was compiled in July. The cash receipts from sales were Rs. 40,746. They would have made much more progress had it not been for the fact that they were handicapped for want of a finishing plant. The scheme provided for a finishing plant and they placed orders in England in June 1935 and expected the plant in November 1935. They only wanted a few minor modifications of their scheme. They found that the shops they had in the province were unable to market all their things. Marketing was the biggest problem in all schemes. For their art textiles they had been depending on the English and New Zealand markets, but they were very uncertain. They were trying to create a market here and found that Delhi, Simla and Calcutta were very suitable places for art textiles. They proposed to open two more selling agencies. They also found that the weavers' co-operative societies required very careful supervision. The formation of new societies was being checked for want of efficient supervision and they required two more supervisors in addition to the three already working. They also wanted an extra commercial traveller for marketing outside the province, and their budget for the year 1936-37 came to Rs. 57,280 as against Rs. 52,500 received during the year 1935-36. This included the special earthquake grant of Rs. 12,000.

The Chairman said that that was a special grant for 17 months. They could hardly have the Rs. 12,000 for the whole period of the scheme.

Mr. Dhar appealed for the earthquake grant for the next five years. He thought that the proceedings of the Sub-Committee of the last Conference and also the day's discussions had shown that the number of handlooms and the number of weavers gave an unsatisfactory basis. They had incurred expenditure and it would be upsetting matters if they altered the basis. They found that the number of looms had gone up over the 1921 census figure in spite of the economic depression and in spite of the activities of the department having been curtailed considerably. Without a systematic survey, it was very difficult to get reliable figures. The Central Provinces, Burma and Assam were showing a larger number of looms than weavers, but their experience was different. Even with their primitive handlooms, it required two extra persons for winding, warping and sizing operations. The basis should continue to be the consumption of yarn and the expenditure of the Local Government.

Mr. Bhalja said that he had little to add to the Central Provinces Government's memorandum. They had organized the Central Provinces and Berar Weavers' Co-operative Society at Nagpur and a branch at Kamptee. Their programme for the following year

provided for two more branches which required an expenditure of Rs. 32,000 against the amount of Rs. 17,000 which had been allotted to them. A sum of Rs. 17,000 for a province with a population of 4 lakhs of weavers and 2½ lakhs of dependents spread over 4,000 villages was inadequate. The basis for the allocation of the grant was unsatisfactory. This had been recognised at the last Conference, and it was stated in the report of the Sub-Committee that in order to have a more equitable basis, the Local Governments should undertake inquiries in order to arrive at the correct data as regards the number of handlooms and other matters. In accordance with this recommendation of the Conference, his Government had undertaken an elaborate inquiry through the land records staff and had taken a regular census of the handlooms. He agreed that the consumption of yarn furnished a relevant criterion, but the amount of expenditure which a Provincial Government incurred was an inequitable criterion. The figures of expenditure of the preceding five years had been abnormal. In the Central Provinces the sources of revenue were unexpanding and in times of up-heaval they had to be made available first for the maintenance of law and order. As a consequence, all other activities had to be curtailed, including those of a Textile Expert. During the year, however, his Government had sanctioned the appointment of a Textile Expert, but that would not be taken into consideration in making the allotment for the year 1936-37. He considered that a better criterion would be the extent of improvement effected in the matter of the introduction of improved appliances. The criterion of the consumption of yarn should be retained but the criterion as regards the actual expenditure should be replaced by the number of handlooms, figures of which had been collected with so much trouble, and the number of improved appliances which had been introduced.

Mr. Mehta did not agree with the last speaker's proposal that the grant should not be based on the amount of expenditure. Assam had a large population, specially among the hills, who spun their own cotton yarn and so their quantity of mill yarn consumed was rather too low. They had nearly 4 lakhs of looms though few of them were with fly-shuttles, as owing to conservatism, it was difficult to introduce improvements especially in the backward areas. They had started with the appointment of the Marketing Officer in the middle of July. They would be able to spend the whole grant, but found certain modifications necessary; these had been already outlined in the memorandum. He presumed that there would be no objection to their utilizing for that purpose the amount they had to their credit. He would accept the same criteria as were adopted last year.

The Chairman said that the discussion had revealed a much larger measure of agreement than might have been anticipated. He

agreed with Dr. Sir Gokul Chand Narang that Rs. 5 lakhs did not go very far and that if the Government of India had more money available, it could very well be spent on that object. But so far some of the schemes had hardly started at all. He wished to make it clear that any savings which had resulted from the fact that provinces had not been able to start on their schemes as soon as they hoped would accrue to the provinces concerned. There was no intention of asking for it back. Those savings could be utilized on their schemes provided that they were approved schemes, either by expanding them or modifying them in any way. But changes in the scheme, unless they were of a very minor character, would have to come up to the Government of India. He suggested that provinces should come up to the Government of India for approval of any modifications as soon as possible.

Continuing, the Chairman said that two criteria for allocation had been put forward last year as the best they could find. They had definite data on those two points; there were still definite data on those two points and there were still no definite data on the other two criteria, the number of handlooms and the number of weavers. Five out of the provinces represented—Bombay, Bengal, the United Provinces, Bihar and Orissa and Assam—were satisfied with those criteria. He invited attention to the statement showing the number of handlooms in the various provinces. In that statement there were two provinces—Bengal and the United Provinces—which could not give the number of weavers and the number of handlooms. That statement showed how unsatisfactory any allocation based on the number of handlooms and weavers would be even if they had the figures from those provinces. Moreover, if they added hand-spun yarn it was not going to make any difference. It was only 25 million pounds for the whole of India, and that, divided up among the provinces, was not going to help very much. Madras could not say how many part-time weavers they had got. Assam had 10,000 whole-time weavers and 4,11,000 part-time weavers; but what points were to be allowed for whole-time and what for part-time? Exactly the same applied to handlooms. His view, therefore, was that the two existing criteria were the only ones on which it was safe to proceed.

Mr. Bhalja suggested that they might take only one criterion about which there was no difference of opinion, namely, the consumption of yarn alone. Madras had stood for this.

The Chairman said that the statement showed how impossible it was to adopt the criterion either of the number and character of handlooms or of the number of weavers. Madras had put forward the argument that their handloom industry had improved to such an extent that there was no necessity for them to spend money on it and that was the reason why they were not doing it. If that was

the case, it was not clear why they needed money now. He thought the general sense of the meeting was that they should proceed on the basis adopted last year which had justified its acceptance.

Coming to the question of whether there was any more money available, the Chairman observed that he had had very rough and ready calculations made of the existing position and had found that out of the total of Rs. 3,83,500, allowed to Local Governments, capital expenditure accounted for Rs. 1,48,000. That meant that the recurring expenditure was Rs. 2,35,500. There were Rs. 5 lakhs available for the following year, of which, in accordance with the previous decision, 15 per cent. should in the ordinary way go to the reserve. He proposed to give a 20 per cent. addition on the past allotment for next year and the following year ; that was Rs. 76,700 in all. He suggested that the money should be divided up exactly as in the original grant. That meant that during the following two years, the total amount distributed to the provinces would be Rs. 4,60,000, which would reduce the reserve from Rs. 75,000 a year to just under Rs. 40,000. That meant that the total amount allotted would be Rs. 4,62,000, which was almost double the recurring expenditure at the moment, which was Rs. 2,35,500. Here again, modifications in the schemes would have to be submitted to the Government of India. Personally he would be perfectly prepared, if necessary, and if the Punjab wanted their finishing plant in a hurry, to advance that amount out of the reserve against the grant for the coming year in order to enable a start to be made with it. If the Finance Department agreed, the money could be lent in this manner. If any other province wanted that sort of plant, he would consider whether they could not advance the money out of the reserve to enable them to get the plant and get on with the scheme. He asked if the Conference agreed that the 20 per cent. addition should be made and should follow the present allocation.

Mr. Advani observed that the previous year's allocation was on a different calculation of yarn and consumption and that the Director-General of Commercial Intelligence and Statistics had now given the actuals for the year 1934-35. He asked whether the former grant was to be re-calculated on the basis of the present figures or whether the previous allocation stood, and the 20 per cent. would be added to the previous allocation.

Mr. Clow suggested that it would be very difficult to go on re-calculating every year. The amounts would themselves be influenced by the grants actually given.

The Chairman suggested that Mr. Bhalja, who was the stoutest protagonist for adopting the figures of weavers and handlooms, should examine the statement. The Central Provinces had only 73,000 handlooms and about the same number of weavers, whereas Bihar and Orissa had 250,000 weavers and 180,000 handlooms ;

1936.]

*Handloom Industry.*

89

Burma had about 250,000 weavers and 271,000 handlooms ; Assam had 411,000 weavers and 421,000 handlooms. The Central Provinces would suffer terribly if the Conference adopted Mr. Bhalja's own suggestion.

The Conference agreed that the grants, for the next year, including the addition of 20 per cent., be allocated on the same basis as in the current year.

Rai Bahadur Lala Ram Lal said that he represented the North-West Frontier Province also. They had got Rs. 5,500 that year but as they were anxious to develop their handloom industry he asked if the Government of India would give them a bigger grant next year. The North-West Frontier Province were spending some money from their own budget as well.

The Chairman said that the Government of India would examine the case sympathetically to see whether they could give them something from the reserve.

The Chairman observed that for reasons explained in the previous year the discussion of the allocation of the grant was confined to British India. But they would welcome any observations from the States with regard to the schemes, and if they had any schemes of their own, information with regard to them would be very useful.

Lala Ramji Das Vaishya said that in Gwalior State very fine work was turned out in some areas. They were re-organizing the industry and had introduced jacquard work on handlooms and hoped to be able to introduce new variety of articles in place of those turned out in the past. They had opened a branch of an industrial school and were teaching weavers the use of the new types of handlooms. Their chief difficulty was in marketing their products. They benefited from exhibitions at such places as Delhi and other important places in India where they hoped to display their exhibits.

The Chairman enquired as to how they managed in regard to their designs.

Lala Ramji Das Vaishya replied that they employed specialists, experts in designing, whom they had had trained in Japan.

Mr. Abdul Wajid said that Mysore had in contemplation a scheme similar to that adopted by the Madras Government. They had succeeded in evolving an automatic pit loom that was likely to increase the production by at least twice the present figure. Their difficulties were the same as in British India, the want of organization and of marketing facilities. They hoped before long to formulate a scheme to help weavers in these directions.

The Chairman said that there were two subsidiary questions outstanding. The question of the Bihar and Orissa special grant might be taken up in connection with exhibitions. With regard to the inclusion of silk and union fabrics within the handloom scheme, the United Provinces who were the protagonists of that proposition might elaborate their scheme. The grant was definitely given for the development of the cotton handloom industry. It was made clear in the Assembly at the time, that this was part of the scheme for protection to the cotton industry. The question was how far they could keep cotton and other fabrics separate and how far cotton weavers were also engaged in weaving wool or silk. They could only justify including anything else if the two were really inseparable.

Mr. Shivdasani said that almost all the weavers in the United Provinces were making union fabrics of the same kind as cotton fabrics. He did not suggest that the money should be spent on helping the manufacture of union fabrics but they were giving designs and marketing facilities through the same organization that they had for helping union fabrics.

Mr. Dhar said that the Bihar and Orissa Government had their shops and their collecting agency at Gulzarbagh on which they were spending about 2 lakhs of rupees. There was no objection to the proposal as regards marketing provided that the Local Government concerned spent from its own resources not less than the proportionate cost of business in silk and wool or union fabrics.

Mr. Advani agreed that it was often difficult to separate because the same weaver sometimes wove silk and sometimes cotton. When a weaver was a member of the selling organization, the co-operative societies which had been set up, could not tell him that they would not sell his silk *sarees* but only his cotton *sarees* or, alternatively, that they would sell his pure silk *sarees* but not mixed *sarees*. As the proposal of Mr. Shivdasani did not entail extra expenditure on organization, he saw no difficulty in accepting it.

Mr. Green asked how Mr. Dhar proposed to estimate proportionate cost.

Mr. Dhar explained that they had done business worth about Rs. 64,000 and, out of that, the business in silk came to about Rs. 5,000. So long as the Local Government had spent that amount from their own resources he thought that the Government of India should not raise any objection.

Mr. Advani asked what would happen to the mixtures under such a scheme. In the Bombay Presidency a large number of cotton *sarees* were woven with a border either of artificial silk or silk. The tendency now was even to have the body of mixtures,



1936.]

*Handloom Industry.*

91

The Chairman said that as regards mixed goods of that kind, the question was which was the predominating material. The Government of India were not going to say that help should not be given to the weaver who made a cotton *saree* with silk border. He was a cotton weaver and not a silk weaver. If he was a silk weaver who put a border of cotton then he would not come within the terms of the grant.

Mr. Dhar agreed that if bulk of the raw material that was used was cotton the goods should be regarded as cotton goods and not otherwise.

The Chairman said that he thought that the Conference generally accepted the formula proposed by Mr. Dhar, *viz.*, that Local Governments should not be precluded from using the same organization for silk and cotton, but where they did, they should meet the proportionate cost of the silk out of their own fund. He would not restrict the principle to marketing but would apply it throughout. They must trust the Local Governments to see that they allowed a fair proportion for the silk work.

The proposal was accepted.

The Chairman summarised the general conclusions as follows :—

- (1) That the basis of allocation at present in force is on the whole more suitable than any other that is now available and should be followed for the remaining years of the scheme.
- (2) That the grants for 1936-37 should be equivalent to the grants of 1935-36 with an addition of 20 per cent. in each case.
- (3) That there is no objection to the application of any part of a grant to the assistance of sections of the cotton handloom industry which make goods consisting principally of cotton but containing other yarns.
- (4) That there is no objection to the application of any part of a grant—
  - (a) to assist weavers spinning both cotton fabrics and silk or other fabrics ; or
  - (b) for the upkeep of institutions serving both the cotton handloom industry and other textile industries.

Provided that the Local Government contributes from provincial revenues a sum sufficient to cover the proportion of the work attributable to silk or other fabrics.

**II.—HANDLOOM EXHIBITIONS AND COMPETITIONS.****MEMORANDA.****Government of India.**

One of the recommendations of the Sixth Industries Conference in connection with the distribution of the grants for the development of handloom industry was that the Local Governments should be consulted on a proposal that a small proportion of the grant kept in reserve by the Government of India might be spent on an All-India exhibition or All-India competitions. The views of the Local Governments, who were consulted in pursuance of this recommendation, are summarised below :—

**Views of Local Governments.**

*Madras.*—The Local Government would prefer to concentrate all available resources on developing the provincial organizations in order to improve the quality of fabrics, reduce cost of manufacture and thereby facilitate marketing. They would accordingly defer expenditure on other objects, *e.g.*, exhibitions.

*Bombay.*—A reasonable share of the total Government of India grant may be set aside for the purpose of holding periodically All-India exhibitions of (i) handloom fabrics, (ii) various requirements of handloom weavers, such as, sizing materials, dyes, etc., and (iii) improved types of equipment required by the weavers, such as, sizing machines, calendering machines, handlooms, etc. In order to attract as many visitors as possible, space might be reserved for products of other cottage industries. The exhibitions should be held in different provinces from year to year. The Director of Industries in the province where the exhibition is held should be responsible for organizing it and other Directors should co-operate by arranging to send exhibits. There should also be organized similar annual exhibitions in each province, the exhibits being confined to the province concerned. A part of the grant may be made available to each of the provinces for such provincial exhibitions.

A part of the grant might also be reserved for prizes to be given for competitions in the interest of handloom weavers. These competitions might relate to matters such as (i) colour schemes for various fabrics, such as, *durries*, etc., (ii) designs of *saree* borders, (iii) new doobby equipment, (iv) suitable hand sizing and calendering machines, etc. The central organization could decide on the object of competition for each year, fix the prizes, advertise them in the press and through Industries Departments, and award the prizes.

*Bengal.*—Large exhibitions of an All-India character have been organized more than once in Bengal and proved successful to the extent that they attracted large numbers of people and considerable public interest. There is, however, no evidence that they actually contributed in any appreciable degree towards increasing the economic stability of cottage industries and the Local Government feel some doubt as to their practical value. They are inclined to think that any sums available could be spent with more advantage in other directions as, for example, in improving the facilities for technical education among the weavers. If the Government of India are disposed, after considering the views of the other Governments, to devote some part of their reserve to the promotion of exhibitions, the Local Government would raise no objection, but they urge that the sum so spent should be very moderate.

With regard to All-India competitions, results of value might be obtained by offering prizes for competitive designs and proposals with models for new machines or apparatus likely to help cottage industries.

*United Provinces.*—A portion of the grant reserved by the Government of India for contingencies should be spent on All-India exhibitions and cash prizes for competitions. Exhibitions may be held every year in the different provinces by rotation, and competitions may be held along with the exhibitions.

*Punjab.*—An All-India exhibition of handloom products would assist the industry. A prize might be offered, for instance, for the best exhibit sent up by an Industrial Co-operative Society and a prize for the best exhibit sent up by an individual weaver.

*Bihar and Orissa.*—A small proportion of the total grant for the development of the handloom industry should be kept in reserve by the Government of India to be spent on an All-India exhibition or All-India competitions. The important part which such exhibitions and competitions can play in the development of the industry was fully demonstrated when the All-India hand-weaving exhibition was organized at Patna in 1921.

*Burma.*—Expenditure should be met from the grant on All-India exhibitions or competitions. Although the province is not likely to take an active part in these exhibitions, etc., there could be simultaneous conferences of Weaving Experts with a view to discussing the lines on which work in the different provinces is being carried on, comparing the progress made and deciding upon the best methods for future development.

*Central Provinces.*—A portion of the Government of India's reserve might suitably be spent on a series of All-India exhibitions of handloom

products. The venue will presumably be changed from year to year so that in the course of the remaining four years one of these exhibitions will have been held at the headquarters of each of the provinces in which the industry is of more than ordinary importance. The Local Government are not in favour of organizing competitions, as they indicate more the merit of an individual rather than the progress of an industry as a whole, but have no objection to a mild element of competition being introduced into the exhibitions by means of offering prizes for products of outstanding merit.

*Assam.*—A portion of the Central Government's reserve should be used to promote All-India exhibitions. These might however be postponed until the provincial schemes are in full working order, and should be advertised well in advance. The Local Government are doubtful if competitions serve a useful purpose in view of the shortage of funds for more important matters such as instruction.

#### General Observations.

The proposal to hold All-India handloom exhibitions has received support from the majority of Local Governments, but is not favoured by the Governments of Madras and Bengal (the two leading provinces, so far as this industry is concerned). The weakness mentioned by the Government of Bengal may be partly due to lack of organization of cottage industries in general and would possibly disappear if exhibitions were held more frequently.

In reaching a decision the following points deserve attention :—

- (1) The effect of previous exhibitions (*cf.* observations by Bengal and Bihar and Orissa).
- (2) The financial results of exhibitions (*e.g.*, the relation which the estimated loss, if any, bears to the business done or secured).
- (3) The possibility of maintaining contacts that may be established at exhibitions.

Provisionally, the Government of India are disposed to grant assistance from the reserve to exhibitions of an All-India character, where the Local Government agree to share the financial responsibility, by utilizing their handloom grant or other funds. The main ground for this suggested condition is that the chief benefit from an exhibition is likely to accrue to the province where the exhibition is held and distant provinces stand to gain very little.

It is desirable to secure non-official co-operation in organizing exhibitions. A non-official organization runs a successful annual exhibition, catering mainly for small and cottage industries, at Delhi. The Government of India have acted as part guarantors, and have not yet had to make any payments on their guarantees. In other large centres, there might be similar possibilities, particularly if (as the Bombay Government suggest) the exhibition was not confined to the handloom industry.

The Government of India consider that purely provincial exhibitions have no claim on the Central reserve and should be financed from the ordinary grants allocated to the provinces or from provincial revenues.

The majority of the Local Governments have suggested that competitions should be held during exhibitions. This combination appears desirable as without an exhibition a mere announcement of competition and prizes is not likely to produce satisfactory results. If, as the Bengal Government suggest, prizes were offered for new machinery or apparatus, the prizes would have to be confined to machinery or apparatus beneficial to the handloom industry.

The Government of India are considering a proposal to hold an All-India hand-weaving exhibition and competition in connection with the All-India Industrial Exhibition to be held at Delhi during February-March next.

A proposal has also been made by the Government of Bihar and Orissa to hold an exhibition and competition of handloom products along with the Provincial Exhibition to be held at Patna in the beginning of 1936. They have been asked to draw up the necessary scheme and copies will be circulated to Local Governments when received.

#### Questions for consideration.

The questions for consideration are—

- (1) Should All-India handloom exhibitions be financed from the handloom fund ?
- (2) If so, to what extent and on what conditions should this assistance come from the Government of India's reserve ?
- (3) Should competitions be organized in connection with exhibitions or otherwise and if so, what character should these competitions take and what prizes should be offered ?
- (4) Should assistance be given to an All-India exhibition at Patna next year ?

**ALL-INDIA HAND-WEAVING EXHIBITION AND COMPETITION  
- TO BE HELD ALONG WITH THE BIHAR AND ORISSA PROVINCIAL EXHIBITION AT PATNA IN FEBRUARY 1933.**

**Bihar and Orissa.**

It was in the year 1921 that the Government of Bihar and Orissa organized for the first time in this country an All-India Hand-weaving Exhibition and Weaving Competition with a view to demonstrate the importance of handloom industry and to show what was being done to encourage and develop it in the different parts of the country. The proposal of holding this exhibition had been first placed before the Conference of Ministers and Directors of Industries at Simla in May 1921 [Bulletin No. 18] and the Government of Bihar and Orissa decided on their advice and promise of support from all the other provinces and many Indian States, to hold the exhibition at Patna in the following December. All the provinces in India, including Burma, and also the leading Indian States of Hyderabad, Mysore, Baroda, Bikaner, Gwalior, Sikkim, Travancore, Kashmir, Jodhpur, Marwar, Bhopal, Rampur and Cochin participated in this unique exhibition and contributed to its success. The Government of Nepal also sent exhibits and so did the Imperial Agricultural Research Station of Pusa and the Feudatory States of Mayurbhanj, Nilgiri, Patna, Kalahandi, Band and Nayagarh. The exhibition gave a great impetus to the hand-weaving industry and the different provinces reaped the benefit of each other's experiences. Advantage was taken of the occasion to hold a Conference of the Directors of Industries, Textile Experts and other officials who represented their respective Governments at the exhibition, and as they were convinced of the usefulness of the exhibition and the weaving competition, it was agreed that similar exhibitions should be held in other provinces, but no such exhibitions have, however, been held so far.

2. The improvement of handloom weaving is increasing every day as is shown by the fact that the annual consumption of mill spun cotton yarn by handloom weavers of India for the last five years ending March 1935 is 334 million lbs. against 231 million lbs. for the five year period ending March 1921. The necessity for another All-India hand-weaving exhibition and competition is thus increasingly evident. Since the Bihar and Orissa Government will be holding a general industrial exhibition at Patna in February next, it is suggested that hand-weaving exhibition and competition may also be held on this occasion, provided the same co-operation and active support as had been extended by the various

Provinces and States in 1921 are forthcoming and the Central Government provide the necessary funds. The main consideration for holding the hand-weaving exhibition at Patna for the second time is economy in expenditure and convenience of those who are expected to participate in this exhibition. Patna is centrally situated and easily accessible by railway from the different parts of India. The Government of Bihar and Orissa expect the various Provinces and Indian States to participate in their Provincial Exhibition and depute some officers from their respective Departments of Industries. Lastly, the past experiences of this province in organizing a hand-weaving exhibition and competition can be availed of.

3. The organization of the proposed exhibition may be entrusted to the Bihar and Orissa Provincial Exhibition Committee which has been appointed by the local Board of Industries and approved by the Government of Bihar and Orissa. A special Advisory Committee consisting of the representatives of the Provinces and States may, however, be appointed in the next Conference of the Directors of Industries with a view to help this Exhibition Committee.

4. As on the last occasion, all the Provinces and Indian States will be requested to send exhibits, including typical fabrics produced in their respective jurisdictions, and also various improved appliances designed by them and introduced among the weavers. In addition, each Province and State will be requested to collect exhibits of cloth from its handloom weavers in order to compete for the various prizes and medals. A hand-weaving competition will be held in weaving some staple cloth for which prizes will be offered. For this purpose the Provinces and States will be requested to select competitors whose expenses for attending the competition will be met from the exhibition fund. Prizes will be offered for the best labour-saving appliances and best exhibits of different classes of textile goods. A special first prize of a substantial amount will be set down for the best labour-saving appliance displayed at the exhibition, as was done on the last occasion. It is hoped that an exhibition on these lines will prove very helpful in encouraging and developing the handloom industry throughout India and the representatives of the various Government Departments and those interested in this industry will have the unique opportunity of exchanging ideas and learning from each other's successes and failures. It will also give us an opportunity to see and compare the results of the activities of the various Governments under the new marketing schemes financed by the Government of India.

5. The cost of the proposed Hand-weaving Exhibition and Competition is estimated at Rs. 10,000 as per details given below.

*Estimate of cost for holding an All-India Hand-weaving Exhibition and Competition.*

	Ra.
1. Construction of stalls—8 for the exhibits from British Provinces, 4 for the exhibits from the Indian States and 1 for holding competition.	4,000
2. Accommodation for 50 weavers and daily allowances for them.	1,000
3. Cost of fitting up looms, warps, etc., for competition ..	500
4. Prizes for competitors .. .. .	1,500
5. Lighting and decorations .. .. .	100
6. Travelling expenses and allowances for the competitors from all over India (on an average of Rs. 30 each for 50 competitors).	1,500
7. Advertisement, printing charges, etc. .. .. .	500
8. Establishment of one clerk and six menials for two months..	250
9. Miscellaneous contingencies and other unforeseen expenses	650
Total ..	10,000

*N.B.*—Looms, etc., for competition will be lent by the Department of Industries, Bihar and Orissa, and hence no cost is shown for the same.

**EXHIBITION OF HAND-LOOM PRODUCTS AND IMPROVED HANDLOOM MACHINERY AND APPLIANCES AT THE ALL-INDIA INDUSTRIAL EXHIBITION TO BE HELD IN DELHI IN FEBRUARY-MARCH 1936.**

**Delhi.**

It is proposed to hold an exhibition of handloom products and improved handloom machinery and appliances on the grounds of the forthcoming All-India Industrial Exhibition at Delhi. It is expected that the exhibition, which will be given an All-India character, will be of benefit to all the provinces of India. The central situation of Delhi is important factor in this respect. It is also expected that the handloom weaving industry in the Delhi Province which is at present languishing will have an opportunity of knowing the achievements of the other provinces in regard to improved machinery and production. This undoubtedly will give a great impetus to the local industry.



2. The scheme of the exhibition, which is subject to the approval of the Government of India, is outlined below :—

- (i) At the exhibition there will be a demonstration of improved handloom machinery and appliances and a display of handloom products including *durries*, carpets and tapes. The exhibits will be drawn from non-official sources as well as from Government departments actively concerned in the development of the handloom industry throughout India. Some of the Provincial and State Departments of Industries have already signified their willingness to participate in the exhibition.
- (ii) In the display of handloom products particular attention is proposed to be paid to improved designs which are likely to withstand competition. The exhibits will also be open to sale wherever possible and the necessary facilities for booking orders will be provided.
- (iii) There will be special sections for dyeing, calico-printing, washing and bleaching which are important adjuncts of the handloom weaving industry.
- (iv) For the exhibition and demonstration of improved handloom machinery and appliances a large number of exhibits will be secured from private manufacturers, industrial associations and Government departments. Actual demonstrations will be given by experts in every phase of manufacturing processes and the comparative advantages of modern methods of production over the older ones will be explained. Information will also be supplied regarding the prices of machinery and the sources from where they can be obtained.
- (v) If the necessary co-operation is obtained from the provinces, it is proposed to organise an All-India emporium showing the stages of progress achieved by the Government departments in the promotion of the handloom industry. Statistical and other charts will be prepared and prominently displayed. A series of short pamphlets on various subjects relating to the handloom industry will be distributed free. Lectures will also be arranged.
- (vi) Prizes will be awarded for the best products, machinery and suggestions for improvement of the industry generally.

3. For the purpose of holding the exhibition, it is proposed to reserve a space of half an acre on the grounds of the All-India

Industrial Exhibition. The exhibition will have special entrance erected in attractive style containing slogans.

4. The estimated costs involved in the proposals are as follows :—

	Rs.
(i) CONSTRUCTION AND DECORATIONS ..	1,410
	Rs.
Cost of construction of exhibition and demonstra- tion halls, sheds and stands .. .. .	740
Construction of roads and lawns .. .. .	250
Hire of electric decorations .. .. .	150
Buntings, flags and placards .. .. .	70
Drapery .. .. .	200
(ii) EXHIBITION OF IMPROVED HANDLOOM MACHINERY ..	1,175
Transport costs .. .. .	950
Unpacking, fitting, repairing and installation charges .. .. .	100
Dismantling and re-packing charges .. .. .	125
(iii) EXHIBITION OF HANDLOOM PRODUCTS ..	650
Transport costs .. .. .	350
Erection of display counters and windows .. .. .	300
(iv) DYEING, CALICO-PRINTING, WASHING AND BLEACHING SECTION .. .. .	470
Hire and transport costs of different demonstra- tion machinery .. .. .	250
Erection charges .. .. .	70
Cost of raw materials for purposes of demonstra- tion .. .. .	150
(v) DEMONSTRATION .. .. .	1,620
	For 1½ months.
	Rs.
Pay of two demonstrators at Rs. 50 per mensem ..	150
Pay for four demonstrators at Rs. 35 per mensem ..	210
Wages of six artisans at Rs. 30 per mensem ..	270
Wages of ten artisans at Rs. 20 per mensem ..	300
Wages of four artisans at Rs. 15 per mensem ..	90
Cost of raw materials for purposes of demonstra- tion .. .. .	600

1936-1: Handloom exhibitions and competitions.		101
		Ra.
(vi) SUPERVISION .. .. .		530
	For 1½ months.	
	Ra.	
Pay of one supervisor at Rs. 55 per mensem ..	82-8-0	
Pay of one assistant at Rs. 35 per mensem ..	52-8-0	
Pay of six care-takers at Rs. 15 per mensem ..	135	
	For two months.	
Pay of six care-takers at Rs. 15 per mensem ..	180	
Pay of one mistri at Rs. 40 per mensem ..	80	
(vii) SALES ORGANISATION .. .. .		490
	For 1½ months.	
	Ra.	
Pay of four stall-keepers at Rs. 30 per mensem ..	180	
Pay of four women stall-keepers at Rs. 35 per mensem ..	210	
	For two months.	
	Ra.	
Pay of one Accountant at Rs. 50 per mensem ..	100	
(viii) INTELLIGENCE AND PROPAGANDA .. .. .		1,200
Cost of preparation and printing of statistical charts and pamphlets .. .. .	500	
Lecturers' fee .. .. .	100	
Maintenance of information bureau (for dissemination of intelligence) .. .. .	150	
Cost of advertisement .. .. .	450	
(ix) AWARD OF PRIZES .. .. .		485
Cost of three gold medals at Rs. 50 each ..	150	
Cost of six silver medals at Rs. 7-8-0 each ..	45	
Cost of four cash prizes of Rs. 25 each ..	100	
Cost of six cash prizes of Rs. 15 each ..	90	
Cost of ten cash prizes of Rs. 10 each ..	100	

	Ra.	Ra.
(x) CONTINGENCIES .. .. .		1,400
Electric charges .. .. .	450	
Water charges .. .. .	100	
Hire of furniture, etc. .. .. .	400	
Insurance charges .. .. .	250	
Miscellaneous charges .. .. .	200	
GRAND TOTAL .. .. .		9,430
Less recoveries from sale-proceeds, etc. ..		850
Total Expenditure .. .. .		8,580

#### Discussion.

*Monday, October 28th, 1935.*

The Chairman said that the next question was that of the grants for an All-India exhibition or All-India competitions pertaining to the handloom industry. There were two propositions—one in regard to the Exhibition at Patna and the other in regard to Delhi. So far as the Delhi Exhibition was concerned, the Government of India proposed to meet the whole cost from their reserve. The views of the Conference were required with regard to the usefulness of these two exhibitions and especially in regard to the extent to which they were prepared to participate.

Mr. Dhar said that there appeared to be no real opposition to the financing of an All-India handloom exhibition from the Government of India's reserve. Madras apparently did not wish to spend anything on an exhibition from her own resources now and would like to defer such expenditure till she had put the other parts of the scheme in working order. But he assumed that she had no objection to other provinces organizing an exhibition and probably also to taking part in exhibitions organized by others as she had actually been doing in the past. Bengal also was not really opposed to the idea though she had some doubts of its utility. As regards the utility of an exhibition, it was difficult to estimate the advantage derived in pounds, shillings and pence, for the advantage was often indirect or took a long time to manifest itself. Everybody agreed that marketing was the biggest problem of handloom industry,—many potential buyers purchased mill goods because they did not know what handloom weavers could produce and were actually producing and the only way to encourage marketing was to bring the producer and the buyer or the middleman into contact. That would be achieved, to

to a small degree by exhibitions. It was for this reason that fairs had been encouraged from time immemorial and exhibitions on a lavish scale were held in the most advanced countries. For those engaged in special schemes for the development of handloom industry, an exhibition of the nature contemplated, had special advantages. To see the result achieved by different provinces, the various improved appliances used and the fabrics produced, to compare notes and learn from each other's successes and failures were unique advantages which it would be almost impossible to attain by other means. During the previous All-India Hand-weaving Exhibition at Patna in 1921, all the Provinces and important States made substantial exhibits of the various appliances which they were introducing among their weavers and of typical cloths produced in their respective areas. In addition to this, each State and Province collected exhibits of cloth from its handloom weavers in order to compete for the various prizes and medals. The report of the exhibition showed that the representatives of the Industries Departments of the various Provinces and States who attended the Conference were of opinion that no such complete and representative collection of Indian hand-woven materials had ever been made before nor could it have been made except through the co-operation of the Industries Departments of the Provinces and States. They were so convinced of the usefulness of the exhibition and the weaving competition that was held with it that it was agreed that similar exhibitions should be held regularly in future. As regards the tangible results of participating in exhibitions, their experiences were that their European business in Bihar art textiles had practically been built up by taking part regularly in the British Industries Fair and other selected exhibitions in England and on the Continent. By the publicity thereby given, their business which started with £176 in 1925-26 after they participated in the British Empire Exhibition of 1924, had gone up steadily to about 7 to 8 thousand pounds per year in spite of trade depression.

Continuing Mr. Dhar said that attempts had been made in Bihar and Orissa to introduce fly-shuttle looms and other labour-saving appliances ever since 1909 by starting weaving schools and demonstration parties, but in the 13 years ending with 1921 the number of improved looms introduced was only 394. In the last 14 years however over 36,000 fly-shuttle looms, 1,200 dobbies and other appliances had been introduced in weavers' houses and the consumption of mill yarn had increased by 50 per cent. It was their belief that the Exhibition of 1921 had much to do with their subsequent success. It certainly opened their eyes to the possibilities of the industry in face of the competition from the mills.

The next point was, to what extent and on what conditions should this assistance come from the Government of India's reserve f

Bihar and Orissa agreed to all the conditions provisionally put down in the memorandum by the Government of India, *viz.*—

- (i) that the assistance should be restricted to exhibitions of an All-India character ;
- (ii) that the Local Government concerned should share the financial responsibility ; and
- (iii) that non-official co-operation should be secured in organizing such exhibition.

The third point was, should competitions be organized in connection with exhibitions or otherwise, and, if so, what character should these competitions take and what prizes should be offered ? Such competitions should and could only be successfully organized in connection with hand-weaving exhibitions. Their suggestion was that the competition should be in weaving some staple cloth for which prizes would be offered. For this purpose the Provinces and States would be asked to select competitors whose expenses would be met from the exhibition fund. Prizes should also be offered for the best labour-saving appliances used in handloom weaving, and for the best exhibits of different classes of textile goods produced in handlooms.

They were proposing to spend Rs. 25,000 on their exhibition and in running the hand-weaving exhibition and competition in conjunction therewith. They had asked for a contribution of only Rs. 10,000 for running this hand-weaving exhibition and competition against Rs. 23,755 spent by them on the exhibition and competition in 1921.

Mr. Clow asked if there was any income from the previous exhibition.

Mr. Dhar said that of the total cost of exhibition, Rs. 6,000 was contributed by District Boards and Rs. 4,500 from receipts. The balance of Rs. 13,000 fell on Government. In regard to the proposal to hold an All-India hand-weaving exhibition and competition in connection with the All-India Industrial Exhibition at Delhi, he wished to ask the authorities to fix it so that it did not clash with Patna where the exhibition would last from the 9th to 24th February.

The Chairman said that the Delhi exhibition was run by the Association for the Development of Swadeshi Industries and went on for two months. It could quite possibly be arranged for that particular section of the Delhi exhibition to start work on the 1st of March.

Mr. Weston said that Bengal had spent Rs. 5,000 on the Patna Exhibition in Bihar in 1921, and the weavers persuaded to go were

paid. They were very poor people. They would not be disposed to spend Rs. 5,000 in sending their weavers this year.

The Chairman said that the provinces should be clear about the expenses which would devolve on them. Mr. Dhar might explain what the grant of Rs. 10,000, if made, would cover and what the provinces would have to pay.

Mr. Dhar said that probably they would send exhibits and the only expense to them would be in sending the exhibits. Bihar and Orissa were prepared to pay for the competitors if they got the grant.

Mr. Bhalja said that he had estimated that it would cost them Rs. 16,000 to participate in it.

The Hon'ble Dr. Sir Gokul Chand Narang said that they in the Punjab believed in the utility of exhibitions. They had a sort of permanent exhibition on a small scale on which they spent about Rs. 20,000 a year already. It was attached to the Punjab Museum. They collected samples of textiles and various other articles and they could be seen by the public. The Principal of the Mayo School of Art prepared designs which were shown to producers who copied them and sent their produce to the depot. The staff there took orders and producers were required to comply with those orders, to their great benefit.

Continuing the Hon'ble Dr. Sir Gokul Chand Narang said that their intention was to enlarge this scheme and about three years ago he put up a scheme to Government to establish a sort of permanent Industrial Museum in Lahore the estimated cost of which was Rs. 60,000, and the scheme was to have about 150 to 200 stalls for various articles. It would be a permanent building with exhibits shown all the year round, and orders would be received there by the producers who would have their representatives there. He suggested that instead of making a grant to any one particular province it would be better to make an offer to all provinces that could support permanent exhibitions by which the Government of India would be prepared to contribute a certain percentage of the total cost, say one-third or one-fourth. Their plan was postponed for two years because as soon as Government resolved to spend the money certain private gentlemen came forward and arranged a big exhibition at Lahore, called the Indian Empire Exhibition and asked Government to see how that exhibition worked and also to agree to cover their losses, if any, to the extent of Rs. 5,000. The exhibition was a great success and Government did not have to pay anything, and the organizers were so encouraged by their success that they organized themselves into a joint stock company called the Indian Exhibitions Ltd. and held another exhibition at Lahore during last Christmas. That was also fairly successful, but they found that the exhibitors had some complaints and they felt that perhaps it

would be better for the producers and exhibitors to have an exhibition under the direct control of Government. They were therefore reverting to their old scheme and were having an Industries Conference of their own under the Presidentship of His Excellency the Governor of the Punjab at which this matter would be considered. He thought that an offer might be made to all provinces that if they were prepared to find the major part of the cost, a certain percentage would be contributed by the Government of India. There might also be reciprocity between the various Governments, in that their exhibits should be allowed to be exhibited without special cost. Every province could then have a permanent exhibition for the encouragement of industries, and this Conference could make a condition of its aid that there should be a special section devoted only to the handloom industry.

The Chairman said that this was asking Government to undertake a permanent liability. But their scheme was only for five years.

The Hon'ble Dr. Sir Gokul Chand Narang said that there need be no permanent commitment at all.

The Chairman thought that the Conference was precluded from considering the scheme because it was not before them. They had a definite scheme from Bihar and Orissa on the agenda but that was an entirely different scheme which would require very careful consideration. He thought the best plan was for the Punjab to get their exhibition going with or without a textile section, and if they included a textile section then they could come before the Conference next year and ask for a grant from the reserve for that purpose. Another question was whether it was much use having one section of the exhibition of All-India importance and the other sections of purely provincial importance.

The Hon'ble Dr. Sir Gokul Chand Narang said that they wanted to throw the whole thing open to all the provinces. The exhibition would consist of say, 200 stalls, of which 60 or more would be set aside for handloom products, and they could give say 5 stalls free to every province outside the Punjab in consideration of the help from the grant.

The Chairman said he would only say at the moment that they were prepared to give sympathetic consideration to any scheme that might be put up. The difficulty he saw was that the Punjab were only going to make one part of their exhibition of All-India importance. It seemed rather anomalous to have the textile section open to the rest of India and the industries section purely provincial. They could not find money for the whole exhibition. Bihar happened to be first in the field, but there were points in the permanent exhibition scheme that deserved sympathetic consideration.



1936.] *Handloom exhibitions and competitions.* 107

It was for them to get the exhibition going, and then tell the Government of India what they proposed to do and they would consider it at the next Conference.

Mr. Dhar said that he understood that the idea was to take the provinces in rotation.

Mr. Advani suggested that the reserve with the Government of India should be spent on exhibitions held in rotation in the different provinces, and that it should not be left to the provinces to come up to the Government of India with a scheme. This Conference might lay down that in the 4 years yet to run an All-India exhibition should be organized in each province in turn. Exhibitions should be organized on two basis, one of which should be definitely to increase sales of cloth. The other principle was that it should be nearly self-supporting. Sometimes they might incur a loss, and that loss should be underwritten from the reserve.

Mr. Bhalja said that if any money out of the reserve was to be spent, the exhibition must be of an All-India character and all the provinces should be enabled to participate in that exhibition. To enable all the provinces to participate in the exhibition, some at least, if not the whole portion, of the expenditure which the Local Governments would have to incur in order to take part in the exhibition should be met out of the reserve. It would cost about Rs. 16,000 to the Central Provinces Government. The items covered were expenses for sending the goods by rail and the cost of travelling allowance of 3 or 4 persons who would have to accompany the exhibits.

Mr. Dhar suggested that they should spend that as they would be getting business by participating in the exhibition. Bihar and Orissa took part in the Kashmir Exhibition and the Mysore Exhibition and were prepared to go to any part of India. It was worth the expenditure for any province to participate in these exhibitions, specially in hand-weaving products. Further several items were for the benefit of outside provinces. For travelling allowance for competitors they allowed Rs. 1,500 : they did not get a pice from that. Then there were the prizes for competitors, they got nothing from that. Accommodation for weavers was Rs. 1,000. Out of Rs. 10,000 nearly Rs. 4,000 went out, not for the benefit of Bihar and Orissa but for outsiders.

The Chairman asked what they proposed to do with the receipts.

Mr. Dhar said that they did not expect much in that particular branch. For the general exhibition the Local Government were already spending Rs. 8,000 and they proposed to spend on the whole Rs. 25,000. They would probably get as gate money not more than

Rs. 5,000 and the Government of Bihar and Orissa would be out of pocket to the extent of the balance.

Mr. Advani said that in Bombay they had several exhibitions and all of them were paying. At the beginning merely a guarantee was required.

Mr. Dhar said that they had to put some attractive things. A wrestling show had to be arranged to attract people. They had run several exhibitions and their experience was that they must put up some attraction for the people to come in.

The Hon'ble Dr. Sir Gokul Chand Narang agreed that no exhibition could be successful unless there was some amusement side. He suggested that if a Local Government was prepared to undertake responsibility for holding an exhibition, the Government of India might guarantee the loss, if any, upto a certain limit provided the exhibition was of an All-India character. It should not be confined to textiles but should be of a general character. No exhibition confined to one section only could be a success. Another plan was to set aside a certain amount, say Rs. 20,000 or Rs. 30,000 a year, for exhibitions and prizes and so on and give proportionately to each and every province and ask the Provincial Governments to earmark their amount, it may be Rs. 4,000 or Rs. 5,000 as the share of each province may be, for giving prizes or awards for the best work shown.

The Chairman thought that it was better to have only one exhibition a year than to fritter away small amounts in that way.

The Hon'ble Sir Jwala P. Srivastava proposed that the grant might be given to the different provinces to be utilized for exhibiting their handloom products if they wanted to participate in the Patna Exhibition. If the Bihar Government offered facilities for the sale of goods, all the provinces would like to participate in that. If he found that they could successfully sell their goods in Bihar they could utilize the grant for railway freights and for prizes, etc. These would be separate prizes. It was difficult for the United Provinces goods to compete successfully with goods manufactured in other provinces. They were of different styles and tastes. The prizes would be a small item; the main item would be railway freights and perhaps in some cases fares for the weavers.

Mr. Brodie said he was very favourably impressed with the scheme put forward by Mr. Dhar. It would be preferable not to split the money up into a large number of smaller sums. The other schemes, excluding the one from Delhi, seemed to be of a very nebulous nature, but from Bihar there was a definite proposal. It would be an advantage to make this experiment this year to see how

they got on. There was some difference of opinion on the point whether the exhibition should pay its way or not, but that could be ascertained by the time the next Conference met.

The Hon'ble Dr. Sir Gokul Chand Narang said that in the Punjab they manufactured particular kinds of articles generally used as wrappers by the villagers and they had *lungees* worn by the Punjab peasants made sometimes of silk and very often of cotton in various designs and patterns. The Punjab weavers had specialised in those things; but if they sent some hundred samples of these goods to Patna not one would be sold there. The Punjabis could not be expected to attend that exhibition in large numbers. Different provinces had different tastes and went in for different kinds of articles which found favour only in those provinces. It would therefore be a better plan to place some money at the disposal of the Provincial Governments to enable them to hold competitions in their own provinces and thus encourage the production of goods which would find a ready sale in those provinces.

Mashir Bahadur Rahalkar agreed that different provinces had different designs and different products and it was therefore difficult to have an exhibition at one place for All-India. The money might be distributed to different provinces leaving each province to have its own exhibition. The other provinces might send their products if they think they would carry prizes, etc. The expenses of sending the men or the machines should naturally be borne by the Government concerned. Prizes might be given for the best handloom products and for the best improved handloom machinery.

Mr. Abdul Wajid agreed that provincial exhibitions would benefit nobody else except the provinces and the local weavers.

Mr. Bhalja said that in the Mysore Dusserah Exhibition other provinces took part. He asked what the experience there was.

Mr. Abdul Wajid said it was a financial success to them because they could sell a lot of their goods in that exhibition. An exhibition benefited those provinces who produced goods of an All-India interest, but as far as the weaving fraternity was concerned he doubted if their participation would be of immediate value to them.

Mr. Mehta said that Assam was confining its attention to the textile fabrics and each province had a different kind of dress. For example, dresses worn in Assam would hardly find a sale in an exhibition at Patna.

The Chairman asked if the Manipuri curtains were not of universal interest.

Mr. Mehta said that that was not the only thing and the whole of Assam could not produce Manipuri curtains. He did not know

whether they would be able to succeed by participating in All-India exhibitions if they were confined to textiles.

Mr. Pandya said that in Baroda they held a different view. An exhibition of textiles would be of use to them primarily, but at the same time a large exhibition attracted a large number of people from all places and gave a good advertisement to the products of other provinces. Articles used for a particular purpose in one province might be adapted to another use in another province. With that view they were organizing an exhibition of rural life in the city of Baroda during the Diamond Jubilee celebration of His Highness' reign ; and as part of that exhibition they would have a section of cottage and handloom industries. They would be glad if representative collections of products were sent from different provinces with prices marked for sale. They would pay the freight both ways and also take up the insurance till the goods were returned. A large collection of textiles of different types and designs would be a great attraction to their own weavers, and he hoped that the Directors of Industries would assist by sending a representative collection of textiles.

Mr. Ghulam Ali Mahamadi said that the handloom exhibition should be of an All-India nature because for the development of local textiles they should specialise in certain lines and try to find a market in the whole of India for those textiles. They might have a fabric which was of a special nature and which they would like to be taken up in other provinces. All provinces should try to take part.

The Chairman observed that there was considerable difference of opinion on the subject and as a conclusion which might be satisfactory to all, he suggested that they should allot to Bihar the Rs. 10,000 that they had asked for, "in full settlement of" their earthquake claims. This would enable them to see the question of the usefulness of such exhibitions settled once for all. He was prepared to let Bihar make the experiment and Mr. Brodie could report to the Conference both from the point of view of textiles and from the point of view of the industries of India. Another reason for making this grant was that it should give all a chance of showing what they were doing. Let the provinces show that they are making use of the grant of Rupees 5 lakhs for their advancement so that they could go up to the Government of India and ask for more. The same remarks applied to Delhi.

The Hon'ble Dr. Sir Gokul Chand Narang said that this should be subject to the condition that Bihar and Orissa would pay the travelling expenses of the weavers.

The Chairman said that they had offered to do this. When the next Conference had a report they could decide whether they should

encourage exhibitions in other provinces. He was ready to consider any scheme for next year, if they wanted competitions in their own provinces, to assist by prizes or medals or any suitable rewards of that kind ; they could spare Rs. 10,000 without much difficulty for that purpose.

Mr. Dhar said that they welcomed the co-operation of the States and had already been writing to them to join.

Mr. Bhalja asked if there would be any objection to a province spending its own allotment in taking part in the exhibition.

The Chairman said that if they could not pay for it in any other way, it would be a legitimate scheme for spending the additional amount ; but a scheme should be sent up for approval.

The Hon'ble Sir Jwala P. Srivastava asked how the different provinces would benefit from this Rs. 10,000 and how the expenditure would become an All-India expenditure ?

Mr. Rao said that they were going to put up 8 stalls for 8 provinces. They had got Rs. 1,500 for prizes ; that would go to all the provinces. Then they had Rs. 1,500 for competitors who will be coming from all over India. In fact all the Rs. 10,000 would be spent on behalf of the various provinces. Bihar and Orissa was not going to be benefited.

The Chairman said that he took it that the two proposals with regard to the exhibitions were approved, subject to the conditions and reservations that had been made.

The Chairman summarised the general conclusions in the following terms :—

- (1) That a grant of Rs. 10,000 should be made to the Patna Exhibition for the purposes proposed by the Government of Bihar and Orissa.
- (2) That a report should be prepared on the working of the Exhibition and the results achieved with a view to assisting the consideration of proposals for Exhibitions in other Provinces.
- (3) That assistance should be given to the Delhi Exhibition from the Government of India's reserve if the detailed proposals receive the approval of the Government of India.
- (4) That the Government of India should examine the possibility of making small grants to provinces from their reserve to enable them to hold competitions for cotton handloom fabrics or machinery.

### III.—ABOLITION OF DISTINCTION IN RESPECT OF FEES CHARGED BY EDUCATIONAL INSTITUTIONS UNDER THE DEPARTMENTS OF INDUSTRIES FROM STUDENTS BELONGING TO THE PROVINCE AND THOSE COMING FROM OUTSIDE.

#### MEMORANDUM.

#### Punjab.

There exists at present a system, started some time ago, under which the various educational institutions under the Departments of Industries in various provinces charge higher fees from students not belonging to the province in which those educational institutions are situated. These fees generally represent the full cost of education per head in such institutions. The fees are, therefore, very high and the result has been that the doors of certain educational institutions have been closed to boys not belonging to the province. The hardship is felt more keenly where those facilities for training in industrial institutions are not provided for in other provinces. It is not always possible to provide facilities for industrial education in every line in every province. It is, therefore, important that the distinction between provincial and extra-provincial students should be removed. This system seems to have no parallel in other countries. Universities in England and other countries do not insist upon charging higher fees from students from India, and there is no reason why India itself should make any distinction between students of one province and another. It is proposed, therefore, that reciprocity be introduced amongst the various provinces of India in this matter. It is, of course, understood that the claims of the provincial students will have priority so far as admission to the provincial institutions is concerned, *ex*-provincial students being admitted only when accommodation is available.

#### Discussion.

*Monday, October 28th, 1935.*

Rai Bahadur Lala Ram Lal said that he did not know how the charging of higher fees from outside students had started but all provinces in retaliation had got into the vicious circle and the Punjab did the same. If an Indian student went to England and joined a British University and if that University started charging him a fee at a rate representing the cost of education per student, the whole of India would cry out. He could not understand why such a system was tolerated in India. The only possible justification was that one province which might have done better in the matter of industrial

education might ask why that province should spend money and the other province should gain. If that principle were adopted no Indian boys would get any technical training abroad. The Punjab were prepared to throw open their institutions to boys from other parts of India on the distinct understanding that no discrimination would be made against their boys. He hoped the others would do the same.

Mr. Green said that there was no uniform practice in the Madras Presidency in regard to the charging of fees in educational institutions. In some institutions, students not belonging to the Presidency were charged higher fees, whilst in others no such distinction was made. There was no differentiation in the case of the Madras Engineering College, whilst in the Government industrial schools tuition was entirely free. In some of the special schools, however, such as the Agricultural College, Forest College, Veterinary College and Textile Institute, additional fees were charged for outside students. In the Veterinary College, for example, the fee for Madras students was Rs. 90 and to outsiders Rs. 400 per annum, whilst in the Agricultural College the figures were Rs. 120 and Rs. 1,200, respectively. The Government Textile Institute was free to Madras students, but in the case of others a fee of Rs. 500 per annum was levied. The policy of the Madras Government appears to have been to charge a fee based on the actual cost of the education provided in the case of students coming from outside the province, if seats could be found for them after providing for qualified Madrasis. Some of these special colleges have been started and equipped at very considerable cost to the Madras Government in order to meet the special needs of the Madras Presidency, and they feel therefore that there is some justification for differentiating in fees. He personally had a good deal of sympathy with the views expressed by the Director of Industries, Punjab, but was unable to commit his Government to any change of policy, although they would no doubt be prepared to review the position in the light of any resolution passed at the Conference.

Mr. Advani said that in Bombay the policy of the Government was to authorise charging students from other presidencies, but nothing like what the education cost. For instance, in the College of Engineering, the actual cost was about Rs. 1,000 a year, whereas the difference in fee as between Bombay and outside men was Rs. 150 as against Rs. 200. In the case of the diploma classes, the cost was about Rs. 200; the Bombay men were charged Rs. 50 and the non-Bombay men Rs. 75. In the Victoria Jubilee Technical Institute, which took students from all over the country, which was a private institution to which the Government of Bombay made a grant of Rs. 1½ lakhs a year, the cost per student was Rs. 500 a year; the Bombay students were charged about Rs. 55 and the non-Bombay

students Rs. 80 a term. In the rest of the smaller technical institutes outsiders were not charged a different fee. The Government of Bombay would be willing to reconsider their policy in the light of what transpired at the Conference.

Mr. Weston said that Bengal charged differential fees only in regard to the Tanning Institute and the Bengal Government were so hard up that he did not think they would readily change their attitude. In the Tanning Institute Bihar and Orissa co-operated. They undertook to send 8 students out of 24 per annum, but they generally sent 4 or 5 and the cost of running the Institute including provident fund or pension and leave charges was charged *pro rata* to them. They accepted this and knew they were getting good value for their money. He had every sympathy with the suggestion made and if the Conference decided in favour of it he would support it.

Mr. Dhar said that except in the Tanning Institute, their students did not get admission in Bengal. They got admission in the tanning school because they paid for it.

The Hon'ble Sir Jwala P. Srivastava said that the system was started by the United Provinces Government, because the United Provinces students were refused admission in institutions in other provinces. He thought the Maclagan Engineering College, Lahore, was one of the offenders. They found great difficulty in getting admission into institutions in other provinces and he did not think there were many United Provinces students at that time studying in technical colleges and schools in other provinces. They had developed their own system of technical education which he believed to be the best in the country. They were spending Rs. 10 lakhs per year on technical education and naturally had to give preference to their own students. If they gave up charging the fees the result would be that they would not take students from outside, because there would be no room. At present, places were reserved for outsiders. They could easily fill that with their own students: they had a larger number of applicants than there were vacancies. They had been pressed by some of those institutions which had very good candidates from outside the province, and who wanted to take them in. They replied "if you can find room for them all right, provided they pay so much in fees". Even that charge was nothing like the cost. The Technological Institute charge Rs. 1,500 per year and they were spending something like Rs. 10,000 per year per student. It had been a very expensive affair. Now they were reducing the expenditure and part of the Institute was being taken over by the Imperial Council of Agricultural Research. But it had been an extremely expensive thing for them and they could not possibly let students outside get away with that money. The United Provinces were now more or less self-contained in the matter of technical education. The Punjab had always paid for a long num-



ber of years for the number of students they had sent to the Roorkee College. It had paid for the last 10 years, and it was cheaper for the different Provincial Governments to pay fees of this kind than to build their own institutions.

The Hon'ble Dr. Sir Gokul Chand Narang said that the Roorkee College had been in existence for about 75 years, and formerly there was no such condition. Students from the Punjab went there like the United Provinces students. Students from all parts of India, even from States, could go and seek engineering education at Roorkee without any distinction whatsoever. It was due to the brain wave of some statesmen in the United Provinces that this idea was started that people from outside the United Provinces should pay *pro rata* calculated on the total cost of the institution. The Punjab used to pay a lakh of rupees per year as a contribution for the maintenance of the Roorkee College and had the privilege of sending 10 students. People were not so keen about engineering education now as they were 10 or 20 years ago, because the supply seems to be more than the demand and therefore there had not been that outcry which this change might otherwise have raised. Many leading United Provinces doctors were educated at the Medical College in Lahore without paying one penny more than the Punjabis. It was since this system was started in the United Provinces that the Punjab had been obliged to follow. They had representatives of the States who had been receiving education in their institutions without paying anything extra and if men from the Punjab went to study in the Partap College, Srinagar, or the Prince of Wales College at Jammu they would not pay higher fees. There were about 5,000 students studying in Europe enjoying the same privileges in British and American and German Universities as the native students there; but if they came to know that the United Provinces were not prepared to take students from the Punjab or Bengal on the ground that the money came from the United Provinces, why the British tax-payer or the other foreign institutions should allow others to take advantage of the very high education they provided.

The Hon'ble Mr. Abdul Aziz said that this system of having two different scales was very undesirable and the sooner it is abolished the better. He was in full sympathy with the Punjab view. There was only one fear and that was that the higher fee paid by students of other provinces was an incentive for the institution to admit outsiders. If the distinction was removed it might afford an excuse to some provinces to refuse admission to outsiders. In Bihar they had very few institutions in which there were different scales of fees.

Mr. Bhalja wholeheartedly supported the proposal of the Punjab. He had three specific instances wherein his Government wished to send scholars to other provinces but could not owing to

that practice : one was the Harcourt Butler Technological Institute, another was the Central Weaving Institute, Benares, and the third was the Hosiery Institute at Ludhiana. A small province like the Central Provinces could not afford to have large technical institutions for training students and therefore their policy was to give scholarships to students for training at the various provincial institutions ; but if these excess fees continued to be charged and to increase, which was the present tendency, it would be very difficult for students of the Central Provinces to get training in technical subjects outside the province.

Mr. Mehta said he was in the same position as Mr. Bhalja. They had not got many technical institutions in a small province like Assam and Mr. Weston had practically refused to admit their students in Bengal on account of the high fees demanded as contributions, e.g., in the Bengal Tanning Institute. Specially backward provinces should receive some advantage and the richer brothers should be a little more generous to the poorer brothers. In the few Assam institutions they made no distinctions.

Mashir Bahadur Rahalkar agreed that it would be best to do away with the distinction in Provinces and States. They had a college of arts with about 800 students and a law college with about 300 students and the students in both these colleges came from Bombay, Central Provinces and the United Provinces ; but the treatment in fees was exactly the same as for their own students. As far as possible Indian States had been showing this attitude throughout. This was the case even when students were reading free, before they had to impose fees owing to financial stringency.

Mr. Wazir said that in Kashmir there was no distinction in the matter of levying fees, nor was there any intention at present of going back on that policy. The only reservation they wished to make was that in the matter of admission preference should be given to students belonging to the State over others who came from outside : it was only when accommodation was available that others could be taken.

Lala Ramji Das Vaishya agreed that there should be no distinction between Provinces and the States. The money spent on education was not recovered by fees : the fees were charged only to restrict the number of entrants.

Mr. Pandya said that in Baroda one institution charged differential fees. They had come into line with some provinces in charging non-Baroda students slightly higher fees, but it was done as a result of action taken elsewhere : the increase in fees was proportionately the same as in the Bombay Victoria Jubilee Technical Institute. In 1930-31, about 50 per cent. of their students came

1936.]

*Fees in technical institutions.*

117

from outside Baroda and that proportion was maintained all through the five succeeding years ; but the fees for training had gone up from 165 to 210 per student per annum. He would recommend to his Government, if general action was taken, that no distinction be made against any student from other provinces.

*Tuesday, October 29th, 1935.*

Mr. Abdul Wajid supported the proposition put forward by the Punjab. He wished to go a step further and said that a certain percentage of the seats in these educational institutions should be reserved for candidates of the other provinces. Otherwise the effect of the proposal might be nugatory. Very often the number of applications was more than the seats available in any particular institution, and it was very necessary that there should be this interchange between candidates of one province and another. In Mysore they kept an open door. No differentiation was made between the candidates of Mysore and non-Mysoreans. But there was a growing opinion that when their candidates were not treated on equal terms with the candidates of a particular province, there was no reason why they should be generous and give them all the facilities. He was anxious that that school of thought should not prevail.

Mr. Ghulam Ali Mahamadi agreed with the views expressed by Mr. Abdul Wajid and desired to lay stress on the point that when the question of no fee or equalisation of fee was taken up by the various institutes they should at the same time be requested to reserve a certain number of seats for outsiders. Otherwise the effect would be nugatory and possibly the little concession shown would result in students from other States and Provinces failing to be admitted. It was far better to have first class outsiders being trained in an institute rather than third class local men being given the accommodation.

Mr. Clow said that the last suggestion in regard to the reservation of seats could hardly be applied to the smallest institutes. They could not reserve 5 per cent. in a village school in Hoshiarpur or an industrial school in Ludhiana.

The Hon'ble Dr. Sir Gokul Chand Narang said that his idea was to remove the distinction for important institutions where specialised training was given, and not for ordinary schools and colleges, which did not observe that rule. Each Government could specify certain institutions where technical education was imparted, where this equality would be observed and where a certain number of seats could be reserved for outsiders not only from the Provinces but also from the States. That would encourage a sort of intellectual camaraderie between the people of British India and the States and the people of one province and another.

Mr. Burt said that since the Research Council had been giving grants for sugar technology and oil technology to the Harcourt

Butler Institute, there had been a very substantial reservation in each course and each class of each course for non-United Provinces students. That had been accepted by the United Provinces Government as one of the conditions of the grant and indeed it was a general principle which the Governing Body of the Research Council laid down and which the Hon'ble Minister of the United Provinces himself supported.

The general question was rather more acute in the case of agricultural and veterinary colleges than in the case of purely industrial and technological institutes. It was very much to the advantage of any college to receive a certain number of students from other provinces. It improved the whole standard of work in the college for it meant that one got, say 5 or 10 per cent. of picked students from other provinces, who were nearly always found somewhere near the top of the class as they were nearly always scholarship holders and their scholarships were likely to be withheld if they did badly they maintained a high standard in the college. Several principals had impressed that on him. Generally speaking, one ought to do everything possible to reduce the barriers that have grown up. There were provinces which had agricultural colleges but no veterinary college and provinces which had veterinary colleges and no agricultural college, and a mutual interchange of seats or some such arrangement would help to break down barriers which were bound to lead to an uneconomical duplication of colleges. In higher technological work in connection with industries there was great scope for specialisation and for the various provinces offering facilities on a reciprocal basis to other provinces.

The Hon'ble Sir Jwala P. Srivastava said that it was no use asking any province that had got institutions to throw them open without any restriction whatever to all the provinces. It could be done only on a basis of give and take. The difficulty in the United Provinces was that their students had found it very difficult to get into institutions elsewhere. They had several cases like that, and very naturally the Legislative Council was jealous. They had started those institutions with the money of the United Provinces tax-payer. It was wrong to accuse the United Provinces of not having extended educational facilities to non-United Provinces students. The Universities and all the first class colleges, even till that day were, full of non-United Provinces students and they had been most hospitable.

Continuing the Hon'ble Sir Jwala P. Srivastava said that in the case of technical institutes the trouble had been that there was a large demand from United Provinces students. At the same time they felt that they should not shut the door against non-United Provinces students and so they said that they would take non-United Provinces

1936.]

*Fees in technical institutions.*

119

students on payment of fees. If they insisted on charging no fees from non-United Provinces students the result would be that non-United Provinces students would not be taken at all. The question of reservation of a certain number of seats went much further. The institution was run by the provincial tax-payer and they could not give an order that a certain number of seats should be reserved for non-United Provinces students in every institution unless they themselves had something else to offer in return. So, that matter should be gone into by the respective Local Governments. A resolution passed in the Conference would not bind any one.

The Chairman explained that this was a matter entirely for the provinces. The Government of India had no voice or lot in it. They made no distinction in their own institutions for obvious reasons, and they could not compel provinces, nor would they desire in any way to bring pressure to bear on a Provincial Government to alter their policy unless they saw good reason for doing so. But he thought that the Conference had come to a definite conclusion on the point and that it was their duty as convenors of the Conference to pass that on to Local Governments for such action as they might deem fit to take. He thought that the conclusion which the Conference had reached was not a sort of resolution, but merely a conclusion. It was, with Sir Jwala Prasad possibly dissenting, that the principle of differentiation between Provinces and States in the matter of fees charged by technical institutions was open to objection, that it was desirable that in important specialised institutions a proportion of places should, where possible, be reserved for outside candidates, that the Government of India be requested to call the attention of Governments in Provinces and States to these conclusions and to ascertain which of them agreed to adhere to the principle of non-differentiation on the understanding that such agreement would not preclude the retention of differentiation against Provinces or States which declined to agree to the arrangement.

The Hon'ble Sir Jwala P. Srivastava asked if the arrangement would be on a basis of reciprocity or not. If it was, he was in favour of it.

The Chairman said it was clear from the words—"that such agreement will not preclude the retention of differentiation against provinces which decline to agree to the arrangement." There must be complete reciprocity.

The Chairman summarised the conclusions of the Conference as follows:—

- (1) That the principle of differentiation between Provinces and States in the matter of the fees charged by technical institutions is open to objection.

- (2) That it is desirable that in important specialised institutions a proportion of places should, where possible, be reserved for outside candidates.
  - (3) That the Government of India be requested to call the attention of Governments to these conclusions and to ascertain which of them agree to adhere to the principle of no differentiation on the understanding that such agreement will not preclude the retention of differentiation against Provinces or States which decline to agree to the arrangement.
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#### IV.—REGULATION OF LABOUR CONDITIONS IN WORKSHOPS.

##### MEMORANDUM.

Government of India.

Summary of Chapter VII of the Labour Commission's Report.

##### *Introductory.*

Chapter VII of the Report of the Labour Commission deals with unregulated factories. After a brief historical review of the gradual extension of factory legislation, they record their view that the time has now come for a further extension of protective legislation to "some of the industrial establishments which have hitherto escaped legislative control". They divide "the places most in need of such regulation" into two categories—

- (a) those using power machinery, but not employing as many as 20 persons ;
- (b) those using no power (hereafter referred to as workshops), but employing a substantial number of workers.

##### *Recommendations for small power factories.*

2. In respect of the first category they indicate that the main requirement is the protection of the machinery and that in other respects conditions are in general fairly satisfactory. "There is reason to believe that no appreciable abuse of child labour exists, owing to the work being in most cases unsuited to them." They recommend\* the statutory application to all such factories employing 10 or more persons of the chapter in the Factories Act dealing with health and safety, with the necessary ancillary provisions, and the grant of power to Provincial Governments to apply—

- (a) other provisions of the Act to such factories ;
- (b) these provisions of the Act to smaller factories when necessary.

##### *Other recommendations for small power factories.*

3. In two further respects they advocate amendments of the Factories Act : (a) Some factories employing more than 20 persons escaped regulation by dividing the workers into shifts and they "recommend that the criterion for determining the number of workers employed in such places shall be the aggregate number employed for any part of the 24 hours and not, as at present, the number employed at any given moment, i.e., 'simultaneously'";

\*I.e., the majority : two members advocated going much further.

(b) they also note that the Local Governments, as the law stood, had to apply the Factories Act *in extenso* to any factory they notified, and recommend that the law should be altered so as to permit of selected section being applied (in addition to the sections which they wish to extend automatically). "These powers", the majority observed, "might be used, for example, to give protection to children in respect of hours, or to check excessive hours generally, or to secure holidays, as necessity arises".

#### *Child labour in workshops.*

4. The Commission give illustrative descriptions of conditions in certain types of workshops, *viz.*, mica factories, wool-cleaning factories, shellac factories *bidî* factories, carpet factories and small tanneries. The facts given indicate that in this class of factory conditions are deplorable. This is, in fact, the only part of the Report in which the Commission condemn working conditions in strong terms. In respect of child labour, the abuses are especially serious. In mica factories "children of from 6 to 10 years of age are employed". In the Punjab "children from about 8 years of age are employed" on the foul processes of wool-cleaning. In shellac factories children of about 12 or less are employed, and both in Bihar and Orissa and the Central Provinces "children.....are largely to be found inside the stove room". In *bidî* manufacture, particularly in Madras, "workers as young as five years of age may be found in some of these places working without adequate meal intervals or weekly rest days, and often for 10 or 12 hours daily, for sums as low as 2 annas in the case of those of tenderest years". This is under strict, and at times severe, discipline and frequently in airless and crowded rooms and the Commission observed that it "recalls some of the worst feature of child apprenticeship in England at the time of the agitation prior to the passing of the first Factory Act". In the Amritsar carpet-weaving factories "for the most part boys start at 9 years of age, though in some cases it may be as low as 6 years". In Madras tanneries "children of from 8 to 12 years.....were found at work in the vats and elsewhere" working excessive hours.

#### *Other abuses in workshops.*

5. In addition the conditions of work for women appear to be unsatisfactory in many factories, and the conditions in respect of health and sanitation are in some cases severely criticized. Reference may be made especially to the descriptions of condition in wool-cleaning factories, shellac factories and tanneries.

#### *A Workshops Act.*

6. The Commission refer to the difficulties attendant on the regulation of workshops. They discuss the probability of evasion of the



law by splitting up workshops and by increased resort to home-work. But they maintain that these should not deter Government "from taking the first steps in prohibiting the overworking of young children and in ensuring for the thousands of men, women and children employed in them the protection of reasonably sanitary working conditions". They emphasize more than once the importance of proceeding gradually and suggest concentration "in the first instance on the two most outstanding and urgent needs, namely, protection of the child and the elimination of the worst dangers to the health of the workers generally".

Rejecting the method of proceeding by extension of the Factories Act, they recommend the adoption of a simple Act applicable to workshops employing 50\* or more persons, and to be extensible to smaller workshops.

*Provisions suggested.*

7. The main features of the law would be—

*A. Children—*

- (a) minimum age for employment to be 10 ;
- (b) maximum hours for children between 10 and 14 to be 7 with a maximum spreadover of 9 hours and a rest interval of at least one hour ;
- (c) local Governments to have power to prescribe the actual periods of the day for child labour ;
- (d) work not to be taken home by children, and no overtime to be allowed ;
- (e) pledging of child labour to be void : the question of making it an offence to be examined.

*B. Holidays—*

workshops to be closed once a week on a day fixed by Local Governments.

*C. Health—*

- (a) local Governments to issue simple welfare orders providing for such matters as alterations to and repair of buildings, latrines, ventilation, lighting and drainage ;
- (b) the law to apply to all "offensive trades" irrespective of the numbers employed.

These are recommended as first steps : the Commission do not regard the standards they suggest as satisfactory. They advocate later such

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\*A minority suggest 25.

further advance as experience of 5 years working of the Act will have shown to be possible.

*Administration.*

8. The Commission regard it as essential that both workshops and the smaller power factories should be obliged to register. They do not "visualise the necessity for the immediate creation of a large additional staff of factory inspectors". In the case of the small power factories "all that should be required is an occasional visit to ensure that the machinery employed is not a source of danger and that a reasonable standard of sanitation is maintained". In the case of workshops, they believe that much of the inspection could be done by part-time officers such as municipal health officer, sub-divisional magistrates, etc.; but a grade of assistant inspector might be employed where the establishments are numerous. The chapter closes with a plea for sympathetic administration, and the suggestion is made that at the start, prosecutions should only be instituted after a previous warning.

*Action already taken.*

*Revision of the Factories Act.*

9. In approaching the Commission's recommendations on the subject of factories and workshops, the Government of India decided to deal first with "those relating to such alterations in the law as do not involve any addition to the number of factories and workshops which will be subject to it".\* They accordingly took up the revision of the Factories Act, a process completed by the passing of the Factories Act, 1934, which came into force on 1st January 1935. In only one minor respect did this revision involve any addition to the number of regulated factories: the recommendation mentioned in paragraph 3 (a) above was embodied in the law.

*Notification of factories and workshops.*

10. Since 1922 Local Governments have been able to bring under the Act by notification establishments employing as few as 10 persons, whether they use power machinery or not. In 1933 only 201 factories in the whole of British India were subject to regulation by virtue of notification and of these more than half were in the Central Provinces and Berar and about two-thirds were seasonal factories. In Bihar and Orissa and Burma no factory or workshop was notified. The Commission observe that "the inaction in some provinces is explained mainly by the fact that the burden of factory inspection

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\*Letter No. L-3012 of 10th June 1932 to Local Governments and Administrations on the revision of the Factories Act.

could not be increased without adding to the existing staff". Probably the Local Governments' inability (prior to 1935) to extend only selected provisions of the Act enhanced the difficulty.

*Pledging of child labour.*

11. The recommendation regarding the pledging of child labour [paragraph 7A (e) above] was embodied in the Children (Pledging of Labour) Act, 1933. This Act not only renders void agreements to pledge the labour of a child, but provides criminal penalties for all parties making such agreements, and for those employing children in furtherance of such agreements. As, however, there is at present no regular inspection of unregulated workshops, it is doubtful if the Act is effective in stopping, there or elsewhere, the abuse at which it was aimed.

*Possible methods of advance.*

*Small factories using power.*

12. The control of small factories using power presents comparatively little difficulty. The Factories Act is designed with a view to the regulation of factories employing power machinery, and its provisions have been gradually extended by lowering the specified minimum number of employees. Local Governments are now in a position to include any or all such factories employing 10 or more persons, and in applying the Act to small factories can limit its application to those provisions which are most needed. Thus there is in existence both a suitable law and the power to extend it; and the only question which arises is that of the extent to which and the direction in which that power should be used. It would be possible, for example, to include all factories employing between 10 and 19 persons and to extend to these factories only those provisions of the Act which relate to health and safety (*cf.* paragraph 2 above). It would also be possible to include all factories in which the employees are not exclusively adults and in which 10 or more persons are employed and to extend to such factories the prohibition of the employment of children under 12 in addition to the health and safety provisions. The number of such factories is probably small\*, and this would give to children the protection designed for them in the International Labour Convention relating to the minimum age of children and enable India to ratify that Convention. It will be useful to have the views of the Conference regarding the manner in which it is preferable to proceed and some indication of the extent to which it is practicable at present to bring additional factories within the Factories Act.

\**Cf.* Paragraph 2.

*Need for action in workshops.*

13. Of the need for making a start with the regulation of workshops, the Government of India have little doubt. The investigations of the Commission show that serious abuses are widespread here and that protection for children especially is an urgent need. But it is obviously desirable to proceed gradually, as the Commission suggest, and the regulation of workshops presents more difficulty than that of small power factories. There is room, moreover, for difference of opinion as to the steps that should be taken first.

*The criterion of numbers.*

14. The Factories Act, although it can be extended to workshops, is neither designed nor particularly suitable for application to such establishments and it will almost certainly be necessary, as the Commission suggest, to have a separate law. The preliminary question involved in the framing of such a law is the criterion to be adopted to regulate the inclusion of workshops. It is obviously impossible, to begin with, to include more than a certain proportion of workshops; and the Commission, following the example given by the history of the Factories Act, have suggested making a start with the largest ones. But the criterion of numbers employed, which has throughout been a feature of the Factories Act, is less satisfactory when applied to workshops. Ordinarily it is not possible for the owner of a power factory to split up his establishment into several separate establishments: but, as the Commission themselves point out, it is a very simple matter for the owner of a workshop. Moreover, whereas persons employed in large factories with substantial buildings and complicated processes tend to stand in more need of protection than those employed in smaller establishments, this is not true of workshops. Conditions in the smaller workshops can be, and frequently are, worse than in the larger ones. The description given, for example, of the deplorable conditions in the Madras *bidi* factories applies in the main to workshops which, under the Commission's proposal, would continue to escape regulation. Finally, whereas the smaller power factories at present excluded from the Factories Act are not serious competitors with the larger ones, and the latter usually gain an economic advantage from their size, in the workshop industries the case is different. Smaller and larger workshops tend to compete in the same market, and the economic advantage of concentration is absent or is comparatively small. It is worth observing that, when they come to "offensive trades" [cf. paragraph 7C (b)] the Commission themselves abandon the test of numbers employed.

*The selection of industries.*

15. An alternative deserving consideration is to select in the first instance those industries where the need of regulation is greatest and to proceed by extensions of the law from time to time to other industries. The Commission noted that the various defects to which they called attention were not all necessarily present in any one industry and the description of the industries they selected suggests that the needs vary from industry to industry, and that the urgency of regulation is greater in some industries than in others. If the worst industries were selected first, it might be possible to include even the smallest workshop and so to avoid the risk of evasion by the splitting up of workshops or the driving away of children from larger to smaller establishments. The Conference might consider the comparative advantages of this method and, if they regard it with favour, the provisional selection of the industries which stand most in need of regulation.

*Provisions of the law.*

16. The provisions outlined in paragraph 7 above might be considered. While it would seem to be necessary to include provisions somewhat of this character in any Bill that was framed, it is not essential that all the provisions should apply to all the workshops coming under the law. For example, in some workshops where the hours are not excessive, it might be sufficient to exclude young children without regulating the hours of the older ones. Or again, where the main need was sanitation and where few children were employed, it might not be necessary to apply the children's regulations in the first instance. It is worth observing in this connection that the regulation of hours for older children is, from the administrative point of view, a heavier task than the exclusion of young children. With the same amount of inspection, therefore, it might be possible to give greater protection by excluding young children over a substantial number of industries than by attempting both exclusion and the regulation of hours over what would necessarily be a smaller field.

*Enforcement.*

17. The main difficulty confronting Local Governments in connection with any law will probably be that of enforcement. But if the Commission's views are accepted on this question (*see* paragraph 8 above), there may be little need for the appointment of special officers on any appreciable scale. Moreover, *ex-officio* officers, being generally on or near the spot, are in a better position to make surprise visits than special officers, and consequently could probably secure a better standard of observance from the same amount of inspection. It

is to be feared that little help in the enforcement of the law would be forthcoming from parents or guardians and none can be expected from children.

#### *Minimum wages.*

18. In this connection the possibility of assisting enforcement by the experimental introduction of a system of minimum wages, applicable only to children, deserves consideration. The Labour Commission, dealing with the question of minimum wages on pages 211-4 of their Report, recommended preliminary inquiries, directed to ascertaining where minimum wage machinery was required, and they clearly had in view unorganized "sweated" trades. After suggesting that the trades needing attention most included some of those carried on in workshops, the Commission observed: "In mica factories and other industries not using power, which employ large numbers of children, there appears a possibility of using the minimum wage to prevent the exploitation of juvenile labour and the consequent under-cutting of adult wages". But the larger question cannot be pursued in the present connection; the only issue arising here is whether a system of minimum wages applied only to children could be employed, not for the purpose of securing increased rates of remuneration but for the purpose of assisting to enforce the exclusion of young children. If it were provided that every child employed in certain selected industries had to receive a minimum daily wage based on the amount which a boy of 12, for example, might be expected to earn, some such assistance might be forthcoming. There would doubtless be connivance between parents and employers to accept lower rates. But the existence of the right to demand particular rates might tend to encourage a general demand for them and might deter employers from engaging children who were too young to be able to turn out an equivalent amount of work.

#### *Discussion.*

*Tuesday, October 29th, 1935.*

Mr. Clow said that if one judged solely by the needs there was no branch of activity in which there was greater need for regulation than in the small workshops. Hitherto Governments had concentrated on the big factory, but this was due largely to the fact that it was easy to control the big factory. The owner could remove his machinery, it was easily inspected and he could not hide it. In the establishments covered by the Factories Act partly due to legislation but partly due to the recognition of the sound principle of treating labour well, the bad employer was the exception. But in these little establishments deriving their labour from the most destitute classes in India

the Royal Commission on Labour found the worst sweating, and sweating in particular of small children sent there because their parents wanted an anna or two annas a day and could not afford to forego it whether the children were over-worked or ill-treated or not.

Continuing Mr. Clow said that unfortunately this was precisely the sphere in which regulation was most difficult, and it was probably for that reason that, although they had had factory legislation for a period of over fifty years, there had been no attempt to embark on legislation with regard to these establishments. The difficulties were admittedly serious. If he might criticize what was in part his own proposal, he did not think the Labour Commission's suggestion of taking the big workshops first and coming down to smaller still smaller ones later was likely to work satisfactorily. It was very simple for the owner to split up his establishment. Another point was that on the whole the big factories had to be localised in certain centres. They had to be near big markets, and communications and it was not easy to move industry about the country. One exception was possibly cotton ginning where there had been and the tendency is to move into some of the States—not States represented at the Conference—where regulation was easier. But in the case of workshops there was a danger that if the Provinces and States did not co-operate such a tendency would be more marked. He personally was not much afraid of that because he did not believe that the employment of infants for two or three annas a day was of economic benefit anywhere. No nation and no part of a nation could prosper by taking away their childhood from young children and sweating them, as they had been sweated in some of these *bidi* factories, carpet factories, mica factories and others, for miserable wages. This not only injured the children but also tended to cut down the level of adult wages.

Mr. Clow added that the suggestion put in the memorandum tentatively was that instead of proceeding along the lines of the Labour Commission's report, that is, taking the big factories first, then going down gradually to smaller ones, it might conduce to quicker and more satisfactory progress to start by industries. If that commended itself to the Conference, it would be useful to have suggestions regarding those industries. Five or six were dealt within the Labour Commission's report. For example, one that was very localised was mica splitting which was mainly in Bihar and Orissa. The Commission found there that the leading association was favourably disposed towards excluding children under 12. There were one or two other industries like shellac making, which for obvious reasons, were fairly strictly localised, and thus presented less difficulty than others. *Bidi* making, was unfortunately more widespread and could be carried on almost anywhere. In the course of their inspec-

tions the Commission found that the conditions in *bidi* making factories were worse than in any other industry, and there was a certain amount of public opinion in favour of regulation there.

The Hon'ble Sir Jwala P. Srivastava said that the Government of the United Provinces had considered this matter at some length and they had come to the conclusion that this was not the right time to extend the operation of the Factories Act.

Mr. Clow said that there was no question of that so far as the non-power workshops, which were the important ones, were concerned. A separate law would be necessary.

The Hon'ble Sir Jwala P. Srivastava, observed that the imposition of any restriction on trade was very bad. The smaller factories or workshops were finding it very difficult to keep themselves going, even with the facilities enjoyed by them. He had visited the shellac factories in Mirzapur three weeks ago. Very few were going and if any restriction was imposed, they would close. Time was when shellac used to sell at Rs. 250 a maund and now it was Rs. 20 a maund. This was not the right time to make it more difficult for these industries to carry on. In Mirzapur the children spent their time in little hovels. If they were not made to work, they would be much worse off. The children might be working at the bidding of the parents, but if they remained at home there were no facilities for compulsory primary education. They would be simply wasting their time and if they could make a few annas with which to buy more food, it did them more good. When trade looked up they could certainly consider the matter. Apart from this, the Local Governments would not be able to pay for the staff required for the inspections. If the inspections were left to subordinates, it would lead to lot of abuse. He thought there was no harm in waiting for two or three years more.

The Chairman observed that legislation would take that time in any case.

The Hon'ble Dr. Sir Gokul Chand Narang said that the problem was not acute in the Punjab. According to a survey made four or five years ago the total number of children engaged in these factories came to 2,000 only out of a population of 23 millions. He knew of no industry in the Punjab in which working was deleterious. There were two towns in the Punjab which exported wool in large quantities. The only work that the boys were required to do was to clean the wool before it was packed and the boys employed in those places were fairly healthy and strong; a few hours spent in cleaning the wool would not necessarily endanger their health. They worked in the open air, not in small rooms. In the Punjab there was no *bidi* factory and no shellac factory. They had two or three tanneries but there was no boy labour there and they were working under factory



regulations. Some were engaged in carpet weaving, some in furniture making which was not at all a deleterious industry, and in toilet soap making. Personally, so far as the Punjab was concerned, he thought that no case had been made out for new legislation. He agreed with Sir Jwala P. Srivastava that nothing should be done which was likely to hurt the various industries employing child labour because of the economic depression and also the poverty of the classes from which this child labour was recruited. Although they had a compulsory primary education law in the Punjab, it depended on local option and only a few of the municipal committees had exercised that option. In non-municipal towns there was no provision for compulsory primary education and unless they could make sure that these boys and girls would be better off so far as recreation is concerned, the only result would be to add to the number of street Arabs playing with mud and clay, abusing each other, throwing mud at each other and stealing things, removing sugarcane from the fields and so on. They would be encouraging criminality and it would be much better to keep them employed.

Continuing the Hon'ble Dr. Sir Gokul Chand Narang said that he would personally be strongly in favour of any legislation intended to protect their health and to reduce their working hours and increase the wages, but he thought the time had not yet arrived so far at least as the Punjab was concerned. The children went to work cheerfully because with their earnings they could buy a nice little cap or a nice pair of shoes and in any case they would get more to eat. They added something to the earnings of the family which were very small indeed. There was an element of pleasure in their work. Many of them did outdoor work, chatting with one another, and were engaged in such work as book binding, paper cutting and so on, which they did with great pleasure. They were also employed in printing presses and in newspaper offices where they fold the news papers, put the wrappers on, put a little gum, put the stamps and so on. It was not very difficult work to do. He therefore thought that so far as the Punjab was concerned, there was no necessity for legislation.

The Hon'ble Mr. Abdul Aziz said that in Bihar it had to be admitted that children were employed in the lac industry and the mica industry under conditions which amounted really to cruelty. They had to work long hours under compulsion. They were forced to go by their parents because they were very indigent. The question was whether the employment of children of any age was a national evil or not. Then came the question whether, if the employment of children was prevented, certain factories would be badly affected and whether that should be allowed or not. He thought that if there was an industry which could not succeed without employing children, the sooner that industry failed the better for the nation. They must

depend upon the labour of adults. Both from the national point of view and the educational point of view they should take some steps to prevent the employment of children. If certain industries had for a short time to face difficulties, that should not prevent them for saving the children from the evil effects of their employment in such workshops.

Continuing the Hon'ble Mr. Abdul Aziz said that the next question was whether Local Governments would be able, if there was fresh legislation, to have an effective Inspectorate. That question would have to be considered in view of the finances of each province and he was not prepared to commit himself as to the view of the Government as a whole. But as regards the necessity for legislation to prevent the employment of children, he was definitely in favour of having it. Local officers could be employed in provinces which could not afford to find sufficient funds for a separate Inspectorate. They had a system of supervision through the Sub-Divisional Officer and other officers so far as the working of the Factories Act was concerned, and it might be possible to find some means for providing an Inspectorate without incurring any very great additional expenditure. A fairly large number of children were employed in the mica industry, the lac industry, and anybody who went out into the towns could see how many children are employed on *bidi*-making almost at every turn. It was pitiable to see them employed on this in towns and cities where there were facilities for education. They could not be tempted to go to school if they were forced to go and earn one anna a day.

The Chairman said that it would be useful to know what the States felt on that matter, and they might also indicate what the position in the States was with regard to factory legislation.

Mushir Bahadur Rahalkar said they had a Factories Act in Indore almost on the lines of the British Indian Act, but that Act was passed in 1929, but the recent Act of the Government of India came into force in 1934 and his Government had been seriously considering whether they should adopt it subject to certain changes. According to their existing Act, a child was a person below 14 years of age, and there was a particular section under which no child is allowed to be employed in any factory that is a ginning or pressing factory, or spinning and weaving mill, unless he was over 11 years of age. No child was allowed to work in a factory for more than 6 hours. Several spinning and weaving mills had started their schools, so that for a particular period the boys were under training, learning arithmetic, reading and writing, and during other periods they went to work. For not more than 6 hours were they employed on the actual work; and out of the other 4 hours, they were given education for 2 or 3 hours. But they could not bring *bidi* making under the definition of "industry" because it was all done by manual labour.

With such concerns Government found it very difficult to deal. The definition of a "factory" involved the employment of 20 persons and power, not manual labour—and that was the greatest difficulty. It was absolutely necessary to do something for the health of the children. A policy of procrastination would not do.

Lala Ramji Das Vaishya said there was a Factories Act in Gwalior. It was practically the same except in certain points regarding the hours of work. They found that looking to the development of certain industries, it was not possible to introduce the same hours of work as in British India at present. But they were working to that slowly. There were certain industries—small factories and cottage industries—in which boys and children were required and not adult labour. There were certain factories in which boys and children accompanied their parents to the factories and worked there. If the contemplated legislation was passed, it would add to the hardships of the poorer classes, because they could not leave their children behind when they went to work. He was not in favour of the proposed legislation.

Mr. Green said the views he was going to express were his personal views, and did not commit the Commissioner of Labour or the Local Government. Labour conditions in workshops and especially conditions of child labour, were generally speaking much in need of control, in several industries in the Madras Presidency. In Madras two separate artisans bills had been prepared by one of the Legislative Council members. The lead in that direction was given by the Labour Commission itself as, rejecting the method of proceeding by extending the Factories Act, they recommended the adoption of a separate Act to deal with workshops, and suggested certain provisions, almost all of which were less favourable to the children concerned, than the provisions of that Act. For example, the Commission suggested a minimum age of 10 and 7 hours a day, against an age of 12 and 5 hours in the Factories Act, and age of 11 in the Compulsory Education Act, Madras; an age of 14 as against age 15 in the Act for full time workers, with no protection for children over 14, as against protection up to age of 17 in the Factories Act. In thus permitting conditions in these "Workshops" which would not be tolerated in "Factories", the suggested legislation seemed more likely to retard than to improve labour conditions. Since the issue of the report, the Indian Factories Act had been amended, and provided facilities for dealing with those workshops if Local Governments desired to do so. The extent to which Local Governments felt the need for such legislation appeared to be reflected in the small use made by such Governments of the provisions in the Indian Factories Act even before amendment, permitting them to notify certain factories employing 10 or more persons under section 2 (3) (b). They had had this power since 1922, and in 1933 there were only 201

notified factories in the whole of British India, more than half of which were located in the Central Provinces and Berar, and two-thirds were seasonal. This unwillingness to use the powers actually available was no doubt governed to some extent by the fact that the law then required the whole Act and not selected sections only to be applied to notified factories. There was also perhaps a natural unwillingness to face increased expenditure on inspection staff, but that difficulty would not be overcome by introducing a new Act to run parallel to, and cause confusion with the existing Act. He thought there was something to be said for the "principle of gradualness" advocated by the Labour Commission on page 99 of their report, and considered that the Factories Act as now amended provided Local Governments in areas, where public opinion had been sufficiently educated with all the powers they required for the next 10 years at least, when a further amendment of the Act might be required. It permitted Local Governments to bring under the provisions of the Act, any workshops, whether using power or not, in which 10 persons or more were employed, and what was very important that power could be exercised in the case of such notified premises for all or any of the purposes of the Act (section 5), and a notification could apply to any premises or class of premises [section 5 (2)].

Continuing Mr. Green said that in the case of Madras, it did not seem necessary or desirable to notify all factories employing 10 or more persons. Notifications could continue to be applied to such factories in individual cases as required, e.g., where the occupier refused to adopt reasonable suggestions of the inspecting staff with regard to safety provisions, sanitation, etc. On the other hand, it might be found desirable to notify certain classes of premises under section 5 (2) for certain sections of the Act only, basing the selection on the nature of the industry carried on and notifying all such premises, at the centre or centres where manufacture was carried on, in order to treat all alike so that in production costs one concern would not have an advantage over its neighbour. A start might be made by notifying all *bidi* factories and weaving factories employing 10 or more persons, for the purposes of Chapters I—Preliminary, II—Inspecting Staff, III—Health and Safety, V—Adolescents and Children; and such parts of Chapters VI and VII as applied to the provisions of Chapters III and V; but excluding for the time being the provisions of Chapter IV relating to the employment of adults. When these *bidi* factories and weaving factories had been brought under control, similar notifications could be extended to (i) tanneries, (ii) mica factories, (iii) wool cleaning, and (iv) match factories, adding other classes of premises as the need arose, and as the development of public opinion warranted. So far as the Madras Presidency was concerned, the *bidi* factories and weaving factories were in urgent need of regulation. In the former the work was confining,

and was often carried on under most insanitary conditions, whilst in both industries, far too much use was made of the sweated labour of very young children. But he could not say whether the Local Government would be able to provide for the additional inspecting staff.

Mr. Advani said that he also was expressing his personal views. He was of opinion that child labour should not be allowed on large national considerations. If that was accepted, then the Labour Commission's proposal, namely, a new Act to apply to the workshops, restricted in the first instance to those workshops which employed 50 persons and over, would not give benefit to many children so far as Bombay was concerned. A survey recently carried out, though incomplete, gave some indication of the position. The survey brought to notice the existence of 1,079 workshops, where there was no power. Out of those barely 6 employed 50 persons and over; 15 employed between 25 and 49 persons; 276 employed between 10 and 24 persons and the remaining 762 employed less than 10 persons each. If, therefore, any legislation was to be effective in helping child labour, the criterion would have to be low—possibly round about 10. Then there would be the difficulty of enforcement because it might be necessary to employ a large number of Inspectors, and he doubted if in the present state of the finances, his Government would be prepared to incur such additional expenditure. Probably therefore the alternative suggested in the Memorandum, namely, that any legislation passed might in the first instance apply to certain industries only, would be preferable. So far as Bombay was concerned, such legislation might in the first instance apply to tanning, to *bidi* making (they had a large number of *bidi* making establishments all over the Presidency), to the gold thread industry and to the cloth printing, dyeing and weaving industry. Such legislation should prevent all child labour everywhere. So far as the other provisions of the Act were concerned, they might be restricted in the first instance only to health and sanitation. These health and sanitation provisions could apply to all workshops who employed 10 persons and over, but child labour as such should be prohibited all round. Below a certain age no child should be employed at all. Between 10 and 12 would be suitable—probably 10 could do to start with.

Mr. Weston said that in Bengal there was no public opinion about this. Different people, and societies for the prevention of cruelty to children, sometimes referred to these things. But there was no anxiety amongst the public generally. The Government's provisional views were that while they were sympathetic to the intention behind this, owing to the cost of improving the staff and the inadequacy of the present staff they could not possibly undertake it. For example, to enlarge the scope of the Factories Act to small

factories employing 10 people instead of 20 would bring in another 400 factories. It would mean doubling the staff at one stroke. His Government did not believe that occasional visits were of the slightest use in trying to regulate these small factories, nor did they think that anybody but properly trained and disciplined factory inspectors could undertake it.

Continuing Mr. Weston said that he personally was fully in sympathy with that legislation. There would be no less *bidi* smoking in India if one made those children work only a certain number of hours or prohibited them altogether or provided for certain reasonable wages. These terrible small tanneries in Bengal were a menace to the tanning industry they were trying to develop. The tanning industry, for which Bengal had done a great deal to bring the modern technique and technological considerations into effect, was jeopardised by the horrible methods of Chinese and Punjabi tanners who came down to Bengal and started their tanneries. The Chief Inspector of Factories had shown how execrable were the conditions under which people lived and slept amongst filth and other conditions of insanitation, which were beyond description, and because of that leather was selling in Calcutta at such a price that a decent tanner who tried to put in modern methods could hardly exist. Order and cleanliness was a first condition of efficiency.

Mr. Bhalja said that he was expressing only the views of the Department of Industries. There were two questions at issue. One was the question of regulating factories which employed power but where the number of persons employed was less than twenty; the second was the question of regulating workshops or establishments which did not employ power at all but which employed a large number of persons. As regards the first question, the Central Provinces took the lead as long ago as 1924, when, under the Factories Act, the Local Government issued a notification bringing under its purview all factories which employed power and persons below twenty but exceeding ten. Therefore, so far as the Central Provinces were concerned, no action was necessary as regards the first question. As regards the workshops, evils were certainly prevalent in certain classes of factories in the Central Provinces. The classes of factories referred to were the *bidi* factories, the number of which in the Central Provinces was very large—866, employing 42,250 workers, of whom 14,000 were children. The other class of factories which were not governed by the Factories Act, and where the necessity for some kind of regulation had been felt were the lac factories and the shellac factories, brick and tile works, *dal* mills, stone dressing works and glass factories. The question of regulating *bidi* factories and shellac factories had been engaging the attention of the Central Provinces Government for some time. It was raised in the Central Provinces Legislative

Council about five years ago and in 1930 the Local Government came to the conclusion that the time had not arrived to introduce any special legislation, for three reasons. Firstly, small establishments would not be able to incur the additional expenditure necessary to give effect to any legislation. Secondly, they intended that a trial should be given to the system of expanding compulsory education. Municipal Committees and District Councils were requested to go ahead with schemes of compulsory education, so that the evil involved in the employment of child labour could be minimised. Thirdly, it was suggested that the health laws—that is, the municipal laws and the Local Self-Government laws—should be restored to. There were provisions in the Municipalities Act and the Local Self-Government Act under which bye-laws could be framed by the local areas concerned for regulating the conditions of these workshops. The hope was therefore expressed that the local bodies concerned would make greater use of those remedies which were available without resorting to a special legislative measure. That was about five years ago. They had not undertaken a fresh survey of labour conditions prevailing in those workshops recently, but the enquiry undertaken by the factory inspectorate recently suggested that there had been no appreciable improvement in the conditions of labour as a result of the measures suggested by the Local Government five years ago. The local bodies had not been able to make much headway with the application of the Compulsory Education Act, nor had they been able to enforce more strictly the provisions of the Local Self-Government Act and the Municipalities Act with regard to the health of the labourers.

Continuing Mr. Bhalja said that the new legislation which had been proposed was not of the same elaborate kind as the Factories Act of 1934, but was intended to be a very simple Act, and was not likely to involve such heavy burdens on the industries concerned that they would cease to exist.

There was hardly any doubt that in the twentieth century the public conscience and the civilized public opinion would not tolerate the employment of child labour on a large scale. At the same time caution was necessary in introducing special legislation of that kind so as to ensure that it did not kill the industries the fostering of which was the first concern of the State. He suggested, therefore, that the Act should be as simple as possible. It should contain the minimum provisions required to ensure the safety of the persons employed, and, in particular, the employment of children, and the legislation should be enabling—it should not be binding, and it should not be made compulsory in respect of all classes of factories. Discretion should be left to the Local Governments to apply the Act to those industries in which they considered that the conditions required special protection. So far as the

Central Provinces were concerned, his own view was that it should be applied to what may be called the offensive trades ; in this class he included in the Central Provinces, the shellac factories, the dyeing and bleaching works, tanneries, soap factories and *dal* factories, that is, factories for " pulses ". As regards the *bidi* factories, he had not been able to make up his mind. They were situated in rural areas as well as urban areas, and the conditions in the rural areas were not so bad, because there were no regular workshops. The work was done in the shade, there was not much overcrowding. But as regards the urban areas, in some districts, there were large factories employing over five hundred persons, and there was some necessity for legislation.

Mr. Bhalja was of the opinion that the criterion of numbers was not the best criterion. Legislation should be confined to selected industries by the Local Governments where conditions demanded special measures and should be applied to all establishments in these industries irrespective of the number of persons concerned.

As regards the inspectorate, Mr. Bhalja observed that, in these days of financial stringency, no Local Government would welcome proposals which would involve additional expenditure on a large scale. But if the Workshops Act of the kind that had been suggested was passed and if it was limited in the Central Provinces to the classes of industries indicated it would not be necessary to employ more than one Inspector. His view was that it was not desirable to employ the ordinary regular district staff. The hands of the District Officers were already very full and inspections made by the subordinate magistracy were not very thorough.

As regards the imposition of minimum wages, Mr. Bhalja was personally opposed to any such system. He doubted whether the imposition of a system of minimum wages would lead to improvement in conditions ; on the contrary, it might lead to sweating of child labour. If they insisted that an adult or a child must get a certain minimum wage, the employer would try his best to get out of that person the highest outturn that he could.

Mr. Mehta said that he found that the proposed legislation would be used to a very small extent in Assam because there were not so much of child labour conditions of the type that had been referred to by the previous speakers. He was not in a position to express any opinion on behalf of his Government, but personally he whole-heartedly agreed with Bengal and Bombay that child labour should not be employed in those places and under those circumstances where it was being employed at that time. Legislation of the type that was being discussed was urgently called for.



Mr. Wazir said that there was no Factory Law in Kashmir at present. Legislation was contemplated by his Government in the near future with regard to large industrial establishments and small power factories. It was possible that that might in course of time be extended to workshops. The model of British Indian Acts in respect of large industrial establishments and power factories as also the deliberations of the Conference would serve as a useful guide with due regard to local conditions. In factories directly under the control of the State something was already being done through departmental rules in regard to such matters as the regulation of maximum hours of work, minimum rates of wages and other things. In some of the factories the arrangements for health and hygiene were very satisfactory. At present there was very keen competition and every attempt must be directed towards reducing costs and not increasing them. The employment of child labour in workshops was in the interests of the labourers themselves or the families represented by child labour. Finally expenditure on enforcement would be difficult to meet in Kashmir.

Mr. Pandya said that Baroda in 1929 followed the model of the Factories Act that had been recently repealed with a reservation regarding the re-arrangement of holidays and about 4 to 6 more working hours per week. Since the introduction of the new law in British India they had appointed a Committee to consider the question of re-drafting their own Act and their report was expected shortly. They were faced with the difficulties of local conditions, namely, the re-arrangement of holidays as also the number of working hours. The existence of free and compulsory education system rendered the question of regulating the employment of children not very vital in the Baroda State. In factories coming under the Factories Inspection Act 1,556 children were employed in 1924-25. But since the factories inspection became more rigid the number went down in 1932-33 to 819 and in the subsequent year to 346. The conclusion to be drawn was that, if child labour was properly regulated in factories, it would not pay a capitalist to employ children.

Continuing Mr. Pandya said that the question of giving holidays in small workshops and regulating health conditions including welfare provisions were matters which could well be taken as applicable to all factories. Very little reference had been made in the discussion but his personal opinion was that practically in all workshops and even in every trade there was a need for some sort of compulsory holiday. In respect of health, a simple provision authorising certain persons to see that safety provisions and welfare conditions were well observed, would meet the situation and would not impose a large financial burden on any Government or State. That type of work could well be delegated to municipal authorities and to certain *ex-officio* Inspectors.

Mr. Abdul Wajid said that the Factory regulation in Mysore was in line with the latest regulation in British India and the amendment proposed had just received the assent of the Mysore Representative Assembly. It would be placed before the Legislative Council in December and would then be passed into law. In Mysore there were many *bidi* factories in which the conditions prevalent were deplorable. The description given in the Labour Commission's report was not overdrawn. He had visited all these factories and felt that they needed regulation more than the factories utilizing power. It was very desirable that a Workshops Act on the lines proposed by the Government of India should be brought into existence. The argument that the industry would not stand such a law or regulation left him cold. If an industry could not exist except on the sweated labour of children, it had no business to exist. Children had to work from 12 to 14 hours a day in premises which were not fit even for cattle.

The Hon'ble Sir Jwala P. Srivastava said that that was not their experience.

The Chairman said that it was clear from what had been said that the *bidi* factories were worse than others. He inquired if there were any in the United Provinces.

The Hon'ble Sir Jwala P. Srivastava said that there were none.

Mr. Abdul Wajid, continuing, said that he had visited the factories in the rural areas and even there the conditions were not at all very favourable. The buildings they used and the surroundings were quite unsuited to the assemblage of such large numbers of workers, and facilities for sanitation were non-existent. He considered that there had long been need for a law, and the sooner it was provided the better.

Mr. Ghulam Ali Mahamadi said that in Hyderabad State there was a Factory Act and a set of rules under the Act which were in line with the British Indian Act in regard to the provisions for child labour, hours of work, women labour, etc. Under the provisions of the Hyderabad Factory Act, they could declare any particular premises as a factory, whether it used power or not provided it employed more than 20 persons. This was to be done by notification. Under this provision any workshop such as *bidi* factories or tanneries not using power could be declared a factory under Factory Act if they found the conditions in that particular industry obnoxious. Up till then they had not notified any such industries. They had further regulations in the State under which any factory whether coming under the Factory Act or not, was prohibited from using child labour below 10 years of age. So in fact they had legislation of the type now contemplated and he was fully

in favour of legislation of that type being undertaken. It would be in the interests of the coming generations and would not in any way adversely affect the industries.

The Hon'ble Sir Jwala P. Srivastava said that he would like to explain a little further their attitude in the matter. So far as the United Provinces were concerned, he thought that the problem did not exist. They had no *bidi* factories worth the name. They had no tanneries where child labour was employed, and had now only a couple of shellac factories in Mirzapur which employed a certain number of children. In wool cleaning no children were employed. In carpet making in the Agra factories there were a certain number employed, but in Mirzapur the carpet industry was a cottage industry and the children do the work with their parents. Their experience in the United Provinces was that there was no compulsion on children going to work in the factories. They generally went along with their parents because there was no one to look after them at home. If a mother went to work in a factory she took along her boy of 10 or 12 and he helped her. There were no strict hours of work or anything like that. There was no question of holidays. They went there only when they liked and he did not think that the conditions in those factories were worse than the conditions in their own homes. The work they had to do in their own homes was far more than the work in those factories. A Chamar boy at home had to do the dirtiest of jobs. Preventing his going to a workshop would not improve his health. Probably it was the other way about, because those who went to the factories made a little money, with which they could buy food and clothes. If they remained at home they would not have anything to cover themselves with in the coldest of weather and would perhaps die of pneumonia.

The Chairman asked if that argument did not apply also to the big factories, where the labour of young children had been stopped.

The Hon'ble Sir Jwala P. Srivastava said that it had been done there and the big factories would never again have boys below a certain age, who were in any case of no use to them. But those were not regulated factories and the children went along just to do odd jobs with their parents. It was not as if there was a definite class of child labour, at any rate in the United Provinces.

Continuing the Hon'ble Sir Jwala P. Srivastava said that he did not know if there was demand for that legislation. In the United Provinces not even the Mazdoor Sabha had raised the question. Of course on humanitarian grounds it appealed to most people, but he did not think a case had been made out for the promulgation of such legislation. He would like to see figures to show that children working in these workshops had suffered in health. In the shellac factories there were dangerous processes involving the use of arsenic, but

there had not been a single case of arsenical poisoning. Was there any definite data showing that the health of children had suffered on a large scale on account of such employment ?

Mr. Weston said that in one of their soap factories a child was boiled alive.

The Hon'ble Sir Jwala P. Srivastava said that that sort of accident would take place at home. Then, by far the largest number of children were employed in their own homes and in cottage industries, where conditions were equally bad or even worse. Was it intended to prevent them from working too in their own homes ? The child had to work for 10 or 12 hours in its own home on the particular craft of the parent. Thus it was no use legislating to prevent children from working in workshops where they could make a few annas and where the conditions were no worse than the conditions in their own homes.

Mr. Clow said that the views expressed had been of distinct service. He was disappointed that two Ministers whose interest in education was well known throughout India were the dissentients. He himself had visited many *bidi*-making, mica splitting, wool cleaning and other factories, in many parts of India, and the Hon'ble Sir Jwala P. Srivastava would be the first to admit that his knowledge of the factories mentioned was incomplete and that conclusions must be based on the conditions as they found them throughout India as a whole.

It had been suggested that this was largely a matter of children going with their parents to work. That was not his experience. The factories he had particularly in mind were those where the labour was hired from the parent, and in many cases it used to be not merely hired but it was under a bond by which the parent handed over for so many years in return for a very small sum the labour of children to work under a master. Corporal punishment was being used in Madras and in the Punjab to enforce labour in the workshop. He hoped that had passed, but the evil had declined partly because of the slump and if the better times came, there would be an increased demand for child labour and increased danger of those evils coming up again, which would increase the opposition. He agreed that there was a big distinction between a child working in a cottage with his father and working for a man who had hired his labour. The parent had love and sympathy with the child, and was willing to let the child slack when it was tired or unwell : this was lacking from the master.

As regards the economic effects he sympathised with what was said by Mr. Abdul Wajid, that if an industry would only exist through retaining some of the worst of these conditions it was better that it should not exist at all. There was a considerable

amount of unemployment, and a greater amount of under-employment, and these children were to a considerable extent replacing adults. There was no shortage of labour. The child labour was employed because the employers found they could exploit the child, because they got him to work longer hours for a smaller wage and there was less chance of complaint.

It had been suggested that it was just as healthy for children to work in factories as it would be in their own homes. He would just read a single sentence in regard to conditions in shellac factories. The Director of Public Health in the Central Provinces said that adult melters and their assistants who worked near the stove felt great exhaustion at the end of the day and debilitation was often experienced after 3 or 4 months of regular work. If that is the case with an adult the case of a young child could be left to the imagination. He recognized that there were two big difficulties. One was the lack of public opinion. If one attempted to go too far ahead of public opinion, there was not that push which was necessary to secure effective administration. But that was a subject on which public opinion was awakening. The other difficulty was that of inspection, and he thought that in the state in which most Local Governments found themselves, it would be necessary to go extremely cautiously and to begin with the worst workshops. If the two Hon'ble Ministers were right in their view that bad factories were not found in their provinces, it would be so much the easier for the United Provinces and the Punjab. If the first attempt was restricted to tackling those workshops where conditions were worst, that step would have substantial support from public opinion, would give little embarrassment to the Governments of Provinces or States and would have no economic ill-effects. He believed the saving of child labour would be an economic advantage.

The Hon'ble Dr. Sir Gokul Chand Narang said that all his remarks had been confined to the Punjab, and if the evil was there he would be the first to prevent it and protect children's health by raising the age, by reducing hours and by increasing wages. But in the Punjab these evils did not exist, and if legislation was to be taken in hand, he suggested that an option should be left to Local Governments to apply the Act if and where they considered it necessary. To legislate on those lines he personally would have no objection whatsoever, because the application would depend on local conditions.

Mr. Clow said he recognised that that would ease the introduction of legislation and would minimise opposition. But a Local Government like Bombay or Madras which wanted to go ahead and wanted to exclude child labour might feel a little difficulty in proceeding if it had not some assurance that similar action was going

to be taken in regard to some particular industry in an adjoining province.

The Hon'ble Dr. Sir Gokul Chand Narang said that the problem was not the same in every province. Mr. Advani had said that the limit of workers should be put at 10 and even handloom industries should be included. There were many concerns where the members of the family were more than 10 ; and he did not think that the Act should be applied in such cases so far as handloom industries were concerned.

Continuing the Hon'ble Dr. Sir Gokul Chand Narang said that one great difficulty was that they might be opening the way to loot by Inspectors. And Government would find it very difficult to have an adequate number of Inspectors. If the work was to be done properly one Inspector would not be sufficient. So that, in addition to the existence of the evil, there would be the evil of evasion of the law as well, and with a large staff of Inspectors Government would have to incur more expenditure and more mouths would have to be fed by the owners of those small concerns. If legislation was undertaken, the minimum number of workers should be put at 50.

Summarising his views the Hon'ble Dr. Sir Gokul Chand Narang said that in the first place the legislation should be permissive. Secondly, it should be applicable only to specified industries. Thirdly, it should not be applied to concerns having less than 50 workmen.

Mr. Advani thought that if legislation was permissive very few provinces would enforce it. He would qualify his remarks if it had to be permissive. For instance in the case of the gold thread industry, there was a certain amount of competition between Bombay and the United Provinces and if they restricted child labour in that industry and the United Provinces did not, they would probably adversely affect their own industry.

The Chairman said that it had been made clear when this subject was put on the agenda, that any views expressed were not to be regarded as committing the Local Governments in any way. They wanted a general discussion and they had had it ; and he believed it would be of great value to them. Very careful note would be taken of what had been said and the various difficulties and objections would be considered before formulating any conclusions.

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1936.] *Imperial Sericultural Committee.* 145

**V.—MINUTES OF THE FIRST MEETING OF THE  
IMPERIAL SERICULTURAL COMMITTEE.**

**Discussion.**

*Tuesday, October 29th, 1935.*

The Chairman asked if any member wished to raise any point arising out of the minutes.

Rai Bahadur Lala Ram Lal said that at the first meeting of the Sericultural Committee the case of the Punjab was left over for special consideration. He asked if that would be considered then or at the meeting of the Committee on the following day.

The Chairman said that any application for assistance out of the sericultural grant would be considered by the Sericultural Committee.

## VI.—MATTERS ARISING OUT OF THE PROCEEDINGS OF THE FIRST SESSION OF THE ADVISORY COUNCIL FOR INDUSTRIAL INTELLIGENCE AND RESEARCH.

### 1. UTILIZATION OF PROVINCIAL FACILITIES FOR INDUSTRIAL RESEARCH.

#### MEMORANDA.

#### Bombay.\*

A perusal of pages 14 to 33 of Bulletin No. 52 giving proceedings of the Sixth Industries Conference held in July 1934, shows that it was considered most important by the Chief Controller of Stores and other speakers that research facilities at present available in the provinces should be placed at the disposal of the Director of the Central Industrial Intelligence and Research Bureau. This was readily agreed to by the representatives of the Provinces and States. It was accordingly understood at the Conference that the problems of research and investigation would be dealt with not only by the staff of the Bureau but that the problems for which specialised facilities were available in the provinces would be assigned by the Bureau to the provinces. In view of this the Bureau is expected to scrutinise carefully from time to time the various problems of research which are of importance to India and to decide which of the problems can best be dealt with by its own staff at Alipore Test House or elsewhere and which of the problems can best be dealt with at one or the other of the provincial institutions. This undoubtedly is the right procedure for no single institution can have the necessary staff, equipment and environment to conduct satisfactorily any and every problem of research. In Great Britain the National Physical Laboratory at Teddington has enormous resources both in men and money. With all that it can and does only take a part of the total amount of research work that is conducted in the country. There are several other research institutions some of which are State-owned and others are State-aided. In the latter case the grant is made to these research institutions by the Department of Scientific and Industrial Research. Similarly in the United States the Mellon Institute of Industrial Research at Pittsburgh has enormous resources both in men and equipment yet it is considered essential and desirable to maintain a large number of other research institutions in the country on which very large sums of money are spent.

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\*Prepared by the Director of Industries.



2. At the first meeting of the Advisory Council of Industrial Intelligence and Research held in July 1935 the proposals of industrial research made by the Bureau were practically exclusively those on which research could be carried out by the staff of the Bureau. Although at the meeting of the Sixth Industries Conference held in July 1934 great stress was laid on the co-operation of the various Provincial Departments of Industries in the matter of placing at the disposal of the Bureau research facilities of the Provinces concerned, practically no proposals were made by the Bureau at the meeting of the Council for taking advantage of the facilities available in the Provinces. It is, therefore, recommended that the Conference should consider this matter and make a further definite recommendation that the Bureau in preparing its programme of research work for any year must not place before the Council only these problems of research which can be tackled by the Bureau's own staff but also problems of research of All-India character which come under its purview and which owing to the special facilities available in the Provinces are proposed to be passed on by the Bureau to one or more special institutions of the Provinces. The representatives of the Provincial Governments had given an assurance at the Sixth Industries Conference that they would very willingly co-operate with the Bureau in this respect and if full advantage of the existence of the Bureau is to accrue to the country it is imperative that as wide a use as possible should be made by the Bureau of the research facilities available in the Provinces.

3. In the proceedings of the Sixth Industries Conference in the memorandum of the Chief Controller of Stores, paragraph 12, it has been stated that it was assumed that no charges would be levied by the Provinces against the Central Research Bureau on account of the work done on behalf of the Bureau in research institutions, etc., under the control of the Provincial and State Governments. This has been accepted by everybody and certainly by Bombay. During the discussion on the same occasion the Chief Controller of Stores also stated that while it was hoped that the Provinces would place at the disposal of the Bureau such facilities as they have for research and investigation, it was not expected of them to incur any extra expenditure on their research institutions. In December 1934 the Government of Bombay pointed out to the Government of India that research facilities available in the Bombay Presidency would be very willingly placed at the disposal of the Research Bureau for carrying out any specific pieces of research work which might be forwarded by the Bureau to the Director of Industries. The Government of Bombay, however, also made it clear that if any additional expenditure had to be incurred whether in the matter of engagement of temporary staff or purchase of raw materials and

equipment on account of the research work forwarded by the Bureau, such extra cost would have to be met by the Bureau. It is believed that this is the position taken up by the other Local Governments also. At the meeting of the Advisory Council held in July 1935 the proposals submitted by the Bureau were such that no part of the Government of India grant of Rs. 5 lakhs was to be available for utilization for the purchase of raw materials or special equipment or for the engagement of temporary special staff by any provincial laboratory for any piece of research work which may be referred to it by the Bureau.

If the Conference accepts the suggestion to recommend that the Bureau must make active use of the provincial research institutions in the manner mentioned in paragraph 2 above, it will be necessary for it also to make a further recommendation to the Government of India that in addition to the Rs. 5 lakhs which they have set aside for the Bureau during the next 3 years they may be pleased to make a further grant of about a total of Rs. 2 lakhs for a period of 3 years to be ear-marked for any extra expenditure which may have to be incurred by the Provincial Governments on research work of All-India importance taken up at the instance or with the approval of the Bureau and the Advisory Council.

#### Government of India.

The Bombay memorandum suggests that the proposals for industrial research discussed by the Advisory Council were practically exclusively those on which research should be carried out by the staff of the Bureau and that no proposals were made for taking advantage of provincial facilities. The questions of (a) research to be carried out on a co-ordinated basis by provincial and other research laboratories, and (b) research to be carried out at the Government Test House were considered separately as items (I) and (III) respectively of the agenda. The fact that certain researches were proposed for the Government Test House does not render less important the fact that certain other researches are to be undertaken by provincial and other laboratories. The nature of the latter researches was the subject of considerable discussion but eventually it was decided as originally suggested that these should at present be confined to (1) fatty oils and soap, and (2) essential oils. It is to be hoped that it will in future be possible to extend this list.

2. The conclusion at which the Council arrived is such as to make substantial use of the facilities of provincial laboratories and, though the Director of Industries suggests that these possibilities should be further exploited, he requires, as a condition of further participation, the allotment of an additional grant of Rs. 2,00,000 spread over a period of three years to finance such work. The

question of the provision of funds by the Government of India in order to finance researches in the laboratories of Provincial Governments was dealt with at the meeting of the Advisory Council, when it was made clear that the Government of India were not in a position to make grants for this purpose.

#### Discussion.

*Tuesday, October 29th, 1935.*

Mr. Advani said that in the memorandum prepared by the Government of Bombay for the Conference two points were discussed : (1) Research programme framed by the Research Bureau should be drawn up in such a manner that full use was made of the facilities available in the provinces, and (2) when any research of All-India importance was assigned to any Provincial Government, University or private laboratory, at least the out-of-pocket expenses incurred by such a laboratory should be defrayed by the Central Government Research Bureau.

Mr. Advani observed that the policy of fully utilizing the facilities available in the provinces had already been accepted by all concerned. At the last meeting of the Advisory Council, the Director of the Bureau had placed before the Council a number of problems on which research could be advantageously conducted. It was ultimately decided that research work should be undertaken by the Bureau itself at the Alipore Test House on some 7 or 8 subjects, *viz.*, paints and varnishes, portland cement, lime and cement concretes, dry cells, sands and felspar, vegetable oils as lubricants, and the possibility of the use of vegetable oils as fuel in small internal combustion engines. As against this it was further decided that research on oils and soap and essential oils might be conducted at some of the provincial laboratories. Thus very restricted use was to be made of the provincial laboratories. In England and America the world famous institutions like the National Physical Laboratory at Teddington near London and the Mellon Research Institute at Pittsburgh had enormous resources both in men and equipment, yet it was considered that they could only conduct researches on particular problems and the work on other problems was therefore conducted in other State, private or University laboratories. Research on specific problems required the necessary environment, specialised knowledge of particular problem on the part of the staff, equipment and so on, all of which could not be made available at any particular laboratory for all the problems that there might be. It was therefore essential that if full advantage was to accrue to the country of the Central Research Bureau, programmes should be so arranged that the maximum possible advantage was taken of the provincial facilities.

Continuing Mr. Advani said that the object of the Advisory Council and the Research Bureau was to co-ordinate and develop research. Duplication of effort in the various provinces was being eliminated by the Council and the Bureau and new lines of research were being initiated. What they wanted was that researches of All-India importance should be planned by the Bureau on a large scale and that in planning such researches they should bear in mind that many of the other research laboratories in the country were available for such All-India researches. The provincial laboratories of course would continue to be free to initiate and conduct any researches that they considered necessary on their own initiative and at their own expenditure. They could also continue to be free to decide whether they would accept researches of All-India importance which might be given to them. It had always been understood, however, that the provincial laboratories which had facilities for any problems of All-India research would be willing, if requested by the Bureau to do so, to undertake such researches.

The second point was that when any problem of research of All-India importance was assigned to a provincial laboratory by the Bureau or initiated by the provincial laboratory and undertaken with the approval of the Bureau, its out-of-pocket expenditure on such things as raw materials and so on should be met by the Bureau. It was not desired that the Government of India should make any *ad hoc* grants to the provincial Governments for industrial research work.

Among out-of-pocket expenses were the purchase of raw materials for specific research work. Then there might be the question of engaging temporarily assistance to the research staff. There might be the necessity of purchasing a small plant or machine that would be only required for a particular piece of research work, the benefit of which would accrue to the whole country and not to the particular province. It is not claimed that the cost of the existing research staff should be charged to the Central fund for that piece of research, but only the extra expenditure. Unless some such arrangement is adopted very little research work of All-India importance was likely to be conducted at the provincial laboratories and the tendency would be that all research work of All-India importance would be concentrated at the Alipore Test House.

The Chairman suggested that Mr. Advani should give some instances of research work of All-India importance his laboratory was likely to be called upon to do.

Mr. Advani said that a little time back there had come into existence a University Department of Chemical Technology. That department was very well equipped with staff as well as machinery. Research work could be conducted for the textile industry which would benefit not only Bombay, but also several other parts of India. That laboratory with a very small additional expenditure of Rs. 1,000

1936.]

*Industrial research.*

151

or Rs. 2,000 would be willing to undertake any research work that might be assigned to them. They had all the necessary staff and a well equipped laboratory. If the principle was accepted that problems of research would be assigned to the various provinces, even if a very small sum of money was available, a considerable amount of work could be done in those laboratories. In the memorandum which had been forwarded by the Government of Bombay a suggestion had been made for Rs. 2 lakhs, but they were not wedded to that figure : a smaller sum would enable a beginning to be made. By working on those lines, a considerable amount of more work of an All-India importance would be conducted than would be possible under present arrangements.

Mr. Weston said that when that question was discussed originally, he had assumed that if his department wanted to do some research into the drying of paddy he would be able to get the help from the Central Bureau of Research.

Mr. Burt said that paddy-drying was an agricultural operation. He had offered to help Mr. Weston but had not heard anything further from him.

Mr. Weston said that if he had understood that the milling of paddy and drying was an agricultural process he would have applied in that direction. But nothing had been done. There was no co-ordination as everything was being done in the Government Test House, Alipore.

The Chairman said that the fact that the Government of India proposed to do some research work for the provinces in their own laboratory did not mean that there had been no collaboration. Spending money in a provincial laboratory was not necessarily co-ordination. Addressing Mr. Weston he said that his point was that Bengal was given nothing to do and no money to spend. He asked what were the researches that had been shut down in that province.

Mr. Weston said that research into the mechanical drying of paddy had been prevented.

The Chairman said that that was a matter for the Imperial Council of Agricultural Research.

Mr. Burt said that a machine had been brought out from England which was being worked in Rangoon. It had been sent out by the makers without any charge and the Director of Agriculture, Burma, had organized trials on this problem. They would be glad to pass on the results to Mr. Weston.

Sir James Pitkeathly said that when the idea of the Bureau was put forward first at the Industries Conference, the Conference was told that there would be a small sum of money, Rs. 5 lakhs for a period of 3 years. This was not to establish a research bureau as

he hoped one would be established permanently in India some day, but simply to make an experiment and see how far they could get solid foundations. They decided that the best thing to do and the most economical way to use that money was to take advantage of all testing institutions at the disposal of the Government of India and build a research organization there relying on the provinces to help them out with any research organizations that they might have with this condition that they did not expect them to go to any additional expense but simply to give any additional assistance. That was the fundamental basis on which the Bureau had been started. The Chairman in his opening speech indicated that if they made a success of this or even showed promise of success additional funds from the Government of India could be obtained and then they could consider in what way the Bureau could be extended and the superstructure altered. He asked the Conference not to be quick in jumping to the conclusion that the basis on which the Bureau was founded was wrong. It should be given a fair chance and that could only be done provided Directors of Industries gave co-operation by putting it in touch with industrialists and in other ways.

The Hon'ble Dr. Sir Gokul Chand Narang thought that there were certain matters in which research was being carried on in provincial laboratories which was an All-India matter. They had a laboratory on which they were spending only Rs. 15,000 a year ; but it was doing very useful work. One of the points which was first taken up was how to manufacture glue. Glue was manufactured by *chamars* and other leather workers who kept their process secret considering it was very valuable, but the commodity produced by them was not of the best quality. Their Research Chemist was engaged on it and had met with a certain amount of success already and if he discovered how to prepare glue out of the waste from tanners it would help the leather workers. This was not a provincial matter, but a matter of general importance. He thought that the proposal made by Bombay deserved consideration.

The Chairman said that the Industrial Bureau was a purely experimental body. It was no good asking the Government of India for more money until they had shown that it would be well spent. If such evidence was forthcoming at the end of the 3 year period, they could go ahead on a greatly advanced scale. He appealed to the provinces to look at it from a much broader point of view. Mr. Advani wanted a certain amount of out-of-pocket expenses for work of an All-India character, but he could not say what he had in his mind, or what the out-of-pocket expenses were likely to be. Before they could consider this they wanted concrete instances of the sort of thing they could do. The out-of-pocket expenses were not likely to be large, and he suggested that it was worth while

spending Rs. 100 or Rs. 200 or Rs. 500 now to show what the provinces could do in the hope of getting many lakhs in years to come. He asked the Conference to do their best with their present resources ; help the Bureau in every way they could and then would be the time to ask not for 2 lakhs but for 10. Taking the difficulty about glue, he suggested that the Punjab should get Mr. Brodie and his staff to help. They would be only too willing to do so, so that at the end of the three years they could go to the Government of India with proposals for further expenditure. At the moment he did not think they could do anything. They had to explore the ground and find out in what ways provincial laboratories could supplement the work of the central laboratory. When they had found that, as they must do before the end of that period, then would be the time to ask for more money.

## 2. ALLOCATION OF PRIZES.

Rai Bahadur Lala Ram Lal raised the question of the allocation of prizes. The feeling in the Punjab was that there should be local men on the Committee dealing with this matter to represent the claims of the people sending papers for prizes. If those claims were not specially pressed, they might go by default.

The Chairman said that the conclusion of the Council was that a Sub-Committee should be appointed to consider means and conditions under which prizes should be offered for improvements in an industrial process or appliance.

Rai Bahadur Lala Ram Lal said that there should be local men to press the claims of local people for prizes.

The Chairman completely disagreed with this view. This was a matter for the Advisory Council, but he would strongly deprecate having advocates of provinces to press the claims of different provinces. If they did not trust the adjudicators to deal with these matters on their merits, it was no good having them. The Committee should not go by provincial considerations.

Mr. Brodie said that the Committee had so far transacted its business by correspondence. A letter was issued in which they laid down the conditions under which the prizes were to be awarded and this letter was issued to all the Directors of Industries, to the Inter-University Board and to the public and the Press inviting papers. One important matter left over was the adjudication of prizes. It was not for this Sub-Committee to adjudicate the prizes but it was for the Committee to recommend methods of adjudication. The question of pressing provincial claims could not possibly arise because

a paper was accompanied by a sealed envelope containing the name of the writer which the members of the Committee do not know until the ward had been made.

The Chairman enquired whether the Conference had any further observations to make or whether the observations of Mr. Brodie met their point.

Rai Bahadur Lala Ram Lal said he had not intended to make any reflection on the Sub-Committee. But in the adjudication of awards local conditions had to be taken into consideration and it was sometimes desirable to encourage a province which is not industrially advanced.

The Hon'ble Dr. Sir Gokul Chand Narang said it might satisfy all provinces if the membership of the Sub-Committee went by rotation among Directors in every province.

Sir James Pitkeathly said that as many of the members of the Sub-Committee were present they proposed to hold a meeting and decide on the method of adjudication. The procedure after that would be to put the matter up to the Advisory Council for their approval.

The Chairman said he did not think there was anything more that could be done. The Sub-Committee was an *ad hoc* Committee whose work would shortly be over. There was thus no question of appointments going by rotation.

### 3. CO-ORDINATION OF RESEARCH.

The Chairman next stated that the conclusion reached by the Advisory Council was that the Director of the Bureau should discuss with the Imperial Agricultural Council methods which could be adopted to ensure close collaboration with the two organizations. He understood that that discussion had been held.

Mr. Brodie said that he had had two or three discussions with Mr. Burt. The Imperial Council of Agricultural Research was to some extent interested in industrial matters but only where they were closely linked with agriculture. The most important of those were sugar, lac and vegetable oils. As far as sugar was concerned, the Imperial Council had made an agreement with the United Provinces Government by which the greater part of the Harcourt Butler Technological Institute would be taken over by the Imperial Council and used for sugar research. That research was not agricultural but almost entirely on the industrial side. The Government of India had sanctioned Rs. 2½ lakhs a year for five years for this work and also Rs. 1½ lakhs capital expenditure. They felt that although that



1936.]

*Industrial research.*

155

work was entirely industrial it offered no difficulty from the point of view they were discussing, for it was devoted entirely to one specific object and there could be no possibility of misunderstanding or clashing of interests.

Referring to the second subject, lac—Mr. Brodie said that research in lac was not only industrial but also scientific and entomological, and was carried out in the Lac Research Institute which was under the control of the Indian Lac Cess Committee and hence closely affiliated with the Imperial Council. The question of lac again offered no difficulty : it was a very definite subject and there was no need for the Bureau or for provincial laboratories to interest themselves in it.

Taking up the third subject, fatty oils—Mr. Brodie said that this was also carried out in the Harcourt Butler Institute just as sugar was but on a different basis ; the work was done by the Local Government with the assistance of a grant from the Imperial Council of Rs. 30,000 a year. That included not only research work but more particularly teaching work and hence the amount of research was probably small. The arrangement was a temporary one. From the point of view of the Advisory Council, the point was that a Local Government was doing research work on fatty oils and they also had a Committee devoted to research in fatty oils. He understood from Mr. Burt that from the point of view of the Imperial Council there was no objection to their taking cognisance of this work incorporating it as part of the Council's scheme. When the Committee's meeting was held in Calcutta they hoped to persuade Local Governments, including the United Provinces, to undertake different branches of work in fatty oils with assistance from that grant. Some members of the Advisory Council rather feared that there would be clashing because there was also an Oil Committee of the Imperial Council. Mr. Burt and he had gone through the records of the Indian Oil Seeds Crushing Industry Committee, and came to the conclusion that in spite of its name it did not really impinge on the problems the Council had before them, and there was room for both bodies, with little risk of clashing. But in order to avoid any risk of clashing at all, the Imperial Council had sent a proposal to the Government of India that the Director of the Bureau should serve on the Committee and he proposed to ask for a similar arrangement on his side.

Continuing Mr. Brodie said that in addition to these three items the Imperial Council of Agricultural Research had from time to time financed other items of research of a minor nature. In future, should any such question arise, they would consider it in consultation with the Bureau

L158DIL

Regarding cotton research which was a question of some importance and was not touched in the Advisory Council meeting, Mr. Brodie said that, it did not come under the Imperial Council as such, but under the Indian Central Cotton Committee which is an autonomous body closely associated with the Imperial Council. The Vice-Chairman of the Imperial Council was *ex-officio* Chairman of the Committee ; and the Agricultural Expert was also a member of the Committee : hence there was no difficulty in making similar arrangements with them. This Committee dealt mostly with the growing side, but it also concerned itself with industrial work and had statutory powers to do so. Here again, should any specific industrial problems come before it, they would be considered in consultation with the Bureau.

The Hon'ble Dr. Sir Gokul Chand Narang said that there were many institutions carrying on research work, and probably some were engaged on exactly the same ground, and arrived at some results which the others knew nothing about. He desired to know whether some machinery could not be devised by which everybody should send the results of his research to a central bureau which would circulate it to all concerned.

Mr. Brodie said that that question was discussed at the last meeting of the Council as far as industrial laboratories and universities were concerned and it was decided that the Bureau should obtain particulars of all papers published from a certain date and should form an All-India catalogue and issue that. They were waiting for the full replies to come from the different laboratories.

The Chairman referred to the conclusion of the Advisory Council on Research Programmes and added that it was for the provinces to co-operate in that respect. The Bureau would endeavour to give these things as wide publicity as possible and in the best possible form.

Mr. Advani said that various Provincial Governments were supplying to the Government of India a precis of all the research work that was being conducted in their provinces. It would be very helpful to the researchers if this precis for the whole of India were circulated once a year.

Mr. Brodie said that he had also discussed with Mr. Burt the question of dealing with the programme of the British Government's industrial research. That was being sent to the Government of India and was printed and published by the Imperial Council. They considered that it would be more appropriate if that was done by the Bureau. Further, the results of certain industrial and agricultural researches were communicated to the Imperial Council who made up a combined list and sent it to Great Britain. If they did that also, they would have a basis for what Mr. Advani suggested.

Mr. Burt said that they were receiving from the Departments of Scientific and Industrial Research in England a confidential set of programmes supplied to certain institutions in India who were engaged on similar lines of research. In return they sent programmes of work in the Technological Laboratory of the Indian Central Cotton Committee and of several other institutes of that nature. He agreed with Mr. Brodie that it would be more appropriate for the Bureau to take over the corresponding duties in that matter. *Liaison* between the Agricultural Research Council and the Industrial Research Bureau should be continuous, and they had made Mr. Brodie a member of the Oil Seeds Committee. There was also a proposal to make the Director of the Bureau a member of the Advisory Board of the Research Council.

Continuing Mr. Burt said that research in lac was done at a central research institute for the whole of India. The growing of trees, the study of their troubles, the study of insects, the study of lac manufacture was all undertaken in that institute. An important development during the last two years was the establishment of a Lac Research Bureau in London which gave to the lac-consuming industries the kind of scientific service which the synthetic competitors of lac had been given. Research on synthetics had reached a high state of development, and many thousands of pounds had been spent on research and on scientific service to the many industries using synthetic resins. In a small way they were trying to do the same thing for natural lac. They had three Indian Research Officers working in England in contact with the consuming industries. He would like the Directors of Industries to take the fullest advantage of the facilities which the Indian Lac Institute was offering. These had been highly developed during the last 18 months, and the Institute was able to supply pamphlets for distribution to small lac-manufacturers. Small industrialists could take advantage of the work that had been done on *kiri* mouldings.

Referring to the Indian Central Cotton Committee, Mr. Burt said that the Committee was spending about 10 lakhs a year on cotton research which was mainly agricultural. The technical research done at Matunga was mainly connected with the testing of cotton for spinning value. A joint committee had been set up to exploit means of co-operation between the Cotton Committee's research laboratories, the Technological Department of the University and the Victoria Jubilee Technical Institute.

Regarding oils and fats, Mr. Burt said that the Agricultural Research Council was concerned with that question from the agricultural side and with the improvement of the oil crushing industry itself, because that meant a better supply of cake for cattle and manure and an outlet for oilseeds. The Council did not desire to

take up the general question of vegetable oil technology which was essentially a matter for the Industrial Research Bureau.

Replying to the Chairman's request for a brief reference to the principles on which the Research Council gave grants to provinces, Mr. Burt said that those principles were laid down by the Governing Body and had been followed more or less faithfully during the last six years. The first principle was that no grant should be given except for research which was of an All-India importance or which affected a number of Provinces or States. Secondly, when one Province or State put up a proposal the other Provinces or States should be consulted and the possibility of co-ordination explored. That meant that they did not at once offer a grant to a province to develop a project, however desirable it might be in itself, until they were assured that the adjoining province had not already covered the ground. Then there was a condition that ordinarily the Local Government should provide buildings and land and any equipment of a permanent character. There had been deviations from this condition mainly in the case of sugar grants, which were on rather a different footing. They also asked that the Local Government should make a contribution to the recurring expenditure on the scheme when it was manifestly to the immediate benefit of a province. They had not adopted the fixed formula of 50 per cent., but at the last meeting of the Governing Body there was a definite volume of opinion that they ought to enforce that condition in future more strictly than in the past.

#### 4. GLASS RESEARCH.

The Hon'ble Sir Jwala P. Srivastava asked what had been done about glass manufacture.

Mr. Brodie said that the Assistant Director of the Bureau, Mr. Dixon, would undertake that work when he joined the Bureau. He would make a tour through the more important glass manufacturing areas of India. There were probably a hundred factories altogether in India, of which his tour would include something like half

They were looking into the question of the production of glass of different colours and low melting point, in conjunction with Mr. Advani. It offered considerable technical difficulty.

The Hon'ble Sir Jwala P. Srivastava said that they were thinking of starting an institute for research in glass in the United

Provinces. The glass industry was of considerable importance to the United Provinces, especially the manufacture of coloured glass for bangles. It was a very old industry, and provided occupation for some thousands of villagers. One of the main troubles had been that they had not been able to obtain glass of the right quality and the right colours at a cheap enough price. Then there was the question of the decoration of bangles. There was considerable skill amongst the workers and if they were shown the methods by which they could make improved bangles they would replace a lot of the Japanese and the Austrian imported bangles. There was also the devising of simple furnaces, the utilization of fuels, sands and various other raw materials. A very large number of factories in the United Provinces made block glass for bangles, but did not possess the necessary technical knowledge. In the old days they brought out Austrian experts who took their secrets away with them. The United Provinces Government would be very glad to have the collaboration of the Bureau, which would be useful before a start was made on an undertaking of that kind.

The Hon'ble Dr. Sir Gokul Chand Narang said that the question of sand and other raw materials for making glass which could be used for bangles illustrated a difficulty which faced those who wanted to set up some industry with a moderate amount of capital. They did not know what it was possible to manufacture in India and where the raw material could be obtained and what the natural resources of this country were. He asked, if there was any report, either of the Government of India or of any Provincial Government, which would supply detailed information as regards raw material of various kinds available in this country and what that raw material could be used for, what were its commercial potentialities and so forth. That was a subject on which they could well afford to spend money.

The Chairman said there was Sir George Watts' book. The question of bringing it up to date had been considered, but he did not know with what result.

The Hon'ble Dr. Sir Gokul Chand Narang said that such books had become antiquated. The question was whether a part of this money or more money which Government gave should not be spent on the collection of this information. To give a concrete instance, the glass industry was one of the most important industries in the world. India had a population of 350 millions and there was hardly a house in the country where educated people lived and where there was not some article of glass in daily use, and yet they were not aware how they could supply their needs without importing these things from abroad.

The Chairman thought that there was more information about glass than about most industries. The Tariff Board had collected a great deal of information.

The Hon'ble Dr. Sir Gokul Chand Narang said that they did not know which sands could be used for the manufacture of glass, and what the freight would be from place to place.

The Chairman said that at the meeting of the Advisory Council, it was agreed to make an examination of sands of different classes and ascertain which appeared to be suitable for glass manufacture.

The Hon'ble Dr. Sir Gokul Chand Narang asked what machinery would be used for making a survey.

Sir James Pitkeathly said that they proposed sending an officer round to the various glass works in the provinces to have the problem stated as a first step. He was disappointed that they had not had many more demands than they had received. Apart from the North-West Frontier Province they had very few demands from the provinces. But they were sending the officer round to find out what the difficulties in the glass trade were. Thereafter they would attempt to meet them.

Mr. Shivdasani said that their chief problem in the United Provinces was the cost of manufacture, and inquired whether it would be possible for the Bureau to help them to manufacture cheap glass.

The Chairman said that he did not see how that could be done except on a factory scale. The Bureau would look into the methods of manufacture in the factories and advise, but it could not undertake that work itself.

Sir James Pitkeathly said that at the Advisory Council meeting it was agreed that the chief lack was that of suitable furnaces. The survey would examine the difficulties of the glass people, the lack of furnace capacity or unsuitable furnaces, and they would then apply themselves to their solution. His suggestion was that having got the material, they should get an expert to give them a design.

The Chairman said they had had a very interesting discussion which should be of equal help to the Bureau and the provinces. They had been able to indicate directions in which the Bureau could be more useful, and suggestions made would be carefully noted and acted upon as far as possible. It had been a very useful meeting indeed and he felt that these Conferences were doing something for the industrial development of India which was badly needed.

1936.]

*Conclusion.*

161

He hoped that they would go on in the same spirit of friendliness and co-operation which had marked the three Conferences over which he had presided. He wished to add a special word of thanks to the representatives of the States. They were going to have a Federated India and in a humble way these Conferences were helping the idea of federation forward.

On the motion of the Hon'ble Sir Jwala P. Srivastava and Mr. Wazir a cordial vote of thanks was accorded to the Chair. The Conference then dispersed.

4

251

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No. 59

PROCEEDINGS  
OF THE  
EIGHTH INDUSTRIES CONFERENCE

*(Held at Lucknow on the 7th and 8th December 1936)*

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JANUARY 1937



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## CONTENTS.

	PAGE.
Agenda .. .. .	1
Representatives who attended the Conference .. .. .	2
Chairman's opening speech .. .. .	5
I.—Rule making power in Acts affecting industry, with special reference to Electricity and Boilers .. .. .	11
DISCUSSION .. .. .	15
II.—Handloom weaving .. .. .	
<b>REPORTS ON THE OPERATION OF THE SCHEMES—</b>	
Madras .. .. .	19
Bombay .. .. .	22
Bengal .. .. .	28
United Provinces .. .. .	32
Punjab .. .. .	39
Bihar .. .. .	43
Central Provinces .. .. .	47
Assam .. .. .	50
Burma .. .. .	53
North-West Frontier Province .. .. .	57
Sind .. .. .	58
Orissa .. .. .	59
Delhi .. .. .	65
DISCUSSION .. .. .	67
INTRODUCTION OF THE HAND-WEAVING INDUSTRY AMONG THE WOMEN WORKERS WHO ARE EXCLUDED FROM UNDERGROUND WORK IN THE JHARIA COAL FIELDS .. .. .	72
DISCUSSION .. .. .	75

	PAGE.
III.—Standardization of weights and measures throughout India ..	76
DISCUSSION .. .. .	81
IV.—Publication of fuller trade statistics regarding important manufactured and semi-manufactured goods produced in the country and raw materials consumed therein, along with figures of inter-provincial movements of these articles ..	85
DISCUSSION .. .. .	86
II.—Handloom weaving— <i>contd.</i>	
ALL-INDIA HAND-WEAVING EXHIBITION AND COMPETITION TO BE HELD ALONG WITH THE UNITED PROVINCES INDUSTRIAL AND AGRICULTURAL EXHIBITION AT LUCKNOW FROM DECEMBER 1936 TO FEBRUARY 1937 ..	91
DISCUSSION .. .. .	98
VENUE OF THE NEXT CONFERENCE .. .. .	100
V.—Removal of inter-provincial barriers to trade in the pharmaceutical and drug industry in India ..	101
DISCUSSION .. .. .	102
VI.—Matters arising out of the proceedings of the second session of the Industrial Research Council—	
(A) INDUSTRIAL SURVEYS .. .. .	105
(B) PRIZES .. .. .	107
(C) GLASS INDUSTRY .. .. .	107
VII.—Minutes of the second meeting of the Imperial Sericultural Committee ..	109
VIII.—Minutes of the first meeting of the Woollen Industry Committee ..	110

**BULLETINS**  
OF  
**INDIAN INDUSTRIES AND LABOUR**

No. 59]

1937

[January

**PROCEEDINGS OF THE EIGHTH INDUSTRIES  
CONFERENCE.**

*Held at Lucknow on the 7th and 8th December 1936.*

**AGENDA.**

I. Rule-making power in Acts affecting industry, with special reference to electricity and boilers.

II. Handloom weaving.

(a) Progress of the schemes for the development of the handloom industry in the various provinces and the allotments for 1937-38.

(b) Introduction of the hand-weaving industry among the women workers who are excluded from underground work in the Jharia coal fields.

(c) Grant for an All-India hand-weaving exhibition and competition to be held along with the United Provinces Industrial and Agricultural Exhibition at Lucknow in December 1936—February 1937.

III. Standardization of weights and measures throughout India.

IV. Publication of fuller trade statistics regarding important manufactured and semi-manufactured goods in the country and raw materials consumed therein, along with figures of inter-provincial movements of these articles.

V. Removal of inter-provincial barriers to trade in the pharmaceutical and drug industry in India.

VI. Matters arising out of the proceedings of the second session of the Industrial Research Council.

VII. Minutes of the second meeting of the Imperial Sericultural Committee.

VIII. Minutes of the first meeting of the Woollen Industry Committee.

PRESENT :

*Government of India.*

The Hon'ble Sir Frank Noyce, K.C.S.I., C.B.E., I.C.S.,  
Member of the Governor General's Executive Council  
—Chairman.

Department of Industries and Labour.

Mr. A. G. Clow, C.S.I., C.I.E., I.C.S., Secretary.

Mr. N. Mahadeva Ayyar, I.C.S., Additional Deputy  
Secretary.

Indian Stores Department.

Mr. R. W. Targett, Officiating Chief Controller of Stores.

Mr. N. Brodie, M.Sc., F.C.S., A.I.C., Director, Industrial  
Research Bureau.

*Provincial Governments.*

*Madras.*

Mr. L. B. Green, M.B.E., M.I.E.(Ind.), Acting Director of  
Industries.

Mr. J. L. Thompson, A.M.L., Mech.E., Chief Inspector of  
Boilers.\*

*Bombay.*

Mr. P. B. Advani, M.Sc., Tech., M.I.E., J.P., Director of Indus-  
tries.

Mr. R. G. Higham, M.I.E.E., F.R.S.A., J.P., Electrical Engineer  
to Government.\*

*Bengal.*

Mr. A. T. Weston, M.Sc., M.I.C.E., M.I.E.(Ind.), Director of  
Industries.

Khan Bahadur A. M. Arshad Ali, Registrar, Co-operative  
Societies.

Mr. C. C. Ghosh, B.A., F.R.E.S., Deputy Director of Sericulture.  
(Adviser).

Mr. B. C. Bhattacharya, B.Sc. (Cal.), M.Sc., Tech.(Manch.),  
A.M.C.T., Principal, Serampore Government Weaving  
Institute. (Adviser).

*United Provinces.*

The Hon'ble Sir Jwala Prasad Srivastava, Kt., M.Sc., A.M.S.T.,  
Minister.

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\*Attended on the 7th December 1936.

1937.] *Proceedings of the Eighth Industries Conference.* 3

Mr. S. P. Shah, I.C.S., Officer on Special Duty.

Mr. R. T. Shivdasani, I.C.S., Director of Industries †

Lieutenant-Colonel A. G. Warren, A.M.I.E.E., M.I.E.(Ind.),  
Electric Inspector.\*

Mr. W. G. Mackay, M.B.E., A.M.I., Mech.E., Chief Inspector of  
Factories and Boilers.\*

*Punjab.*

The Hon'ble Dr. Sir Gokul Chand Narang, Kt., M.A., Ph.D.,  
Minister.

Rai Bahadur Lala Ram Lal, M.B.E., Director of Industries.

*Bihar.*

The Hon'ble M. Saiyid Abdul Aziz, Bar-at-Law, Minister. †

Mr. S. M. Dhar, I.C.S., Director of Industries.

Mr. K. S. Rao, L.T.M., A.T.I., Textile Expert. (Adviser).

*Central Provinces.*

Mr. G. S. Bhalja, I.C.S., Director of Industries.

Mr. M. B. Mande, L.T.M., A.T.L., Textile Expert. (Adviser).

*Assam.*

Mr. S. L. Mehta, I.C.S., Director of Industries.

*Orissa.*

Mr. S. N. Mozumdar, I.C.S., Director of Development.

*Indian States.*

*Hyderabad.*

Mr. T. J. Tasker, C.I.E., O.B.E., I.C.S., Member for Revenue,  
Police and Commerce and Industries.

Nawab Rais Jung Bahadur, Secretary, Commerce and Industry  
Department.

Mr. Ghulam Ali Mohammadi, B.A., F.C.S., Director of Commerce  
and Industries.

*Mysore.*

Mr. N. Madhava Rau, B.A., B.L., Second Member of Council.

Mr. S. G. Sastri, B.A., M.Sc. (Lond.), F.I.A.S., Director of  
Industries and Commerce.

\*Attended on the 7th December 1936.

†Attended on the 8th December 1936.

*Baroda.*

Dr. S. M. Pagar, B.A. (Wis.), A.M., Ph.D. (Columbia), Development Commissioner.

Mr. A. B. Pandya, B.A., LL.B., Director of Commerce, Industries and Labour.

*Gwalior.*

Lala Ramji Das Vaishya, F.R.S.A., M.R.A.S., Secretary, Commerce Department.

*Indore.*

Mr. N. S. Rahalkar, B.A., Commissioner of Customs, Excise, Commerce and Industries.

*Travancore.*

Mr. C. Kumara Das, Director of Industries.

*Monday, December 7th, 1936.*

**CHAIRMAN'S OPENING SPEECH.**

GENTLEMEN, I welcome you to this great and historic city. This is the first time since it was revived that this Conference has met at a centre other than the headquarters of the Government of India. We are doing so at the instance of the Government of the United Provinces, whose suggestion that we should do so was welcomed by us all as it was felt most appropriate that an Industries Conference should be able to avail itself of the bird's eye view of the progress that Indian industry is making in all directions which is afforded by the Industrial and Agricultural Exhibition now being held here. I am sure you would all wish me to tender our most grateful thanks to the Government of the United Provinces for their kind hospitality. I am particularly glad that, in spite of the pre-occupations which must be weighing rather heavily on them at the moment, as many Ministers have found it possible to attend the Conference as were able to do so last year, and I am sure that their presence will be—as it always is—of the greatest assistance to us in our deliberations.

2. We have a full agenda and very limited time at our disposal, so that I do not propose to comment on the subjects which we are to discuss later. I would merely remark that, so far as the handloom grants are concerned, the progress made appears to be very satisfactory. A sum of nearly Rs. 11 lakhs has so far been allotted for expenditure on approved schemes and, so far as I am able to judge, these sums and the amounts which Provincial Governments are providing from their own revenues for this purpose are being wisely spent. Since we last met, the Government of India have made a further grant of Rs. 5 lakhs to be spread over five years for the benefit of the small-scale and cottage woollen industry, and a Committee has already been set up to advise on the administration of this grant.

3. This is the last occasion on which I shall have the privilege of addressing you and in these circumstances I may perhaps be forgiven if I indulge in a brief retrospect. I do not propose to delve at all deeply into the distant past—not so dim for me, for my impressions of India as it was when I first reached its shores almost exactly thirty-four years ago remain as vivid as ever—or to weary you with a detailed comparison of the Industrial India of those days with the Industrial India of to-day. Suffice it to say that an industrial exhibition of the character of that we have seen or shall be seeing here would not then have been possible. It would have been almost entirely

an exhibition of the arts and crafts of this country and of the products of the large old established industries such as cotton and jute. Those were the days before that great enterprise, the Tata Iron and Steel Works, was established, the days when India imported 2,000 million yards of cotton piece-goods and manufactured only a quarter of that amount, the days when the factory production of sugar was trifling, the days when the output of coal, that valuable index to industrial activity, was less than one-third what it was last year. The position in regard to cotton piece-goods and sugar is now completely reversed. Last year the imports of cotton piece-goods had fallen to less than a thousand million yards, whilst mill production had increased to 3,500 million yards. The production of factory sugar was over 926,000 tons, some four and a half times the quantity imported, and the disparity between home production and imports will be very much greater this year. Take the figures for a few selected industries for the few years during which I have held charge of my present office, a period of unprecedented economic depression. The outturn of pig iron has increased by about 75 per cent. with other iron and steel manufactures in somewhat similar proportion; the outturn of cement by 50 per cent., of matches by 30 per cent. and of paper by 20 per cent. As for the smaller industries, I would invite you to look around you and do no more than mention a few of the articles now purchased by the Indian Stores Department which until recently were either not made at all in this country or not of such a quality as justified their purchase. Out of the long list of such articles, I would single out lawn mowers, weighing machines, centrifugal pumps, cooking ranges, electric bulbs, motor car tyres and tubes, vacuum brake fittings and water-proof cloth.

4. The question which naturally arises out of the brief survey I have given you is "To what extent have Government—I need hardly say that I include under 'Government' both the Central and Provincial Governments as well as the Governments of the States—contributed to this striking advance?" and also "To what extent has this Conference contributed?" On the general aspect I do not propose to dwell, for you will find it faithfully recorded in Mr. Clow's admirable little book on "The State and Industry" and its successor "State action in respect of Industries 1928—35" which was published a few weeks ago. But I should like to say something about what we have done here. I think we may put forward the modest claim that we have provided an organization which has great potentialities of usefulness. That organization falls into four parts. In the first place, there is this Conference itself, successfully revived in 1933 after being in abeyance for over a decade, which furnishes a forum for the discussion of industrial questions of common interest to the whole of India, a forum the value of which should become more and more apparent in the days ahead of us when there may develop



a tendency for the Centre and the Federal Units more and more to go their own ways. In the second place, there is the Industrial Research Council by whose advice the Government of India—and I hope I may add the Governments of the Provinces and States—are guided in questions of policy in connection with industrial research. The Council has so far held two meetings, in July, 1935 and July, 1936, the proceedings of which have been placed before you. In the third place, there is the Industrial Research Bureau at the headquarters of the Government of India which is, so to speak, the executive agency of the Council, and lastly, there is the Research Branch of the Government Test House at Calcutta, where research approved by the Council is carried out.

5. The most important work undertaken by the Research Bureau during its short existence has been its work on glass. Its survey of the glass industry has drawn attention to the difficulties under which the industry is working and has enabled the Bureau to put forward concrete suggestions for carrying out research in the laboratories of the Central and Provincial Governments and some of the Universities. We, on our part, have accepted the suggestions which directly concern us and research on the lines proposed has been undertaken at the Test House. For the research work here, which covers a number of other enquiries suggested by the Council, the Government of India have sanctioned the appointment of two gazetted officers, twelve officers of the rank of Chemical and Physical Assistant, and nineteen other officers. For the senior gazetted officer's post Dr. L. C. Verman, a physicist of wide experience, has been selected. The accommodation at the Test House is rapidly outgrowing its expanding needs and the question of enlarging it and of placing the Research Bureau on a permanent footing is engaging our active attention. In connection with the work of the Bureau, I should perhaps mention the three Bulletins it has already published, the one on the glass industry, a bibliography of industrial publications published in India since 1921, and one on a highly technical aspect of the annealing of copper bar. Six more Bulletins are nearly ready for the press and should appear early next year.

6. I need not enlarge on any other activities here such as the work being done in administering the grants from the Government of India for the benefit of the cotton handloom weaving, the sericultural and the woollen industries. Critics, notably those who advocate planned economy, forgetting the close association between planned economy and dictatorship and the entirely unsuitable field for dictatorship presented by a country on the eve of great constitutional changes, will say that we might have covered a bigger field. There is so much to be done in this vast country that I readily admit there are other things I would have liked to have

tackled, but I do claim that, considering the financial and constitutional difficulties under which we have laboured, we have no reason to be ashamed of our record. There is one point on which I should like to comment before I pass on. It will be evident from what I have said that this Conference and its connected organizations have made the small and cottage industries its first care. Though, as time goes on, they, I hope, will be able to render service to the larger industries, I trust that the smaller industries will always receive their special consideration. For it is to the development of the smaller and scattered industries away from the big industrial centres, which have in so many cases only too faithfully copied the evils which have accompanied industrialization in the West, that there lies the best hope of raising the standard of living and, with it, the cultural level of the countryside.

7. I should like, in conclusion, to say something about a subject which has in the past few years been constantly in my thoughts and, I am sure, it has been in yours. That is the question of middle-class unemployment. Those of you who attended the Conference of 1933, which was the first of the present series of Conferences, will remember that we had it on our agenda, but we were not able to get very far with it at that time for various reasons. In the first place, I think most of us were agreed that it was a problem that could not be solved by any steps that could be taken on the industrial side alone, and in the second place, some of us at least felt that there was little prospect at that time of getting public opinion to support the steps that seemed best calculated to secure an agreement on the position. But a good deal has happened since then. The problem has received attention in many directions; it has been explored by further Committees, including the important Committee presided over by The Right Honourable Sir Tej Bahadur Sapru which was set up in these provinces, and certain aspects of it have been engaging the very close attention of educational experts and of the Central Advisory Board of Education. There is an increasing volume of support for some of the remedies that may be necessary and an increasing determination to face up to the difficulties of the problem. I think that you may find it useful to discuss again certain aspects of the question at your Conference next year. In particular, the question of the development of schemes of apprenticeship is one on which a Conference, composed as this one is, might be able to offer very valuable advice. There has been, and is still, a tendency to concentrate on academic teaching, even in the technical sphere, and to forget that the most important part of education for industry is generally that which only work in the industry can give.

8. There is no cut and dried solution of this great problem, for it does not owe its origin to any single factor and it will not be solved except by concentrated advance in many directions. But I

have spent much of my time in the last few years in the attempt, which has, I am sorry to say, more often than not been unsuccessful, to assist young men who have approached me or who have been brought to my notice, and in the light of this experience and of the thought I have given to the question over a long period, spent partly in a department of education and partly in a department of industries, I venture to place before you a few conclusions to which I have come. On the educational side of the question, I am satisfied that those responsible should endeavour to bring the educational results of the country into closer correspondence with its needs. I think you will probably all agree that on the more technical side of education it is impossible to justify the production of specialist officers for whom there is no particular demand. If, for example, we produce more mining engineers or more printers than industry can absorb, we are definitely wasting our resources, we are making conditions more difficult for those who are seeking a career in the industry and we are creating a class of young men who will feel a constant sense of frustration at being unable to utilize the specialist training they have laboriously acquired. When you come to education of a more general and cultural type, the position is in at least one respect different, for it can be claimed that cultural education represents an enrichment of life, whatever the subsequent career of the student. But there are two further questions which those who encourage our young men to pursue academic careers must face. In the first place, they must ask themselves whether the student who goes to a University is looking merely for cultural enrichment or whether he is looking for a definite economic advantage as well and whether he would be prepared to go on if we told him frankly that he would be provided with the first and not with the second. In the second place, they must ask themselves whether, educational resources being what they are, it is right to devote a substantial part of them in providing young men with an education which leads many of them into the desert while those in other spheres of society are still unable to secure even the rudiments of literacy. I should be the last to discourage the pursuit of knowledge for its own sake or to suggest curtailing in any way the assistance given to those who are likely to obtain, through higher education, a wider and more useful life. India needs far more first class men than are produced at present. But there are others who get little except disappointment from such education, and it seems to me a mockery to suggest to the man who finds himself unable to secure a place in society that his life has been enriched by his studies. Man does not live by bread alone, but the man without bread is not going to find life.

9. The final suggestion that I would throw out for your consideration is that we can do little if we concentrate our attention too much on the educated middle-class. Their prosperity depends, to a much greater extent than is often recognized, upon the welfare of

the masses, and little can be achieved on the industrial side without a definite rise in the standard of living and in the demands of the bulk of the population. It is a fairly easy matter to demonstrate that in present conditions even if we were to make in this country everything that we now import, the result would, as Sir George Schuster put it in the Sir George Birdwood Memorial Lecture he delivered before the Royal Society of Arts last year, be but a ripple on the surface of India's economic life. But an increase in the demands from the villages would give a great stimulus to industry and would open up a multitude of new careers. I suggest that in the end it is in the village, rather than in the colleges or the industrial areas, that we must find a lasting solution.

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# **I.—RULE-MAKING POWER IN ACTS AFFECTING INDUSTRY, WITH SPECIAL REFERENCE TO ELECTRICITY AND BOILERS.**

## **MEMORANDUM.**

### **Government of India.**

1. *Constitutional changes.*—Under the Government of India Act, 1935, general executive authority in respect of subjects in List I of the Seventh Schedule will vest in the Federal (or Central) Government ; in respect of subjects in Lists II and III of that Schedule, it will vest in the Provincial Governments. The making of regulations and rules under various Acts is regarded as an exercise of executive power. Consequently all power to make regulations or rules, together with other powers conferred on the Provincial Governments by Acts now in force relating to List I subjects will, from 1st April 1937, pass to the Government of India. On the other hand in respect of Acts now in force relating to List II and List III subjects, all powers conferred on the Government of India will, with minor exceptions, pass to, the Provincial Governments. It will be possible for the Government of India to employ Provincial Governments as their agents in certain respects ; and powers vested in authorities other than the Provincial Government, e.g., District Magistrates, in respect of List I subjects will not be affected. But it will not be possible by legislation, either before or after 1st April 1937, to confer on the Central Government executive powers in respect of a List II or List III subject.

2. *Federal subjects.*—A review of the Acts affecting industry and labour has been made. In respect of List I subjects the main changes will be the transfer to the Central Government of all rule-making power, etc., under the Indian Mines Act and of all powers vested in the Local Government under the Tea Districts Emigrant Labour Act. As, under the former Act, the power to make regulations, which cover matters of major importance, is already Central and the whole administration is Central, no serious difficulty should arise. Similarly, under the Tea Districts Emigrant Labour Act, there should be little difficulty. The most important powers vested in the Local Governments can only be exercised subject to the Government of India's previous permission or control, the most important rule-making powers are already Central, and the powers vested in district authorities will not be affected.

3. *Provincial subjects.*—In respect of List II subjects there should be no difficulty, as there are no Acts of the kind under dis-

discussion which are central, and no need arises of any action at the Centre.

4. *Concurrent subjects.*—The bulk of the important Central Acts affecting industry relate to subjects falling in List III. These include—

- (1) The Indian Electricity Act, 1910,
- (2) The Indian Boilers Act, 1923,
- (3) The Indian Workmen's Compensation Act, 1923,
- (4) The Indian Trade Unions Act, 1926,
- (5) The Trade Disputes Act, 1929,
- (6) The Factories Act, 1934,
- (7) The Payment of Wages Act, 1935,

and some less important Acts that raise no points of difficulty in the present connection. The Acts named may be considered in two groups, *viz.*, (1) the Electricity and Boilers Acts, and (2) the Labour Acts.

5. *Workmen's Compensation.*—Dealing with the latter group first, it would appear that the transfer of executive powers will result in little more than a certain amount of inconvenience. Under the Workmen's Compensation Act, the main powers of the Central Government are (1) power to frame rules relating mainly to procedure, (2) power to include fresh classes of workmen, (3) power to add industrial diseases, and (4) power to prescribe returns. The transfer of (1) to the Provinces should have no substantial effect. The procedure is now established and provincial variations are not likely to give inconvenience to parties, though they may add slightly to the difficulties of insurance companies or organizations operating over several provinces. Returns can probably be kept uniform by mutual arrangement. The addition of workmen and of diseases by one province and not by another is, on the whole, undesirable; but proposals could be considered by the Industries Conference and, when necessary, uniform advance could be secured by Central legislation.

6. *Factories.*—Under the Factories Act nearly the whole of the rule-making power is already provincial; the only important powers the Government of India have at present relate to hazardous occupations and returns. Mutual arrangements can probably be made to retain virtual uniformity, and here again the Industries Conference should be of assistance in this respect. Further, in respect of all the Labour Acts, the Federal Legislature will be able to empower the Federal Government to issue directions, if necessary.

7. *Other Labour Acts.*—In respect of the Trade Unions Act and the Trade Disputes Act, there should be no difficulty. Powers in

respect of Federal Railways and Central Services under the latter Act will probably remain with the Central Government. The Payment of Wages Act should give rise to equally little difficulty. The only important rule-making power vested in the Government of India relates to procedure and as the Government of India intend to promulgate the necessary rules before 1st April 1937, the position will be similar in this respect to that under the Workmen's Compensation Act. Here again, powers in respect of Federal Railways will probably remain with the Central Government.

8. *Boilers and Electricity.*—In respect of boilers and electricity, on the other hand, the transfer of all power to make regulations and rules to Provincial Governments is likely to create considerable difficulty. Of these subjects, although "Boilers" is placed in Part I of List III and "Electricity" in Part II, the present position in respect of the two subjects is very similar. The Acts themselves are supplemented in each case by an elaborate code of Central regulations or rules designed to ensure that the standards to which manufacturers, licensees and others have to conform is generally uniform throughout British India.

9. *Unification of Boilers Standards.*—In respect of boilers, the matter was at first regulated by provincial Acts, but the inconvenience of these was increasingly recognized as industry developed. Manufacturers, owners and importers of boilers complained of the arbitrary differences existing in different provinces and the Boiler Laws Committee which enquired into the subject in 1920-21 came to the conclusion that there was no justification for differences in the regulations of different provinces. The regulations were entirely technical in nature and could not be affected by local conditions. On a reference being made, the conclusion that the standards should be uniform throughout British India was accepted by every Local Government, and in pursuance of this conclusion, the Indian Boilers Act, 1923, was passed. The case for maintaining general uniformity appears to the Government of India to be at least as strong now as it was in 1922-23.

10. *Electrical Standards.*—Under section 33 of the Indian Electricity Act, 1903, the power to make rules was vested both in the Government of India and in the Local Governments (subject to the previous sanction of the Government of India); but the power was never used by any province. The Indian Electricity Act, 1910, withdrew the general rule-making power from the Local Governments, who retained responsibility for the general administration of the Act and the power to grant licences. The reasons for this change were stated in the Statement of Objects and Reasons as follows:—

"The necessity for continuing the rule-making power of local Governments has not been proved, and no such rules have

hitherto in fact been made. Further, the change is believed to be in the interests of the commercial community who desire to have as far as possible uniform rules throughout British India, a result which can only be secured if all the rules are made by the same authority."

So far as safety is concerned, the needs do not differ from province to province, and provincial variations have hardly ever been suggested. The requirements of manufacturers and industrialists generally would appear to be best served by having uniform standards, and with the steady growth of electrical supply, it will probably give rise to increasing inconvenience if the more important requirements of the law vary from one province to another.

11. *Uniformity by substantive legislation.*—It is, in theory, possible to secure uniformity by embodying in central legislation the substance of the existing and future regulations. But this would give rise to serious difficulties in practice. Owing to the constant development which is taking place both in respect of electricity and in respect of boilers, the regulations or rules require frequent amendment. It would be extremely inconvenient if amendments could only be made by legislation, as a constant series of central bills would be required, often dealing with matters of small importance; and considerable delay would occur in securing necessary modifications of the law.

12. *Central Boards.*—If, therefore, it is generally accepted that uniformity is desirable, it appears to be necessary to devise some other means of securing it. The Conference is accordingly asked to consider whether it would not be desirable to set up an authority consisting mainly of provincial representatives which might be invested with the regulation-making and rule-making power at present possessed by the Government of India. The rule-making power vested in the Provincial Governments need not be transferred to the Boards. Thus, for example, a Central Electricity Board and a Central Boilers Board could be set up composed of two Government of India officials, one of whom would act as Chairman, and a representative of each of the major provinces and of Delhi. These Boards would regulate their own procedure, but they would be required, as the Government of India are at present, to publish all proposals for amendment of the rules for criticism and they would thereafter, in the light of the criticisms and opinions received, make such final amendments as appeared to be desirable to the members or to a substantial majority of them. If the amendments were of a very minor character, the work could be done by correspondence, but it would probably be necessary for the Boards to have meetings about once a year to consider substantial amendments.

13. *Advantages of discussion.*—Such a system, in addition to securing uniformity, would effect an improvement on the existing



1937.]

*Electricity and Boilers.*

15

system. Correspondence would be reduced to a minimum and necessary changes in the regulations would probably be made more expeditiously than has been possible in the past. Further, the experts on the subject would have opportunities, either as members or as advisers to the Board, of meeting from time to time, of resolving differences in discussion and of considering developments in the subject generally.

14. *Time of legislation.*—If legislation is desired, it will have to be passed in the Central Legislature before 1st April 1937. It will hardly be possible, therefore, to consult Local Governments after the Conference, and it is desirable that representatives to the Conference should be able to express definite views on behalf of the Governments they represent.

**Discussion.***Monday, December 7th, 1936.*

Mr. Green (Madras) said that as he had no instructions from his Government on the subject of electricity and had not had the advantage of perusing the note on the subject, he was not in a position to offer any authoritative views.

Mr. Thompson (Madras) said that the Government of Madras supported the proposal to vest the rule-making powers under the Boilers Act in a Central Boilers Board. He suggested that the Board should consist of two Government of India officials, one of whom should act as Chairman and the Chief Inspectors of major provinces, one of whom should act as Secretary with powers to co-opt any other Chief Inspector of a smaller province. The Board should after consultation with the various authorities and interests make the necessary amendments to the Act or regulations for adoption by the Local Governments. It should meet once a year to discuss all major matters.

Mr. Dhar (Bihar) asked whether it was suggested that rules which could now be made by Local Governments should be made by the Boards.

Mr. Clow said that that was not the intention. The proposal was to transfer to the Boards only the rule-making or regulation-making powers now held by the Government of India.

Mr. Advani (Bombay) said that the Government of Bombay were in general agreement with the proposal that there should be a Central Boilers Board. It should hold meetings in various industrial centres by rotation.

Mr. Higham (Bombay), with regard to the Indian Electricity Act, said that the Government of Bombay desired that meetings should

be held annually in order to secure entire agreement and to recommend to Local Governments the rules that should be made.

The Chairman observed that the proposal was that the rule-making powers of the Government of India should be transferred to the Central Board so that the rules framed could be applicable to all provinces. If the Board were merely advisory, there would be no guarantee of uniformity. He asked for opinions on this proposal.

Mr. Higham (Bombay) said he was prepared to accept the proposal.

Mr. Weston (Bengal) fully endorsed the proposal to establish Central Boards for Boilers and Electricity. He had personally presided over a Boilers Commission in Bengal which recognised the danger it was designed to prevent. In their view, chaos was likely to result if some such arrangements like that proposed were not made.

The Hon'ble Sir Jwala Prasad Srivastava (United Provinces) said that the subjects fell within the purview of the reserved departments, on behalf of which he was not authorised to speak. But he personally and his expert advisers were strongly in favour of the proposal. He also assumed that the Local Government would welcome the proposal as it was not proposed to take away any of their rule-making powers.

Mr. Mackay (United Provinces) thoroughly agreed.

The Hon'ble Dr. Sir Gokul Chand Narang (Punjab) said that he could not speak for the reserved departments but that his personal views were the same as those of the Hon'ble Sir Jwala Prasad Srivastava.

Mr. Dhar (Bihar) said that his Government were of opinion that there should be uniformity of practice and standards throughout India in respect of both electricity and boilers. As regards the Electricity Act, his Government were of opinion that the Central Electricity Board was desirable but that it should consist solely of experts. Its functions should be merely advisory and the necessary regulations should be issued by the Government of India under the Board's advice. He doubted, however, whether the last suggestion could be given effect to because legislation could not confer on the Central Government executive powers in respect of List III subjects. As regards the Boilers Act, his Government were of opinion that the power to make regulations should be vested in some competent authority. It would not be necessary for that body to deal with any rules under section 29, which confers the power to make rules on the Local Governments.

Mr. Bhalja (Central Provinces) agreed that uniformity was desirable and that frequent amendments of the Act would be obviated.

1937.]

*Electricity and Boilers.*

17

by the establishment of the Central Statutory Board. Of the two alternatives possible, namely, Central Statutory Boards and Advisory Boards advising Local Governments, his Government would prefer the former provided they were composed not of experts but of administrative officers who might be accompanied by experts. If the alternative of establishing Advisory Boards was adopted, there would be no guarantee that their advice would be followed. He presumed that the Central Statutory Board would not arrive at any conclusion unless it had the support of a substantial majority. Where this was not forthcoming his Government considered that a further reference should be made to Provincial Governments.

Mr. Mehta (Assam) said that a Central Board was desirable for Boilers but the Local Government wished to retain the power to prescribe fees payable for the issue of renewed certificates. The Central Board for Electricity was not so necessary but his Government would not oppose if the Conference came to the conclusion that one ought to be established.

Mr. Mozumdar (Orissa) stated that the Government of Orissa were substantially in agreement with the proposals of the Government of India.

The Chairman observed that the question had been raised as to who the provincial representatives should be. He thought that Local Governments should have perfect freedom in the matter, but enquired whether it was desired that the representatives should be specified in the Act. After some discussion it was agreed that the Local Governments should have full discretion regarding the nomination of their representatives.

Mr. Tasker (Hyderabad) stated that though he had no instructions from his Government, Hyderabad was not constitutionally interested because the Boards would be established before Federation took place, and because the States would not federate as regards subjects in the Concurrent List. But administratively Hyderabad was interested because such regulations obviously should obtain throughout India and in practice the States would have to adopt normally technical regulations. He wished to know how it was proposed to consult Indian States both before and after Federation.

Mr. Clow said that before Federation the position so far as the States were concerned, would be unchanged, and the Government of India at present did not consult the States before framing rules or regulations for British India. His personal view was that after Federation it was desirable to have representatives of the States on the Boards, if these were set up.

Mr. Tasker said that what was desired was that they should be taken into consultation while the regulations were actually being hammered out. Room should be left for States representatives.

The Chairman said that the question of consulting the representatives of important States was well worth consideration.

Mr. Madhava Rau (Mysore) stated that these subjects were outside the Federal List and that his Government were not constitutionally interested in the proposals for their regulation in British India. As regards the Boilers Act, they would watch and adopt such of the conclusions of the Board as would suit their requirements with such modifications as they might consider necessary. In respect of Electricity, similar regulation was unnecessary as there were no private licensees and all enterprises belonged to the State.

Dr. Pagar (Baroda) stated that he had no specific instructions from his Government. They had their own Electricity and Boilers Acts which they would adopt according to their requirements on the lines of any regulations that might be issued in British India.

Lala Ramji Das Vaishya (Gwalior) observed that Gwalior generally followed British India regulations.

Mr. Rahalkar (Indore) stated that the proposal created no difficulty as they had their own Boilers and Electricity Acts. He assumed, however, that the regulations were intended to apply to British India only and would not apply to Indian States. His Government were anxious that any step taken now should not affect the negotiations in respect of Federation.

Mr. Kumara Das (Travancore) desired to make it clear that any step taken now should not affect any negotiations that might be carried on with the Federal Government in future in respect of this matter.

The Chairman observed that there was virtually complete unanimity and summarized the conclusions as follows :—

- (1) That it is desirable to have Boards for both Electricity and Boilers to exercise such rule or regulation-making power now held by the Government of India.
- (2) That the Local Governments should have full discretion regarding the nomination of their representatives.
- (3) That the representatives should be able to bring advisers.
- (4) That the suggestion that representatives of States, prior to Federation, be invited to co-operate with the Boards should be examined.
- (5) That, if possible, provision be made for States members of the Board after Federation.

## II.—HANDLOOM WEAVING.

### REPORTS ON THE OPERATION OF THE SCHEMES FOR THE DEVELOPMENT OF THE HANDLOOM INDUSTRY IN THE VARIOUS PROVINCES.

Madras.

(30th June 1936).

The scheme of the development of handloom industry, as approved by Government, contemplated the formation of a provincial co-operative society and a number of primary production societies composed of weavers affiliated to it. The subvention of the Government of India was utilized in giving help to the Provincial Society. The primary societies were to be given a subsidy to cover the cost of their staff and to purchase appliances. The scheme provided for the supply of raw materials by the Provincial Society to the primary societies for production and for the sale of finished goods. Provision was also made for the appointment of a Secretary, a Marketing Officer, a Cloth Designer and five Marketing Agents to work under the Provincial Society. The Agents are to assist the primary societies in marketing their output, while the Marketing Officer is to co-ordinate the work of the Marketing Agents, secure forward contracts from wholesale dealers of cloth and pass them for execution to the Marketing Agents. The scheme also provided for the introduction of small units of machinery for preparing and distributing ready made warps which would pave the way for the standardization of handloom products and thereby ensure their marketability.

2. The Provincial Society was registered in April 1935 and started work in August 1935. The Secretary and the Marketing Officer were appointed in September 1935 and the Marketing Agents (styled as Supervisors) in October 1935. The Cloth Designer was appointed only in April 1936.

3. There were thirty-nine weavers' societies in existence when the Provincial Society was registered. Most of them were merely credit societies doing very little production work. Of these, thirty were converted into production societies during the course of the year and thirteen societies were newly organized for production during the year.

4. The weavers are generally poor and they have no funds to purchase the raw materials required for weaving. The first thing that the Provincial Society did was to arrange for the supply of

raw materials to the societies ; five mills agreed to supply yarn to the societies on the guarantee of the Provincial Society. The mills allow credit for thirty days and the extent of guarantee given by the Provincial Society is fixed on the recommendation of the local Deputy Registrars. If the societies are unable to pay the price of yarn within thirty days, the Provincial Society advances the sum and charges interest at 6 per cent. The amount of guarantee given by the Provincial Society during the year amounted to Rs. 29,420, but the actual supply of yarn amounted to Rs. 12,364-7-3 only.

5. The Provincial Society also tried to effect sales of finished goods produced by the affiliated societies through merchants and other co-operative institutions ; but this did not prove successful. The Provincial Society thereupon resolved to open sales depots in the city and the mufassal. Three mufassal centres, Madura, Calicut and Bezwada and Madras City, have already been fixed upon for the opening of sales depots. The sales depot called the Emporium at Madras was opened in June 1936 and arrangements are being made to open sales depots in the mufassal centres.

6. The amount of grant allotted to the Madras Presidency was Rs. 26,500 for 1934-35 and Rs. 59,500 for 1935-36. During the year 1935-36 a sum of Rs. 21,831-10-0 only was drawn from the subvention account ; of this Rs. 18,455-6-0 was utilized before 31st March 1936 and the balance during the quarter ending 30th June 1936. The amount was spent as shown below :—

Particulars.	Amount spent up to 31st March 1936.		Amount spent (and due) from April to June 1936.	
	Rs.	A. P.	Rs.	A. P.
I.—Establishment .. .. .	7,306	4 0	3,002	6 7
II.—Miscellaneous—				
1. Travelling allowances and sitting fees to Directors .. .. .	1,979	9 0	396	10 0
2. Travelling allowances to Secretary, Marketing Officer and Executive Officer .. .. .	513	12 0	202	9 6
3. Travelling allowances to Supervisors .. .. .	1,529	11 0	377	7 6
4. Rent for the Provincial Society and for the store rooms of Supervisors .. .. .	912	0 0	468	11 0
5. Furniture, electric fittings, contingencies, etc. .. .. .	1,419	14 0	647	10 9
6. Stationery, postage, advertisement .. .. .	1,329	4 8	2	4 0
7. Exhibition .. .. .			50	0 0
8. Typewriter and duplicator .. .. .	1,361	15 9		
III.—Emporium rent .. .. .			21	8 0
IV.—Direct help to societies .. .. .	2,103	0 0	1,511	0 0
<b>Total .. .. .</b>	<b>18,455</b>	<b>6 5</b>	<b>6,680</b>	<b>3 4</b>

GRAND TOTAL—Rs. 25,135-9-9.

( C. )

1937.]

*Handloom Weaving.*

21

The society spent a sum of Rs. 3,303-15-9 in excess of the subvention during the co-operative year. This sum will be recouped from out of the subvention to be given for the current year. The society has already applied for this sum and the matter is pending before Government.

7. Though the scheme approved by the Government of India was followed in all its essential details, there were a few minor modifications. The Marketing Officer was given a pay of Rs. 200 and the Secretary Rs. 300 while the scheme provided for Rs. 400 for the former and Rs. 250 for the latter. The Cloth Designer was paid Rs. 75 while there is provision for payment of Rs. 100 in the scheme, while under the scheme there was provision for appointing only five Supervisors (Marketing Agents), the society employed seven men until April 1936 after which date their number was reduced to five. Expenditure on office contingencies, furniture, fittings, printing, advertisement, etc., was increased. Specific provision was made for expenditure under travelling allowance and sitting fees to Directors while there was no mention of such expenditure in the original scheme; menial staff of peons and watchman was also increased. With more experience, the society felt that there was no need for two highly paid officers like the Marketing Officer and Secretary and it applied for the services of a departmental Sub-Deputy Registrar to serve as Secretary and Marketing Officer combined. This officer joined duty on 27th March 1936. He tours for about 15 days in a month.

8. During the year under review, the Provincial Society has not achieved any striking measure of success. Beyond arranging for the supply of yarn to a few societies (*viz.*, nineteen societies), it has not done any other work. No attempts were made to bring down the cost of production of cloth. Though the society recognised the fact that it was necessary to have a standard quality of goods, no effective steps were taken to achieve this object. It is, of course, too soon to expect the society to cover the whole field being yet in its infant stages. The Local Government sanctioned, free of hire charges, the loan of five departmental hand-driven sizing machines and the power-driven sizing plant at the Textile Institute, to the society but it did not take advantage of this offer as the society could not make arrangements for their working.

9. The number of weavers who are members of the affiliated societies is just over 2,500; while the weaver population in the Presidency is more than five lakhs. It would thus appear that the society has not touched even the fringe of the problem of providing employment for the weavers. The value of the goods bought by the affiliated societies (including the stock on hand at the beginning of the year) was Rs. 1,47,603. The Provincial Society arranged for the supply of yarn amounting to Rs. 12,364, that is, about less than

L172DIL

9 per cent. of the goods. This shows that the members got more than 90 per cent. of the yarn themselves from their own funds, without the intervention of the Provincial Society. Unless the society makes adequate arrangements for the sale of finished goods as quickly as they are produced, the weavers cannot have continuous employment. The other alternative is that the society should make advances on the security of such finished goods. But the society has a paid up share capital of Rs. 16,400 and the amount of guarantee given by it to the mills is already twice this sum. The society is faced with the problem of finding money for paying the mills on the due dates, as the affiliated societies which received yarn are generally unable to pay the price of yarn within 30 days—(the period allowed by the mills) and the society cannot advance loans on the security of finished products unless its share capital is substantially increased.

10. The society has been in existence only for a short time and it is too soon to judge whether it has achieved the objects for which it was brought into existence. The problem of handloom weaving is admittedly a difficult one in the face of competition of the mills and foreign import. Government are aware that the problem of weavers was one of the earliest of the problems to be tackled by Government. Several Committees have sat over the problem—(e.g., the Textile Conference in 1928-29).

11. The chronic indebtedness of weavers is too big a question to be tackled by the society within such a short period. A Government Officer, who has some experience of the problem, is working in the society. He is submitting monthly reports of his work and of the society and the usefulness of the institution is being watched.

#### Bombay.

(31st July 1936.)

Briefly, the scheme is to appoint a Marketing Officer (Handloom Products) and a Textile Designer and to organize industrial associations on co-operative basis at five important centres, viz., Ahmednagar, Hubli (Dharwar District), Ahmedabad, Poona and Hyderabad (Sind). The objects of the associations are to supply to weavers raw materials as cheaply as possible, to market their finished products, to advise them with regard to new patterns, designs and qualities, and to supply to them improved weaving appliances on hire-purchase system. The overhead expenses on staff, rental of premises, etc., of these associations amounting to Rs. 3,340 per year for each are to be met from the Government of India grant. A provision of Rs. 2,000 per year for each association is made to meet any loss due to depreciation or bad debts in its working. Expenses on account of salaries, travelling allowance, etc., of the Marketing Officer and the Textile Designer amounting to Rs. 12,504 per year are also to be met from this grant. The working



1937.]

*Handloom Weaving.*

23

capital for the associations is to be obtained from co-operative banks on the security of their share capital and reserves. Each association was given in the beginning of the year Rs. 2,000 set aside for bad debts and depreciation in the first year's grant to constitute its reserve so that it can raise a reasonable amount of working capital from the local co-operative banks. The associations are intended to work on the basis of a small profit on their business with a view to be self-supporting as soon as practicable.

2. The Marketing Officer (Handloom Products) and Textile Designer were appointed and took charge of their respective posts on 1st June 1935 and 3rd September 1935, respectively. All the five associations referred to in paragraph 1 have been organized. Out of these three, *viz.*, those at Ahmednagar, Hubli and Poona, started business operations with effect from January 1936. The association at Ahmedabad has been registered and is expected to begin working shortly. Organizing work in the case of Hyderabad association had to be suspended after it was registered on account of separation of Sind.

3. The Ahmednagar, Hubli and Poona associations have opened shops with a staff, in each case, of a Manager, a Salesman, and an Accounts clerk, they stock raw materials such as yarn etc., improved weaving appliances and finished handloom products. Some important points of note in the work of the associations are as under :—

(a) In connection with their stock of raw materials the associations have made available to weavers at economic rates a variety of counts of yarn in different guaranteed fast colours. Such a variety was not available in the local markets before.

(b) Another point worth note in connection with the sale of raw materials is that since the associations charge only a small profit, they are able to set rates for raw materials in their respective markets, thus benefitting both their members and non-members. Besides, an organized attempt on their part to get the raw materials dyed by local dyers in fast colours has resulted in considerable reduction in cost of dyeing in fast colours in those centres.

(c) As regards finished products the associations found that most of the looms were working on one or two qualities only in which there was a glut. They, therefore, undertook, with the help of the Textile Designer appointed under this scheme, to teach their members to produce new qualities of cloth with attractive patterns and designs, such as shirtings, coatings, sarees, curtains and table cloths, all meant for daily use. These qualities fetch better wages to the weavers and are found more easily saleable than the usual varieties. This has reduced competition in the usual products of these centres, thus benefitting non-member weavers also.

(d) The associations have also introduced a system of manufacturing cloth strictly according to given specifications in counts of yarn, threads per inch both in warp and weft, and the fastness of colour, thus ensuring reliability in their products tending to create confidence in the customers.

4. The turnover of the three associations working at present, up to 31st July 1936, as shown in the statement on the opposite page is Rs. 20,536 for Ahmednagar, Rs. 6,139 for Hubli, and Rs. 12,271 for Poona. This business with a working capital raised on the security of Rs. 2,000 paid to the associations during December 1935/January 1936, and a share capital of Rs. 800 to Rs. 1,200 for a period of effective working of seven months only, is considered satisfactory. The share capital is low, as was expected, because the value of each share was fixed at Rs. 2 to enable even the poorest weaver to participate in the scheme. The progress of the associations should, however, not be judged only on the basis of turnover but also on such factors as (a) that even with a small capital they are controlling the market rates of the raw materials and (b) that they have successfully introduced new qualities of cloth, thus widening consumption of handloom products. The associations find the working capital at their disposal very small and the question of augmenting their reserve to enable them to raise adequate working capital and show a reasonably large turnover is under the consideration of the Government of Bombay. It is expected that with better facilities of finance, the associations will be able to take steps to achieve their objective of becoming self-supporting in due course.

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Statement showing the progress of the Ahmednagar, Hubli and Poona Associations up to 31st July 1936.

1937.]

Name and place of the Association.	No. of members.	No. of shares subscribed.	Amount of share capital subscribed.	Approximate No. of hand-loom covered by membership.	Date of registration.	Date of commencement of business.	Date of receipts of Government loan on security of which bank loans were to be raised for working capital.	Sales up to 31st July 1936.	Gross profit up to 31st July 1936.
1	2	3	4	5	6	7	8	9	10
N. C. D. Industrial Co-operative Association, Ltd., Ahmednagar.	490	670	Rs. 1,340	1,000	9th Aug. 1935.	7th Oct. 1935.	21st Dec. 1935.	Rs. 20,538	Rs. 331
The Industrial Co-operative Association, Ltd., S. D. Hubli.	145	373	746	1,000	15th Aug. 1935.	14th Nov. 1935.	27th Dec. 1935.	6,139	138
South Central Weavers and Industrial Co-operative Association, Ltd., Poona.	50	677	1,354	325	14th Sept. 1935.	14th Nov. 1935.	17th Jan. 1936.	12,271	432

Handloom Weaving.

25

**Bengal.**

Although the Government of India allocated a grant of Rs. 33,000 in 1934-35 for implementing the scheme approved by the Sixth Industries Conference held in Simla in 1934 the grant could not be utilized immediately as the final sanction of the Government of India for disbursement of the amount was not received till August, 1935. As provided in the scheme, expert staff was appointed for all the Unions by the middle of November 1935 and they were provided with improved looms and dyeing appliances while orders were placed for the supply of one slasher sizing machine and one calendering machine for the Bagerhat Union. A subsidy of Rs. 2,000 was also sanctioned for the Alamdanga Yarn Depot. The duties allotted to the experts and supervisors attached to the Industrial Unions according to the provisions in the approved scheme were to train up the weavers in producing fabrics of improved and new designs, texture and finish as also to supply them with dyed yarns and to advise them on the reduction of the cost of production. The duties of the staff attached to the Provincial Industrial Society, viz., the Marketing Officer, the Designer and the Canvassers were to supply new designs to the Industrial Unions and information regarding market conditions and to push up the sale of the finished products of the Unions. On assumption of office, the staff carried out a general survey of the existing condition of the industry in their respective areas. The progress made by them during the last six months in furtherance of the scheme in respect of each Industrial Union is indicated below :—

2. *The Bankura Industrial Union.*—The staff given to this Union was one weaving and dyeing expert and three supervisors. Rs. 800 was granted for purchase of improved looms and dyeing appliances. Four demonstration centres have so far been started in the midst of co-operative weavers' societies. Twenty weaver members have been fully trained and many others are receiving training. As a result of this training it has been possible for the weavers to produce fabrics of attractive designs and qualities to the extent of about 12,000 yds. of which water-proof lining cloth of 2,000 yds., 200 pieces of attractive designs of sarees for a girl's school uniform, an improved pattern mosquito net cloth according to the specification supplied by Calcutta merchants, turban cloth for Bengal Nagpur Railway and towels of various designs are noteworthy. The staff has also been able to supply dyed yarn to the weavers to moderate extent.

3. *Alamdanga Co-operative Yarn Depot.*—The past activities of this Depot were confined largely to supplying of yarn to the weavers. Since the posting of one weaving expert and one weaving supervisor to this Depot its activities on the manufacturing side have improved. A grant of Rs. 800 for improved looms and dyeing appliances and

special subsidy of Rs. 2,000 were sanctioned. One demonstration centre has been opened here. Thirty-six weaver members have since received training in handling improved looms. The Depot has utilized a part of the Government grant of Rs. 2,000 in purchasing dye stuffs to the value of Rs. 750. The special aptitude of the weavers of this place is to weave woollen fabrics, woollen wrappers and shirtings which have created an impression in the Calcutta market. They have now been trained to manufacture wrappers with Kashmere border which has a good market in Calcutta. It is proposed to increase the manufacture of woollen fabrics in this area for consumption in the next winter. The Depot has also been asked to supply gauze cloth for which an order has been secured by the Marketing Officer. The local sale of the Depot has increased to Rs. 2,012 since the appointment of the staff as against Rs. 1,592 during corresponding period of last year which may be attributed to improvement in the volume and quality of production.

4. *Naogaon Industrial Union.*—The Union was supplied with one expert and one weaving supervisor. Rs. 800 was sanctioned for purchase of improved looms and dyeing appliances. A demonstration centre has been started and thirty weavers have up till now attended the demonstration out of whom two are constantly at work in the centre. Improved quality of curtain cloth of mock-lino type, bandage and jaconet (envelope lining) cloth are now being woven by the weaver members. Orders for 3,000 yds. of the cloth have been placed with the Union by the Marketing Officer. The weavers are also supplying towels and dusters to the local hospital.

5. *Dacca Industrial Union.*—The staff allotted to this Union consists of one expert and four weaving supervisors. There are four centres of activities of the Union, namely, Gopaldi, Madavdi, Dhaudi and Demra, which are inhabited by a very large number of weavers. These weavers are used to handling looms of improved types. Although the Union has purchased English jacquard looms with a Government grant of Rs. 800 for demonstration purpose the weavers prefer to be trained on their own looms which is being done at present. Thirty modern designs have since been introduced by the staff and about two hundred weavers are now working on these designs. 1,000 yds. of lining cloth and 200 yds. of *purdah* cloth of new designs have been supplied according to orders by the weavers trained under the scheme. The weavers of this place being capable of handling improved looms and weaving fine fabrics, the Union has immense possibilities for development of the industry. During this year provision has been made to supply the Union with a slasher sizing and a calendering machine.

6. *Chittagong Industrial Union.*—In the scheme an expert and a weaving supervisor were provided for the Raipura (Noakhali) Industrial Union but the working of that Union having deteriorated

the provision was partly shifted to the Chittagong Industrial Union under Government orders. One expert and a grant of Rs. 400 have been sanctioned for the Chittagong Union in March 1936. The expert has commenced giving training to the weaver members in their homes. No demonstration centre has been opened yet. The expert has been able to secure orders to the extent of Rs. 1,200 for the weavers. Attempts are being made to improve the quality of *lungis* that are largely used in the district of Chittagong.

7. *Choumohani Industrial Union*.—One expert and two weaving supervisors and also Rs. 800 as grant were sanctioned for this Union. The expert has opened one weaving and dyeing demonstration centre with the looms and appliances purchased from the grant. He is experiencing difficulty in persuading the weavers to attend the centre for training. Attempt is, however, being made to overcome the difficulty.

8. *Bagerhat Weaving Union*.—Provision was made to supply this Union with a slasher sizing and calendering machine at a cost of Rs. 15,000. The machines have recently been imported at a cost of Rs. 19,304 Government having sanctioned the extra cost. After the installation of the machines ready warps will be available for distribution amongst the weavers. The calendering machine will further improve the finish of the Union's products which are already in demand in Calcutta. The Union will undertake the organization of weavers' societies within its area of operation and supply ready warps to the members of these societies which will improve the volume and quality of production.

9. *Provincial Industrial Society*.—This society has received the assistance of one Marketing Officer, one Designer and two Canvassers who are attached to the society and working in collaboration with it. The Marketing Officer has supplied orders from Calcutta to the various Unions and disposed of their goods worth about Rs. 4,000. He has also been able to dispose of 4,000 yds. of old fabrics which were lying unsold in the Provincial Society. He had to refuse several big orders such as 5,000 yds. water-proof lining, 1,15,000 yds. envelope lining cloth and *pardah* cloth to the value of Rs. 2,000 for want of funds in the Unions for execution of such orders. As a result of negotiations with Messrs. Indo-Africa Agency, Dundee, Natal, South Africa, by the Marketing Officer for supply of suitings and shirtings a sample consignment of goods worth Rs. 500 has recently been sent to the Company. If the goods are approved it is hoped that a regular business of aggregate value of £70,000 per year will be established. The Designer has supplied 40 new designs of various class of fabrics to the different Industrial Unions. About 30 of these designs have been successfully taken up by the weavers in different centres. The canvassers have helped in the disposal of

1937.] *Handloom Weaving.*

29

goods in the Provincial Society as also of the Unions forwarded to the Provincial Society for disposal.

10. A statement of expenditure in connection with the scheme since the receipt of the grant is indicated below :

<i>Expenditure.</i>				Rs.	A.	P.	Rs.	A.	P.
1934-35	..	..	..	<i>Nil</i>					
1935-36									
Pay of establishment	..	..	..	4,640	6	0			
Travelling allowance	..	..	..	1,000	0	0			
Contingencies	..	..	..	245	3	9			
Grants-in-aid, contribution	..	..	..	11,317	12	0			
							17,203	5	9
1936-37							17,903	5	9
<b>Commitments</b>									
Pay of establishment	..	..	..	18,180	0	0			
Travelling allowance	..	..	..	6,000	0	0			
Contingencies	..	..	..	1,500	0	0			
Grants-in-aid, contribution	..	..	..	38,304	0	0	63,984	0	0
Bagerhat—Rs. 14,304									
Dacca—Rs. 24,000							81,187	5	9

11. In summing up, the net results achieved during the last six months by implementing the scheme are that a general survey of the conditions of the industry prevailing in different centres has been made, the Unions supplied with improved looms and dyeing appliances and demonstration and training centres have been established. A number of new designs transmitted to the Unions has been and is being introduced among the weavers while the Marketing Officer has been able to secure some orders for classes of goods hitherto unknown to the weavers. The objects of the Government of India grant include the training of weavers in improved methods of production, establishment of sale depots and weavers' co-operative societies for the marketing of handloom products and the introduction of new patterns, new designs and improved appliances. Although our work is progressing slowly as it is not possible to rush it in the view of various handicaps we are working fully keeping in view the purposes for which the grant has been made.

#### REPORT OF DIRECTOR OF INDUSTRIES, BENGAL.

*Government Weaving Institute, Serampore.*—The report furnished by the Principal of the Institute regarding the experimental work into new designs and equipment for the handloom weaving industry carried out in his Institute during the year 1935-36 is given below.

L172DIL

Every effort to break new ground and develop new enterprise is of an experimental and tentative character in regard to which definite and concrete results do not always materialize as expected. In the case of this scheme a certain amount of time was inevitably consumed in assembling the equipment and getting these new ideas into the mental outlook of the staff operating it, also in establishing contact with the Bengal Home Industries Association and Good Companions and other sources of new ideas for the handloom weaving industry. This was done effectively towards the end of the year and I am glad to report that progress in recent months has been even more marked than the annexed report indicates. The Secretary of the Bengal Home Industries Association has expressed to me her satisfaction with the valuable response which the experimental party has been able to make to the ideas and suggestions propounded by that body. Within the limitations of this small experimental scheme the progress made is reasonable and is producing valuable results.

It is understood that proposals for new schemes will shortly be considered by the Government of India and perhaps by an Industries Conference. The position at present is that for a number of years the Serampore Weaving Institute and latterly the Textile Section of the Department of Industries headquarters has been concentrating its attention on the improvement of the handloom weavers' equipment, particularly the substitution of fly-shuttle looms, and the introduction of jacquard and dobbies with the sole purpose of strengthening the economic position of the handloom weavers. A considerable measure of success has thus been already achieved. The incidence of the present economic depression and particularly the dumping of abnormally cheap products of Japan in recent years has however created new and even more formidable difficulties in the handloom weaving industry. It is the general consensus of responsible opinion that the present difficult economic position of the handloom cottage industry can only be substantially aided, provided that the services of competent designers with the power of expression of new and marketable ideas together with the services of efficient and businesslike marketing organization is made available.

**REPORT ON THE WORK DONE BY THE HANDLOOM RESEARCH PARTY  
STATIONED AT THE GOVERNMENT WEAVING INSTITUTE, SERAMPORE,  
FROM JULY 1935 TO 31ST MARCH 1936.**

The staff consisting of one Expert Textile Organizer, two Artisan Assistants and one Workmen Labourer joined their respective duties in the second week of July 1935.

*Equipment.*

The party has now been equipped with four fly-shuttle frame looms, two of which have been specially constructed for supporting



jacquard attachements of 300 and 100 hooks, respectively. A semi-automatic fly-shuttle loom and a country dobbie with 26 jacks have been purchased recently and are expected to begin working early in the month of April. Three show-cases have been purchased for the adequate display of the experimental fabrics woven in this section.

*Work for the cottage handloom workers in the mufassal.*

Immediately on joining his post the Expert Textile Organizer began to study the various piece-goods markets of Calcutta and its neighbourhood and to establish contact generally with parties who deal in better class textile goods in order to ascertain the trend of fashion and demand.

The Expert has visited different weaving centres in the districts of Pabna, Dacca, Bankura and Mymensingh. Thus he has placed on record the actual conditions of the important weaving communities of the aforesaid districts and formed the experience of what can be done by them with improved designs and appliances.

It is a part of the Textile Organizer's duty to attend to the difficulties of the handloom weavers on the spot when he goes out on tour. Very frequently his help is sought by the handloom weavers of the localities visited by him in connection with such problems as the proper management of jacquards and dobbies and the preparing of suitable designs of various types of fabrics. He has also supplied some new designs to parties who have asked for the same. In this way he is helping the handloom weavers to solve their practical difficulties.

He has also attended the All-India Hand-weaving Competition and Exhibition held at Patna, where he got an opportunity of making a comparative study of the condition of handloom weaving industry in the different provinces of India, the methods adopted by the several Provincial Governments to improve the hand-weaving industry in their respective provinces and the general capacity of an Indian handloom weaver.

*Work for the Bengal Home Industries Association.*

Up till now a large part of the time of the research staff has been devoted to the production of samples of furnishing fabrics for the Bengal Home Industries Association, who are getting them manufactured on a large scale by handloom weavers of this province on the basis of the samples produced at this Institute.

On the suggestion of the Lady Secretary of the above Association nineteen samples suitable for furnishing fabrics have so far been woven while four additional samples are under preparation. It is expected that the Bengal Home Industries Association will be

able to place considerable orders for these in preparation for the next cold weather season thus opening out an avenue of lucrative employment to our handloom weavers.

*Original weaves and designs worked out.*

In addition to working out the ideas and suggestions of the Bengal Home Industries Association, twelve other samples have been produced of which three are suitable for coatings, one for ladies' dress material and eight are found to be suitable for furnishing fabrics.

Two experimental warps for curtain cloth were prepared which were woven with a variety of fancy dyed weft and the resulting fabrics were found to have certain novel effects which when fully developed are likely to prove attractive. The weaves being plain, it is hoped this art of weaving with fancy dyed weft will open up a new avenue of income to the Bengal handloom weavers. This line of work is being further developed.

*Improved appliances designed.*

A new sley has been designed with adjustable reed-space capable of weaving cloths of widths varying from 60" to 27". This is calculated to enable the poor weavers who are not in a position to buy looms of various widths, to increase their earnings by extending the range of their production. The research party has two such sleys working which are found to be satisfactory under actual working condition.

A leasing paddle also has been designed, which is expected to simplify leasing for warpers who make their warps in the usual indigenous way. This paddle is at present being tried out, at this Institute.

*Future programme.*

In addition to the production of samples on the basis of the ideas and suggestions of the Bengal Home Industries Association and supplying designs and technical advice to parties applying for them, the Expert proposes to carry out a series of experiments with fancy dyed yarn, which is capable of producing various artistic effects on plain cloth. He is also to try a few novel figure effects with simple weaves, all of which will be quite within the scope of the ordinary handloom weaver. These experiments and his normal touring duties are likely to keep him fully occupied for some time to come.

**United Provinces.**

(31st August 1936.)

1. *Survey.*—Fifteen investigators who were appointed in April, 1935, to carry out a detailed survey of the cotton handloom industry

of the Province, submitted their reports by 20th December, 1935, and compilation of statistics was completed by the 29th February, 1936. A draft report has been drawn up and the final report is likely to be ready soon. The total expenditure incurred on this work out of the Government of India grant amounts to Rs. 17,283-1-6.

2. *Samples.*—A complete range of cotton samples of the different weaving centres of the Province has been collected, arranged and priced in sample books.

A sum of Rs. 3,000 was provided for this purpose for 1934-36 in addition to Rs. 1,500 provided in the survey grant. The actual expenditure has been Rs. 1,047 under the survey grant *plus* Rs. 558-0-6 during the year 1935-36, and Rs. 373-6-3 from 1st April to 31st August 1936.

3. *Commercial Travellers.*—The scheme provides for six travellers at Rs. 60 p. m. But it was found that such persons were not suitable for work in the rural markets. Therefore only four out of six persons were appointed on Rs. 60 p. m. and instead of the remaining two, eight canvassers were proposed to be appointed on Rs. 15 p. m. Four of these have been appointed and the remaining four will be appointed shortly. These village canvassers have to go from village to village and attend important bazaars in districts.

There is no provision for contingencies for the Commercial Travellers. This is required for the carriage of samples, and their display at fairs and exhibitions. A provision of Rs. 1,000 per annum is needed for such contingencies.

4. *Designs.*—As there is no institution in India where specialized training in designs is given, it has been difficult to get a suitable candidate for the Head Designer's post which is therefore still vacant. The principals of the weaving institutions in India were also requested to bring the post to the notice of suitable candidates. Some more applications have now been received and are being examined. One assistant weaving designer and one printing designer have been appointed since July 1936. The other weaving designer will be appointed shortly.

As the work of the design section is not yet in full swing, designs supplied by our weaving schools have been tried and some of them have found a good market. A list of such designs is given in Appendix I. It is expected that when this section is fully equipped with its full staff, many more marketable designs will be introduced.

There is a provision of Rs. 1,500 for contingencies for this section. It has been found that the initial cost of new designs is much more than what has been provided for. It is therefore proposed to increase the allotment for this item by Rs. 1,000 in the current year's budget. This will cover the cost of making trial blocks for printing designs.

Provision has also been made in the current year's budget for two attendants at Rs. 10 p. m. each to help the designers.

5. *Supervision of Manufacture.*—The six Stores contemplated in the scheme have been started at the places and with effect from the dates noted below :—

Tanda	..	..	..	..	23rd October 1935.
Amroha	..	..	..	..	15th January 1936.
Sandila	..	..	..	..	15th January 1936.
Mau	..	..	..	..	20th January 1936.
Etawah	..	..	..	..	9th May 1936.
Bara Banki	..	..	..	..	1st July 1936.

The first three have co-operative organizations and have been taken over for intensive work. The weavers of other centres are being organized on co-operative lines. These Stores except the one at Tanda are in charge of a supervisor trained in handloom weaving and a store-keeper trained in dyeing and printing. At Tanda the position is reversed, i.e., the supervisor is a dyeing expert and the store-keeper trained in handloom weaving. They supervise the production of the right type of fabrics for the Provincial Marketing Organization. At all these places the yarn is supplied by the Store and finished products are purchased from the weavers on cash payment by the Provincial Marketing Organization.

No expenditure has been incurred under the grants for subsidy to stockists and supply of appliances.

6. *Provincial Marketing Organization.*—A Textile Section has been attached to the United Provinces Arts and Crafts Emporium, Lucknow, to organize wholesale marketing and to co-ordinate the various activities under the scheme. It was started on 21st November 1935, and was opened by Lady Haig. It is directly under the charge of an Assistant Manager who works under the general supervision of the Business Manager of the Emporium. The Divisional Superintendent of Industries in charge of the handloom scheme is the Controller. This organization controls the work of the Commercial Travellers and renders assistance to the Stores. Since the date of its opening to the 15th August 1936, it has done business amounting to about Rs. 56,000. It has participated in the Exhibitions held at Garhmukteshwar, Etawah, Gwalior, Patna, Aligarh, Bulandshahr, Dhanbad, Cawnpore, Rangoon, Delhi and Allahabad. Handloom products were also displayed in the Exhibition train which toured the whole of South India and Central India. Our exhibits have already won nine medals and sixteen certificates.

The post of the Salesman on Rs. 80 has been split into two posts of Rs. 40 p. m. each. Since the central shop attached to the organization remains open from 9 A.M. to 8-30 P.M. it was found necessary to have two Salesmen, who could work in shifts.

The pay of the two sales attendants has had to be increased from Rs. 10-8-0 to Rs. 15 p. m. as they were not available on less pay. Two posts of attendants were also created as it was not possible to cope with the work with the existing staff. A new post of a chowkidar has also been found necessary.

7. *Finishing and Calendering.*—There is provision for a recurring grant of Rs. 3,000 for running the finishing plant which was proposed to be erected at a cost of Rs. 40,000. On further examination it is found that a centralised finishing plant would not serve a very useful purpose as there is no centre where there would be enough work for such a big plant. A better scheme would be to subsidize persons who are prepared to put up smaller plants at different centres. But the recurring provision of Rs. 3,000 would still be required to subsidize calendering and finishing of weavers' products through the Emporium and preliminary experiments in finishing and calendering.

So far a private calendering plant at Tanda has been utilized for finishing. Hand finishing has also been tried and found successful at Mau and Gorakhpur.

8. *Research and Experiments.*—The Research Assistant has not yet been appointed. The person who was selected for the post did not join. It had therefore to be advertised again. The applications received are under consideration. Meanwhile, the Government Central Weaving Institute, Benares, has evolved the following appliances :—

- (a) double box sley,
- (b) multiple box sley,
- (c) newar loom,
- (d) pick and pick sley for fancy work,
- (e) peg doobby,
- (f) wooden jacquard,
- (g) multiple bobbin winding machine,
- (h) combined warping and beaming machine,
- (i) yarn doubling or grandrille machine.

Of these the wooden jacquard has won the Government of India's prize of Rs. 500 for the best appliances at the Patna Exhibition. The double box sley and the combined warping and beaming machine have also won prizes. The double box sley has been introduced at Bara Banki and the jacquard is now commonly used at Benares.

Experiments in hand mercerising have been successfully carried out at the Government School of Dyeing and Printing, Cawnpore, and arrangements are being made at Tanda for this work. Fast dyeing processes have also been introduced at Tanda.

9. *Sole Buying Agency Scheme.*—It has not been possible to interest any firm to take up the Sole Buying Agency for buying all the goods produced by co-operative societies of cottage workers. But firms are prepared to take up Sole Selling Agencies in different territories in return for a subsidy on guaranteed business at the following rates :—

- (a) Rs. 100 p. m. on guaranteed minimum business of Rs. 20,000 a year.
- (b) Rs. 50 p. m. on guaranteed minimum business of Rs. 10,000 a year.
- (c) Rs. 20 p. m. on guaranteed minimum business of Rs. 5,000 a year.

10. Appendix II contains a statement of the sanctioned grant for 1934-36 and the expenditure incurred up-to-date. Proposals for the utilization of the savings and for the increased grant for the current year are awaiting sanction.

11. The above summary will show that satisfactory progress has been made in the development of the scheme although there are some sections which have not yet been started as they could not be taken up simultaneously. It was also not considered desirable to rush them as some modifications from the original scheme are found necessary in the light of actual experience for which proposals have been submitted. Even with regard to these, preliminary arrangements have been completed and it is expected that the whole scheme will be in full swing in a few months' time.

#### APPENDIX I.

*List of new designs of textile fabrics introduced in connection with the Handloom Weaving Scheme.*

- (1) About  $\frac{1}{2}$  dozen woven curtain designs.
  - (a) Jamdani pattern curtain.
  - (b) Jacquard design cloth.
  - (c) Vertical striped curtains.
- (2) Three designs of woven bedspreads.

1937.]

*Handloom Weaving.*

87

- (3) Printed crepe scarves.
- (4) Printed saree cloth in about twenty different designs.
- (5) Printed curtain cloth.
- (6) Wax work printed sarees.
- (7) Sarees of beading.
- (8) Chadars printed as shawls.
- (9) Printed upholstery cloth.
- (10) Drills.
- (11) Mock-lino shirting.
- (12) Silk chints.
- (13) Coloured four fold sojni.
- (14) Coloured sambhal durries.
- (15) Mercerised table covers, napkins, and curtains to match
- (16) Coloured sport shirtings.
- (17) Printed net curtains.
- (18) Waivy sarees.
- (19) Mosquito curtains cloth.
- (20) Printed garha chints.
- (21) Printed—
  - (a) Doyllies.
  - (b) Ground cushions.
  - (c) Burka.
  - (d) Dressing gowns.
- (22) Sarees of different designs and textures.
- (23) Long cloth.
- (24) Shirting designs about twenty.

L172DIL

## APPENDIX II.

*Expenditure incurred from the Government of India Grant (1) during the year 1935-36, and (2) from 1st April, 1936, to 31st August, 1936, on the development of handloom industry.*

Particulars.	1935-36.			Expenditure from 1st April 1936 to 31st August 1936.			Total expenditure on the scheme till 31st August 1936.				
	Grant.	Actual expenditure.			Grant.	Actual expenditure till 31st August 1936.					
	Rs. (1)	Rs.	A.	P.	Rs. (3)	A.	P.	Rs.	A.	P.	
1. Handloom Survey.	17,719	15,549	2	6	..	1,333	15	0	17,283	1	6
2. Purchase and Supply of Samples.	3,000	558	0	6	..	373	6	3	931	6	9
3. Commercial Travellers.	7,590	1,636	13	0	..	2,086	7	9	3,723	4	9
4. Design ..	7,280	..	..	..	..	171	4	0	171	4	0
5. Supervisors and Stores.	16,588	768	9	6	..	3,134	15	9	3,903	9	3
6. Provincial Marketing Organization.	7,247	8,872	4	6	..	7,117	12	0	15,990	0	6
7. Finishing and Calendering.	40,000	117	3	3	..	42	13	6	160	0	9
8. Research and Experiments.	4,500	..	..	..	..	133	5	0	133	5	0
9. Sole-Buying Agency (Subsidy).	2,000	..	..	..	..	..	..	..	..	..	..
	(2) 1,04,000	27,902	1	3	86,400	13,063	0	3	42,296	0	..
		(3) 1,333	15	0							
		29,236	15	0							

(1) Non-recurring.

(2) After deducting probable savings of Rs. 1,024 from items 2 to 8.

(3) Debited to last year's survey grant.

NOTE.—More than half the savings are due to the provision of Rs. 40,000 for a calendering plant which has not yet been put up owing to modifications in the original scheme awaiting sanction.



1937.] *Handloom Weaving.*

39.

## APPENDIX III.

*Expenditure incurred during the year 1935-36, on the development of handloom industry.*

	Rs.	A.	P.
1. Pay of Staff			
3 Divisional Superintendents of Industries ..	15,513	3	0
3 Peons of Divisional Superintendents of Industries ..	378	0	0
Travelling allowances of Divisional Superintendents of Industries and Peons .. .. .	4,000	0	0
Supplies and Services .. .. .	No separate figures can be given.		
Contingencies .. .. .	530	0	0
	(For a typewriter and a photo camera.)		
2. Exhibitions .. .. .	2,056	0	0
3. Expenditure on Government Institutions devoted to handloom industry .. .. .	1,54,006	2	0
4. Aid to Non-Government Institutions devoted to handloom industry .. .. .	16,574	12	0
5. Expenditure incurred by the Co-operative Department in organizing the weavers, in marketing their products, and giving technical assistance by means of weaving supervisors, etc. .. .. .	6,323	0	0
Total ..	2,12,766	11	3

Punjab.

(31st August 1936.)

The expenditure incurred on the scheme up to the end of August 1936 under each primary unit is shown below :—

Primary unit.	1934-35.			1935-36.			1936-37 (1st April 1936 to 31st August 1936).			Total expenditure up to 31st August 1936.		
	Rs.	A.	P.	Rs.	A.	P.	Rs.	A.	P.	Rs.	A.	P.
Pay of Establishment ..				11,269	13	0	7,281	6	0	18,551	3	0
Other allowances and honoraris ..							33	0	0	33	0	0
Travelling allowance ..				1,022	14	0	879	4	0	1,902	2	0
Supplies and Services ..				7,713	0	0	2,643	12	3	10,356	12	3
Contingencies ..	308	2	0	4,552	9	0	2,938	6	6	7,799	1	6
Rewards and Subsidies ..				166	7	0				166	7	0
Total ..	308	2	0	24,724	11	0	13,775	12	9	38,808	9	9

Apart from the expenditure which would be incurred within the sanctioned allotments on Pay of Establishment, Other allowances and honoraria, Travelling allowance and Rewards and Subsidies, Rs. 21,000 will be spent during the current financial year on the purchase and installation of preparatory machinery at the central and two branch depots, leaving a balance of about Rs. 4,000 in hand under "Supplies and Services" (non-recurring). With this saving and such other savings as might occur under other primary units, and with such other amount as might become available next year for the purpose, it is proposed to purchase a finishing plant in the year 1937-38. It is expected that the preparatory machinery will soon be received and installed.

2. A Central Depot has been opened at Amritsar, which is the biggest distributing centre for textiles in the Punjab, in addition to being an important weaving centre. Branch depots have been opened at two other big weaving centres in the Province, *viz.*, at Hoshiarpur and Multan. The scheme started functioning about the middle of 1935. The Marketing Officer was appointed in May 1935. The Central Depot at Amritsar was opened in June 1935, and the two Branch Depots at Hoshiarpur and Multan, respectively, towards the end of 1935.

3. The Central Depot at Amritsar controls the entire marketing organization under the scheme. It works out designs and distributes them not only locally and to Branch Depots, but also amongst the weavers generally in the Province.

Till recently cotton handloom weaving alone was dealt with under the scheme. The use of silk, mixed silk and artificial silk yarn in borders, etc., has only recently been allowed.

Service has been rendered to handloom weavers in two ways, *viz.*, (a) by employing them directly for the execution of orders received from buying agents, and (b) by increasing the scope of their work generally by supplying them the latest marketable designs and by teaching them the use of improved appliances. Hundreds of weavers are working directly for the Marketing Officer, while thousands have gained indirectly from the new designs which have been distributed and from other assistance rendered by the marketing organization.

4. Assistance has generally been rendered in the following ways :—

- (a) The Central and Branch Depots provide show rooms to exhibit the best samples of woven and printed goods for the benefit of dealers, weavers and printers. The

1937.]

*Handloom Weaving.*

41

Show Room at Amritsar contains the largest collections of exhibits and is the one most popular.

- (b) New and marketable designs are continually being prepared and distributed. Eighty-seven new designs were successfully introduced last year, and over six hundred samples and designs were analysed as to their technical data and costing. The classes of fabrics for which new designs have been successfully introduced are shown in Appendix I.
- (c) The Central and Branch Depots serve as a clearing house of industrial intelligence for the benefit of the industry. Weavers are supplied information regarding technical analysis and costing so as to enable them to secure better prices for their goods and as far as possible they are supplied with information regarding the current market prices of finished goods and raw materials. They are also educated in the utilization of such technical data by demonstrations and explanations on the spot by the technical experts employed under the scheme. For instance, weavers have been successfully taught how to do very fine weaving on fly-shuttle looms which had never before been attempted in this Province.
- (d) Separate buying agents have been appointed for each Depot with definite areas allotted to each. They secure orders and are bound to receive cloth produced for them through the agency of the Marketing Officer. The buying agents supply the required raw materials and are bound to pay wages fixed by the Marketing Officer for weavers and printers. In the beginning there was an active opposition on the part of shopkeepers and dealers to the working of this scheme for they considered it a rival organization set up by Government to deprive them of their business, and the first batch of buying agents also lost some money in their business. This gave a certain amount of set back. But it has lately been brought home by actual working to the weaver as well as to dealer that the scheme will work to the benefit of all concerned. The weaver secures better wages and has been taught how to get better production, while the dealer secures better prices on goods of uniform quality. Things have consequently improved and dealers have begun to take goods of standard quality through the Marketing Officer or from

the weavers who have previously worked for the Marketing Officer.

In addition, small-scale weavers in villages (e.g., Rahon in Hoshiarpur district) have recently begun to come over to the Marketing Officer for help in the sale of the goods produced by them on their own account.

- (e) Effective help has been given in the introduction of improved appliances. The marketing organization has by demonstrations brought home to the weaver that the improved fly-shuttle looms, dobbies and jacquards would give him better and greater production along with better wages. This has resulted in the more general adoption of improved appliances. For instance, fly-shuttle looms have been introduced for the weaving of fine *patkas* (turbans) unlike before when pit looms alone were used for such work. Double fly-shuttle sleys have been introduced for the weaving of two colour cloth. Solid border cloth which was previously woven entirely on pit looms, is being gradually taken up on fly-shuttle looms under the guidance of the Marketing Officer.
- (f) The use of fast colours has been encouraged. It has been demonstrated to the weaver by actual working that the use of fast colours not only brings him more orders, but that it is also not very expensive in the long run.
- (g) Improved designs in printing have been introduced. Coarse cloth such as *khaddar* woven on the handloom cannot compete with the mill product, unless it is printed in attractive designs. Over eighty new designs which were supplied last year, have been taken up with great success. Several good printers at Kamalia, Multan and Amritsar are employed for printing cloth on orders. Printing work is likely to increase in course of time.
- (h) Standardization of cloth has been helped. Certain standard specifications have been fixed and as far as possible sized warp is supplied. No order is accepted unless it secures to the weaver higher wages than what he would have ordinarily got in the market. Higher wages have been possible through the use of better designs and the weaving of uniform quality of cloth.

1937.]

*Handloom Weaving.*

43

## APPENDIX I.

*List of articles for which new designs in weaving have been introduced.*

Class of fabrics.	Number of designs.
Baby's cot-cover .. .. .	1
Bed cover (in Government College colours) .. .. .	1
Coating and suitings .. .. .	20
Curtain cloth .. .. .	17
Dining table cover .. .. .	1
Dress material .. .. .	1
Flooring cover .. .. .	1
Khaddar (bleached) .. .. .	1
Khaddar for printing .. .. .	1
Khoses (double cloth) .. .. .	8
Lungis (cotton) .. .. .	
" (mercerised) .. .. .	7
" (rakhvin kanni) .. .. .	3
Sarees .. .. .	6
Sarees with jaquard border .. .. .	4
Table cover (in Government College colours) .. .. .	1
Tea-poy covers (in Government College and F. C. College colours) .. .. .	2
Towels (Honey Comb) .. .. .	3
Turbans .. .. .	3
Total .. .. .	87

**Bihar.***(31st July 1936.)*

The Bihar Cottage Industries (Handloom Marketing Organization) financed by the grant from the Government of India started work on the 1st April 1935, and the old Purdah Manufacturing Section of the Local Government was merged in the same. While the establishment charges of the latter and necessary funds for the purchase of raw materials and finished goods were provided by the Local Government, the grant received from the Government of India was utilized in payment of salaries of the additional staff required for the new marketing organization and those employed for organizing and working the weavers' co-operative societies, in paying the rent of sales depots and the price of the finishing plant, and to meet the

cost of participation in exhibitions and fairs, advertisements and other propaganda work undertaken to popularize the hand-woven textiles.

Since the separation of Orissa in April 1936 and the receipt of a separate grant by that Province, the internal administration of the scheme in Orissa has been left to the Orissa Government while the marketing arrangements have been kept joint on payment of proportionate charges by Orissa until she is able to make her own arrangements.

2. *Manufacture.*—(a) *Organization of weavers' societies.*—In addition to the three weavers' co-operative societies at Bihar Shariff in Patna district, at Irba in Ranchi district and at Obra in Gaya district, five new weavers' co-operative societies were started by the Registrar of Co-operative Societies, viz., three in Darbhanga district, one at Bhagalpur and one at Fatwa in Patna district. The five weaving supervisors appointed by him to manage these societies were posted at Madhubani, Obra, Fatwa, Bhagalpur and Irba, respectively. The society at Bihar Shariff employed its own supervisor. After organizing some of these societies in Bihar, the organizer of weavers' co-operative societies went to Orissa in November 1935 where he remained till the end of the year 1935-36.

(b) *Standardization and output.*—In addition to the various patterns of cotton purdahs, durries, etc., in which the Purdah Section had been dealing in the past, forty-eight different patterns of popular cotton fabrics were designed and standardized. Special care was taken in working out the costing of these goods so as to allow a sufficient margin as wages for the weaver while the price compared favourably with that of mill-made cloth of similar quality. The profit of the weavers' societies and master weavers was fixed at 12½ per cent. of the cost of yarn and weaving charges.

During the year 1935-36, goods of a total value of Rs. 97,217 were manufactured and supplied to the Bihar Cottage Industries. Of this, goods worth Rs. 38,276 were supplied by seven weavers' co-operative societies and those worth Rs. 58,941 were supplied by twenty master weavers and ex-students of our textile institutes. The supplies received by the central institute in the four months of the year from April to July 1936, amounted to Rs. 41,429. During this period a few more patterns of cloth were also designed and added to the list of standard goods.

3. *Finishing.*—The finishing plant, consisting of a starch mangle with a set of drying cylinders, a damping machine and a five bowl calender, was received in the last week of November 1935 and its erection was completed by the end of January 1936. Arrangements for the supply of electric power for running this machinery were completed in July 1936, when the finishing master also joined his

duties. Since then, bleaching vats have been constructed and water pipes are being laid out. It is now hoped that bleaching and finishing of the staple goods will be started very shortly.

4. *Marketing.*—During the year 1935-36 handloom fabrics of a total value of Rs. 1,32,173 were sold in the markets in addition to raw materials worth Rs. 41,751 sold to the weavers. Similar sales for four months ending 31st July 1936 amounted to Rs. 50,442 and Rs. 18,901, respectively. The sale of finished goods was effected at the central warehouse at Gulzarbagh and through sales depots, selling agents both Indian and foreign, and a commercial traveller.

(a) *Sales depots.*—Besides the central warehouse at Gulzarbagh, five sales depots were opened at Jamshedpur, Ranchi, Bhagalpur, Delhi-Simla and Patna. The depots at Calcutta, Cuttack, and Muzaffarpur could not be started for various reasons. The one at Calcutta is proposed to be opened after the finishing plant is in working order. The opening of the depot at Cuttack has been delayed by the separation of Orissa. The business done in the sales depots, excepting that at Delhi-Simla, has not been up to our expectations. It is hoped that when the staple goods are properly finished by machinery, better sales will be effected.

(b) *Sales agents.*—In addition to Indian agents, there were two foreign agents, one in London and the other in New-Zealand. The sales effected by the London agent in 1935-36 amounted to ₹5,555 and those by the New-Zealand agent of ₹1,025. The sales of these agents for four months of 1936-37 amounted to ₹2,892 and ₹337, respectively.

(c) *Commercial traveller.*—The commercial traveller visited several exhibitions and *melas* and also some important places in and near the Province, and arranged for the sale of our handloom fabrics besides giving publicity to Bihar textiles. The second commercial traveller was appointed in June 1936.

5. *Exhibitions.*—During the year 1935-36 the Bihar Cottage Industries participated in six exhibitions held in different parts of the Province. Of these, the All-India Hand-weaving Exhibition held at Patna in February 1936 was the largest and the most important. It also participated in six other exhibitions held at Delhi, Allahabad, Mysore, Srinagar and Baroda. The exhibits of the Bihar Cottage Industries were also displayed at the British Industries Fair in London, the Poznan International Industries Fair in Poland, the Prague Fair in Austria, the Leipzig International Spring Fair in Germany and the Canadian National Exhibition at Toronto. The unique designs and the high quality of workmanship of Bihar textiles were appreciated in all these exhibitions and in some of them medals and certificates were also awarded.

6. *Expenditure.*—The expenditure out of the grant received from the Government of India during the year 1935-36 amounted to Rs. 61,792. This amount included Rs. 32,028 being the value of the finishing plant, the cost of furniture and equipment required for the sales depots, and a sum of Rs. 4,040 spent by the Registrar of Co-operative Societies for the organization and management of the weavers' co-operative societies. The total expenditure during the year 1935-36 was less than the budgetted amount on account of the fact that the finishing department could not be started earlier and only five out of seven sales depots could be opened during the year. There was also a saving in the allotment made for the organization of weavers' co-operative societies owing to the difficulty in obtaining properly qualified hands.

*Revised estimate for 1936-37 and the proposed budget for 1937-38.*

The revised estimate for the current year and the proposed expenditure in 1937-38 are shown below :—

Items of expenditure.	As per scheme originally sanctioned.	Revised estimate for 1936-37.	Budget estimate for 1937-38.
	Rs.	Rs.	Rs.
1. Establishment .. .. .	16,500	13,733	16,012
2. Travelling allowance .. .. .	2,500	1,349 2,000	1,560 2,000
3. Advertisement and publication .. .. .	2,000	7,750	1,728
4. Cost of participation in exhibitions and fairs.	2,500	3,130	2,000
5. Subsidies to Branch Stores .. .. .	5,000	5,000	7,200
6. Contingencies—			
(a) Marketing .. .. .	3,000	6,120	3,000
(b) Finishing Department .. .. .	3,000	1,927	3,000
(c) Finishing plant .. .. .	..	4,500	..
7. Cost of additional demonstration parties	12,000	..	7,000
8. Organization of weavers' co-operative societies.	6,000	8,000	9,000
Total .. .. .	52,500	53,509	52,500



The revised estimate for 1936-37 on account of advertisements and publications is shown at Rs. 7,750 for the reason that the initial expenditure for the purchase of show cases, signboards, etc., to be placed at important public places and railway stations, has to be incurred during this year. The cost of participation in exhibitions will exceed the original estimated amount by Rs. 630 as a large sum has to be spent on stall-rent in the ensuing United Provinces Industrial and Agricultural Exhibition, Lucknow. The total expenditure under contingencies of the marketing and finishing departments will also increase by about Rs. 2,000 during the current year as all the charges, in connection with the installation of the finishing department, could not be paid in 1935-36. Provision is also made during the year for a capital expenditure of Rs. 4,500 on the finishing plant, for the reason that the amount allotted for this purpose in the year 1935-36 could not all be spent in that year. Thus the total expenditure for the year 1936-37 will be Rs. 53,509, of which Rs. 41,800 represents the grant for the current year and the balance of Rs. 11,709 is the saving from the last year's grant after excluding Orissa's share.

The budget estimate for 1937-38 has been kept at the same figure as in the original scheme, *i.e.*, Rs. 52,500. On account of the additional expenditure of Rs. 3,000 required for the weavers' societies and Rs. 2,200 for the two sales depots at Delhi and Calcutta, provision is made for the starting of only two demonstration parties in place of three provided in the original scheme.

#### Central Provinces.

(30th June 1936).

The grant-in-aid to this Province for the year 1935-36 was Rs. 17,000. Out of this a sum of Rs. 7,615 was advanced as working capital to the Central Provinces and Berar Weavers' Co-operative Society and the balance of Rs. 9,385 was given as grant-in-aid for working expenses. The former amount together with the sum of Rs. 6,500 advanced from the grant-in-aid for five months ending on the 31st March 1935, making a total of Rs. 14,115, was the working capital of the society during the year. The number of members on roll of the society at Nagpur was two hundred and seventeen against seventy-nine in the previous year and the number in the branch society at Kamptee was seventy-one against twenty-one.

2. A brief description of the method of working followed during the year is given below.

Raw materials required for the manufacture of cloth were purchased at wholesale rates and issued to members on credit for weaving the sarees ordered by the wholesale purchaser. Paid supervisors were engaged to see that the society's material was not substituted and that the weavers brought back the woven cloth. The cloth when

received from the weavers was examined by the wholesale purchaser who purchased the approved pieces at pre-fixed prices and wages were paid to the weavers accordingly. The rejected pieces were kept with the society and gradually sold at reduced prices according to the prevailing market rates. This method was followed for the Nagpur society throughout the year. The weavers of the Kamptee society, however, weave coarse sarees and it was found difficult to sell them. Therefore the above method was not adopted at Kamptee. Yarn was supplied to the members on credit, and they were to sell the cloth on their own responsibility and pay the cost of the yarn.

3. Raw materials worth Rs. 12,250 were issued to the members of the Nagpur and Kamptee societies. The total number of sarees manufactured by the two societies was 1,736 valued at Rs. 12,520 of which 1,405 sarees valued at Rs. 11,455 were sold. Out of the sarees sold 582 sarees were purchased by the wholesale purchaser for Rs. 4,444 and 823 sarees were sold by the society direct for Rs. 7,011. Wages paid to the weavers amounted to Rs. 3,656-10-3. The profit on the year's working is estimated to be Rs. 1,100.

4. The staff of the Nagpur society consisted of one Manager on Rs. 75, one Accountant on Rs. 40, one clerk on Rs. 30, five supervisors on Rs. 25 each and two peons on Rs. 12 each. The staff of the Kamptee society consisted of one Manager on Rs. 45, four supervisors on Rs. 25 each and one Chowkidar on Rs. 12. In March 1936, the Manager of the Kamptee society resigned and one of the supervisors was appointed to act as Manager on an extra allowance of Rs. 10 per month. The house-rent paid for the Nagpur and Kamptee societies was Rs. 75 and Rs. 10, respectively. The expense on the staff of the two societies for the year ending the 31st March 1936 amounted to Rs. 4,693 and on contingencies and travelling allowance to Rs. 1,903. The total working expenses amounted to Rs. 6,596, leaving a balance of Rs. 3,334 from the allotment.

5. Some of the difficulties in the working of the scheme were explained in the previous report. While attempts were made to mitigate them, other unforeseen difficulties were encountered. The unreliable and irresponsible character of the weavers is well-known. The supervisors coming from the same stock proved equally unreliable with the result that when individual cases were scrutinized large amounts were found to be outstanding against the weavers as well as the supervisors. The wholesale purchaser who had contracted to buy the society's whole out-put resigned in December 1935. During the time he purchased the cloth he applied such rigorous tests that the number of rejected pieces was higher than the number accepted. The responsibility of selling the rejected pieces and the material woven after the wholesale purchaser resigned fell on the society. The cloth had to be sold at reduced prices according to the

prevailing market rates and the society could not pay the weavers full wages till the cloth was sold. The reduction in the wages effected according to the reduction in the selling price and the unavoidable delay in payment of the wages resulted in discontent among the members and the outstanding against them went on increasing. Cases of malpractices by weavers and supervisors were brought to light when investigating the cases of outstandings against them and the energies of the staff had to be concentrated, during the latter part of the year, on investigating cases, preparing individual accounts and realizing the dues. Experience has shown that the method of issue of raw materials to the weavers should be modified and that a separate selling organization for marketing the society's cloth is necessary.

6. The society has, however, established reputation for the quality of its cloth. The Nagpur weavers' cloth is noted for its fine texture, but has lost its hold on the market owing to the lowering of the quality and short measurements. It is the aim of the society to establish a market for the Nagpur cloth which will be standard in quality and full in measurements. At present the produce of the society is limited to Deccani sarees nine yards in length but the texture and quality of the cloth is such that it is likely to be appreciated in up-country places also. Some sarees of six yards in length were taken to the All-India Hand-weaving Exhibition, Patna, last February and were readily sold. The following extract from the report of the Patna Exhibition would be interesting in this connection :—

“ The Central Provinces Court had on exhibition a large range of designs in Deccani sarees which created great interest. Owing to their low prices they were much in demand. But as the local market required five and six yards length sarees and goods on show were on nine yards length this court lost some business.”

It is proposed to expand the market for the Nagpur sarees in up-country places through canvassers and branch agencies in important centres.

7. The society of Chanda depressed class weavers which was registered early in 1934 was revived during the year. Two new societies, one at Chhindwara and the other at Ellichpur were organized, while attempts are being made to organize two more at Chanda and Umrer. After these societies are registered they will be affiliated to the central society at Nagpur and assistance will be given to them from the grant-in-aid in the shape of supply of raw materials or working expenses or both for some time till they become self-supporting.

8. Considering the character of the people for whom and through whom the society has to work and the continued economic depression, uniform success could hardly be expected. The scheme is inherently

sound, and is likely to prove of lasting benefit to the industry, although the progress is slow. Experience in working the scheme has shown that some modifications in details are necessary.

#### Assam.

A contribution of Rs. 17,692 was sanctioned by the Government of India for the year 1935-36 for financing the following schemes for the development of handloom industry in the Province—

- I. Re-organization of the Government Emporium and Central Stores at Gauhati.
- II. Establishment of a branch Emporium at Sylhet.
- III. Appointment of Inspectors for organization and supervision of weavers' association and standardization of products.
- IV. Dyeing and printing instructions to and through the peripatetic weaving parties.

*Scheme I.*—The Emporium with its dwindled assets was struggling hard for its existence. The grant of Rs. 2,500 to this useful institution out of the contribution sanctioned by the Government of India gave it a new lease of life and helped it to expand its activities. A Marketing Officer was recruited from Bengal in July 1935 but as he was not found suitable, he was discharged and Babu Rash Behari Das, L.T.M., Head Teacher of the Government Weaving Institute, Gauhati, was appointed to the post in October 1935. He toured extensively to study the important local markets and weaving centres and collected typical samples of fabrics which are generally in demand. These samples after they were finally approved were standardized. Some new patterns were also introduced. The local weavers and the ex-students of the Government Weaving Institutes were asked to weave these patterns according to demands. They accepted the orders enthusiastically and executed them satisfactorily. The Emporium participated in fourteen exhibitions held within the Province and outside during the year.

Two Travelling Canvassers were appointed during the latter part of July 1935. They were engaged in propaganda and advertisement and also sent out into the interior of the Province to effect sales and procure orders. The results so far obtained seem to be encouraging. The sales of the Emporium during the year amounted to Rs. 26,539 against Rs. 13,460 in 1934-35. The Emporium still suffers from financial difficulties. It cannot increase its sales without more money for the purchase of yarns, accessories, etc., at wholesale rates. A portion of its stock was transferred to its branch at Sylhet.

*Scheme II.*—The branch Emporium at Sylhet was started on the 9th August 1936 in a rented house in the bazaar. The staff consists of one Manager on Rs. 50 per mensem, a Salesman on Rs. 40 per mensem and a Chowkidar on Rs. 15 per mensem. Looms, accessories, yarn and some cloths were sent to the branch from the main Emporium at Gauhati in the beginning but after a short time the weavers were induced to leave their fabrics with the branch for sale on commission. Some of the weavers were also supplied yarn for making fabrics according to the patterns given to them.

The working of the branch appears to be quite satisfactory as will be evident from the fact that it effected total sales of Rs. 4,872-10-3 and made a gross profit of Rs. 482-8-6 during 1935-36. The sales from 1st April 1936 to 31st August 1936 stood at Rs. 5,014-10-0.

The Emporium not only encourage weavers in the manufacture and the marketing of fabrics, but also are helping the local carpenters with orders for looms and accessories.

*Scheme III.*—Two Weaving Assistants of peripatetic parties, with some experience in co-operative work were selected for the posts of the two Inspectors sanctioned for this scheme. They joined their appointments by the end of August 1935. They were given specific areas for work. Their duties are to make a survey of the important weaving centres, to organize co-operative weaving societies in consultation with the local Co-operative Inspector and to improve the existing co-operative societies through weaving. They are working in close co-operation with the officers of both the Co-operative and the Industries Departments.

The Inspectors have been provided with a magic lantern each with adequate slides on weaving, co-operation and rural uplift. They visited one hundred and three villages and forty-nine co-operative societies and organized ten weaving societies and delivered thirty-nine lantern lectures during the year.

*Scheme IV.*—A practical dyer with considerable experience in cotton mills in Bengal was appointed as the Dyeing Supervisor in August 1935. He toured in the interior for one hundred and eighty-six days and gave demonstrations in various places in dyeing of yarn and cloth in various shades. He visited fifty-eight villages, fourteen schools, seventeen weaving and dyeing factories, ten co-operative societies some of the important local markets, the Sylhet Jail and attended some of the exhibitions held in the Province. He conducted demonstrations of various shades of indanthrene, naphthol and sulphur colours to individual weavers, to amateur dyers, to students, to members of societies, also to the Weaving Demonstrators of the parties. The demonstrations given by him were popular everywhere and over 2,000 lbs. of yarn and cloth were dyed by way of

demonstration during the period. A good deal of propaganda for fast colours has been done during the period under review and a good demand for fast dyeing and coloured fabrics has been created. The Dyeing Supervisor has helped in the successful introduction of new and popular shades.

A passed student of the Cawnpore Dyeing and Printing School with some business experience was appointed as Calico Printer during the latter part of July 1935. He was at first posted to Gauhati where he arranged for his blocks and colours and prepared some samples of various designs in the Government Weaving Institute. As soon as some typical and attractive samples of printed fabrics were ready, he conducted a series of demonstrations in the Government Weaving Institute for the benefit of the students. He then went out on tour to various important weaving centres in the Province to popularize block printing with fast colours. He was on tour for ninety days up to the 31st March 1936. He visited forty-nine villages, ten schools, five factories and participated in four exhibitions. His demonstrations were highly appreciated by the public. Some students received special training under him.

The total expenditure on the above schemes during 1935-36, amounted to Rs. 12,918-14-3.

These schemes, as subsequently modified, will cost about Rs. 24,450 during the current year as detailed below

	Rs.
Scheme I .. .. .	8,080
Scheme II .. .. .	4,900
Scheme III .. .. .	4,000
Scheme IV .. .. .	5,470
Aerograph printing set for the Surma Valley Technical School, Sylhet .. .. .	2,000
Total .. .. .	24,450

A sum of Rs. 20,185 will be required for the working of the schemes during 1937-38 as shown below :—

	Rs.
Scheme I	
Establishment .. .. .	3,593
Travelling allowance .. .. .	1,500
Cost of looms and accessories .. .. .	1,500
Contingencies .. .. .	1,406
Total .. .. .	7,999

1937.]

*Handloom Weaving.*

53

						Rs.
<b>Scheme II</b>						
Establishment	..	..	..	..	..	1,337
Contingencies	..	..	..	..	..	1,100
<b>Total</b>						<b>2,437</b>
<b>Scheme III</b>						
Establishment	..	..	..	..	..	2,856
Travelling allowance	..	..	..	..	..	800
Contingencies	..	..	..	..	..	400
<b>Total</b>						<b>4,056</b>
<b>Scheme IV</b>						
Establishment	..	..	..	..	..	3,018
Travelling allowance	..	..	..	..	..	1,000
Contingencies	..	..	..	..	..	1,675
<b>Total</b>						<b>5,693</b>
<b>Grand Total</b>						<b>20,185</b>

**Burma.**

The scheme was put into operation on the 15th December 1934 when a sale depot was opened in Rangoon under the name of the Burma Handloom Textile Depot. A small stock of silk and cotton goods was purchased from the handloom weavers of Shwedaung and Amarapura but it became apparent at once that if any good business was to result, the Depot must maintain a considerable stock of goods of all kinds in order that the needs of retail dealers in Rangoon may be met. The wholesale dealers therefore continued to send their buying agents to the principal weaving centres as the Depot was unable to meet their requirements. The stock could not be increased during the year 1934-35 as the allotment for the purchase of stock was only Rs. 2,500. Expansion took place to some extent during the year 1935-36 when it was found possible to provide the sum of Rs. 6,250 for the purchase of stock. But even then the Depot did not bring before the buying public of Rangoon all the different fabrics woven in various parts of the Province, and the present allotments are still inadequate. For instance, the silk cloths of Akyab and Tavoy could not, up to the present date, be stocked except in very small quantities. During the year 1936-37, the sum of Rs. 4,250 has been allotted for additions to the stock and it is hoped to have a good display in the Depot when the money has been spent. During the

year 1935-36, small firms in Rangoon began to get their requirements from the weavers through the agency of the Depot which became a clearing house for the handloom products, and the trade done during the year 1935-36 was not inconsiderable, being Rs. 28,215-15-9. The difficulty has been to keep the Depot stocked with a sufficiently large quantity of goods to enable the dealers of Rangoon to make their choice. At present, about 75 per cent. of the goods on arrival are bought up by traders, leaving the balance to be disposed of to retail buyers. The result has been a period of comparatively little trade during the gap between the disposal of one lot of goods and the arrival of the next consignment of the weavers. Retail trade has never been brisk because it is the policy of the Depot to avoid competition with the small retail traders in the bazaar and prices, therefore, had to be maintained at the level of outside shops.

2. The business transactions during the year 1934-35 (3½ months) amounted to Rs. 2,325-12-6 ; during 1935-36, Rs. 22,397-9-9 and during 1936-37 up to the date of report Rs. 6,184-9-0.

3. The staff of the Burma Handloom Textile Depot consisted of a Manager on Rs. 200 per mensem with a fixed conveyance allowance of Rs. 25 per mensem, a Cashier-Correspondence Clerk on Rs. 75 per mensem, two Assistants on Rs. 50 and Rs. 30 each per mensem and a Durwan on Rs. 18 per mensem. A Travelling Salesman was also appointed on Rs. 40 per mensem with a selling commission of 2 per cent., but little business was done outside Rangoon because the Burmese handloom weaver has still to be taught the value of standard colour and texture in the cloths he weaves. Designs also vary from time to time and no attempt is made either by the weavers to cater to the wishes of the general public in the matter of attractive designs and colours. The attempt to sell silk and cotton fabrics according to samples was a failure because of these shortcomings, and the results show that such sales for the present are not possible. Disappointment of the prospective buyer has often led to the loss of customs and future trade. The weavers' association at Amarapura were consulted with a view to the standardization of colour and texture, but little headway has so far been made in this respect. The only way in which standardization of colour and texture can be insisted on is to get the weavers to execute large orders for various fabrics according to a fixed standard ; but, for the present, this has not been possible and purchases have to be made in the open market from any stock of cloths produced by the weavers on their handlooms.

4. *Weaving Demonstrators.*—The number employed under the schemes for the improvement of the handloom weaving industry was three. The Saunders Weaving Institute, Amarapura, also sent two Demonstrators to tour in the districts. The total number of Demonstrators employed in teaching the people improved methods of weaving and dyeing was twelve, including seven men employed by District



Councils in five districts. As there are about thirty-eight civil districts in the Province, this number is totally inadequate. Handloom weaving is one of the most important of cottage industries and is carried on in almost every village. But the weaving appliances used by the villagers are in most cases crude and out of date, involving unnecessary labour and waste of time. But if these old implements should be replaced by modern and time-saving ones, there is large field for Demonstrators who can be sent to various districts to introduce the latest methods of weaving and dyeing.

5. During the year 1935-36, the three Demonstrators employed under the Provincial scheme toured in the five districts of Magwe, Pakokku, Meiktila, Hanthawaddy and Rangoon. A number of small weaving establishments were set up in the neighbourhood of Rangoon as a result of their efforts. During the year 1936-37, they were employed in the five districts of Meiktila, Toungoo, Insein, Sagaing and Lower Chindwin. The demand from other districts could not as yet be met, but it is hoped to send a Demonstrator to each of the other districts by turn. But until further funds for more Demonstrators are provided, not much progress can be expected.

6. These Demonstrators have done much useful work not only in introducing improved appliances in handloom weaving but also in teaching the weavers the latest methods of dyeing in fast colours. An attempt is also being made to introduce the jacquard looms amongst the weavers ; but, hitherto, the prohibitive cost of these machines has prevented the spread of their use. A cheaper type of jacquard machine is now undergoing trial and it is hoped to introduce its use more widely when the Demonstrators take the field in the following year. One piece of useful work done by one of the Demonstrators has been the introduction of lungi weaving with cotton yarn of the finer counts in the village of Hanza in the Meiktila district where over seven hundred looms had hitherto been producing coarse cotton blankets on a large scale.

7. The industry was dwindling in this place owing to the market being glutted with these blankets, but its replacement with lungi weaving will no doubt help to improve the industry. Until all the weavers are properly trained, it is proposed to send the same Demonstrator to Hanza during the forthcoming field season.

8. *Exhibitions.*—The Burma Handloom Textile Depot took part in the Exhibitions of the Arts and Crafts of Burma held in Rangoon in the years 1935 and 1936. On both occasions, the Depot attracted a great deal of attention and was instrumental in bringing before the buying public the various kinds of cotton and silk fabrics woven in different parts of the Province. The business done during the Exhibition of 1935 was Rs. 2,262-11-6 and in 1936 Rs. 3,267-13-6.

9. *Other activities of the Burma Handloom Textile Depot.*—The Sale Depot also stocks for the convenience of the weavers a small quantity of weaving accessories of the latest kinds, and it has also succeeded in importing foreign yarn of the finer counts for the use of the handloom weavers. Rayon yarn has also been tried and this yarn is now being stocked for sale. The general complaint of handloom weavers was that they were forced to buy yarn at high prices from the middlemen and that the prices varied according to the demand of weavers and the quantity of stock held by large importers of yarn in Rangoon.

10. An attempt was therefore made to supply yarn in small quantities to the weavers of Amarapura through the agency of the Saunders Weaving Institute and, for this purpose, several bales of yarn were imported direct from the manufacturers. This supply from the Depot, though on a small scale, helped considerably in keeping down prices and, if the demand continues, it is hoped to increase the activities of the Depot in this direction in the near future.

11. The expenditure incurred on the present scheme since its inception in 1934 is as follows :—

	1934-35.	1935-36.
	Rs.	Rs.
(2b) Pay of Establishment (Temporary) (Non-Contract) .. .. .	412	4,925
(3a) Allowances, Honoraria, etc., Fixed .. .. .	..	133
(3b) Allowances, Honoraria, etc., Fluctuating .. .. .	224	163
(4) Supplies and Services .. .. .	2,500	6,229
(5) Contingencies .. .. .	2,663	3,833
Total .. .. .	5,799	15,283

The sanction of the Government of India for the development of the handloom industry was Rs. 7,500 in 1934-35, Rs. 17,000 in 1935-36, and Rs. 17,000 plus an additional allotment of Rs. 3,400 for the year 1936-37.

12. *General Remarks.*—The excessively keen competition set up by Japanese fabrics has been a real set back to the improvement of the handloom weaving industry which has not been able to overcome the general tendency of the people to buy only the cheap Japanese cloths in preference to the stronger but more expensive silks manufactured by handloom weavers. The silk weavers are now more or less dependent on men's wear, for the women of Burma have succumbed to the many attractive designs and colours produced with artificial silk at prices which defy competition. But the efforts of the Burma Handloom Textile Depot to popularize the use of hand-woven silks by advertisement and by propaganda at exhibitions seem to have produced

1937.]

*Handloom Weaving.*

57

some results, because more Burmese silks are now seen amongst the Burmese ladies than has hitherto been the case. As regards cotton fabrics, the handloom weavers get only the wages of their labour, because the yarn is entirely imported yarn, mostly from Japan, and in many cases the hand-woven product is a more costly article than the importations into Burma from India and other foreign countries where labour is cheap.

**North-West Frontier Province.**

A Government Weaving and Dyeing Institute was opened on 1st October 1935 with six fly-shuttle handlooms, two pit looms and four pit looms with fly-shuttle arrangements. At the start there were about ten students but the number rose later to twenty-five educated students and seven weaver students.

One 200 hooks jacquard, two dobbies, one newar weaving loom, one puttwa weaving loom, four fly-shuttle handlooms 60" reed space and seven fly-shuttle handlooms 36" reed space were further added to enlarge the scope of training.

To develop the local industry of lungi weaving so far on old country hand batten, the use of double fly-shuttle battens has been introduced for the first time and five local lungi weavers are now being trained. Fine counts yarn 80s—100s after sizing is being used on these new type battens with increased efficiency in the production. The advantages in the use of warping mills over the old tedious system of warping have also been made known to the local handloom weavers.

The Institute is equipped with bleaching, dyeing and finishing equipment, such as can be used in a cottage industry scale.

Students are trained in cotton, wool and silk weaving, dyeing, bleaching and finishing and one of the students after a short training has started his own weaving factory.

The students have woven so far about 2,000 yards (about 30 designs) of cloth (cotton, woollen and silken), bleached, dyed and finished a proportion of it. During this course some cloth and yarn were dyed, bleached and finished by the students for the market.

To lower the cost in hand-winding, hand machinery for bobbin and pirn winding has been ordered.

For the disposal of the cloth production at the Institute a Selling Agent has since been appointed but without a calender finish it is difficult to dispose of the out-put. The Government of India have, however, promised a grant of Rs. 10,000 for a five bowls calender provided this Province finds the balance, *viz.*, Rs. 12,000.

This will be of great assistance to the local industry as it will be possible to give a finish to their goods at moderate rates and thereby increase their value and market.

**Sind.**

Before the separation of Sind, the scheme for affording marketing facilities to handloom weavers of that Province out of the Government of India grant as sanctioned by the Government of Bombay, provided for the organization of an industrial association on co-operative basis in Hyderabad (Sind). The association was accordingly organized by the Marketing Officer, Bombay Department of Industries and registered by the Registrar, Co-operative Societies, Bombay Presidency, Poona, on 10th March 1936. Further work in this connection had, however, to be suspended on account of separation of Sind.

2. The Government of Sind submitted a revised scheme, which was approved by the Government of India in July 1936. The main feature of this revised scheme is to proceed with the organization of the Hyderabad Industrial Association referred to in the previous paragraph. The objects of this association are to supply raw materials to weavers as cheaply as possible, to advise them in regard to the production of attractive patterns, to market their finished products and to sell to them improved weaving appliances on hire-purchase system. The Assistant Director of Industries, Sind, will guide and look after the working of the association with the help of a Textile Designer whose appointment is provided for in the scheme. The association will open a shop at Hyderabad to fulfil the objects of the association. Expenses on account of the salary, travelling allowance, etc., of the Textile Designer amounting to Rs. 2,005 per year and those due to overhead charges of the association's shop including the salaries of staff, rental, contingencies, etc., amounting to Rs. 3,840 per year will be met from the Government of India grant. Other features of this revised scheme are as under :—

- (a) Payment of Rs. 7,000 to the association to constitute its reserve, on the security of which its working capital may be borrowed from Co-operative Banks.
- (b) Provision of Rs. 1,500 per year for subsidies payable on certain conditions to cloth dealers who deal in finished products of the association.
- (c) Provision of Rs. 1,055 per year for advertisement of the association's products.
- (d) A non-recurring provision of Rs. 500 for taking out new samples of cloth.
- (e) A non-recurring provision of Rs. 500 for supplying improved weaving appliances to weavers on hire-purchase system.

1937.]

*Handloom Weaving.*

59

3. Steps will be taken to put the revised scheme into operation soon after the appointment of the Assistant Director of Industries, Sind, which is expected to be made shortly.

#### Orissa.

#### REPORT ON THE PROGRESS OF WORK DONE IN ORISSA FOR THE YEAR 1935-36 UNDER THE SCHEME FOR THE IMPROVEMENT OF HANDLOOM INDUSTRY IN BIHAR AND ORISSA.

At the beginning, the local market for hand-woven goods was carefully studied, and as many as forty-eight different types of cotton fabrics, twenty-five varieties of silk goods and seven woollen fabrics were designed and standardized with necessary specifications, etc., for manufacture by the weavers of Bihar and Orissa. The organizer of weavers' societies after he had organized three societies in Darbhanga and one in Gaya, was deputed to Orissa in November 1935. A Weaving Supervisor was also appointed and posted there in January 1936. These officers devoted their time in organizing weavers' societies in Bhadrak and Cuttack areas, but due to some difficulty no society could be started in 1935-36. Four individual manufacturing agents of Orissa, however, continued to manufacture and supply goods to the marketing organization and their value amounted to Rs. 5,311 during the year 1935-36 as shown below :—

	Rs.
1. Babu Madhia Mehar, Sambalpur ..	4,534
2. Babu Bhimleshwar Mehar, Sambalpur ..	239
3. Shelter Industrial School, Cuttack ..	510
4. Babu Hado Sen, Cuttack ..	28
	5,311

In January 1936, the Textile Assistant of the marketing organization was deputed to Sambalpur to introduce some new designs. He successfully designed four samples of Sambalpur purdahs for which orders are being received. During the current year, Cuttack and Berhampur sarees were also purchased from a merchant of Cuttack and sent to all the depots for advertisement and sale. A few towels were also manufactured by Oriya weavers for the marketing organization.

*Finishing.*—The erection of the finishing plant purchased for the marketing organization was completed at the end of January 1936. But as the arrangements for water supply and the appointment of a finishing master were not complete, the finishing plant could not be worked in 1935-36.

*Marketing.*—The Bihar and Orissa goods continued to be sold through the two foreign and a few Indian agents, the central marketing warehouse at Gulzarbagh, and four sales depots started at Jamshedpur, Ranchi, Bhagalpur, Delhi-Simla and Patna in the course of November 1935 and January 1936. A sales depot at Cuttack could not be started in 1935-36 for various reasons.

*Publicity.*—The marketing organization participated in twelve exhibitions held in different parts of India and displayed therein Bihar and Orissa goods. Besides advertisement in newspapers, cinemas and posters, the Bihar and Orissa textiles were also exhibited in the British Industries Fair, London, Poznan International Industries Fair in Poland, Prague Fair in Austria, Leipzig International Spring Fair in Germany and the Canadian National Exhibition at Toronto. In all these exhibitions Sambalpur purdahs and Orissa baskets received wide publicity. Special publicity was also given to the Orissa goods in the All-India Hand-weaving Exhibition held at Patna in February 1936.

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MEMORANDUM EXPLAINING THE BROAD OUTLINES OF AN INDEPENDENT SCHEME FOR THE DEVELOPMENT OF HANDLOOM INDUSTRY IN ORISSA.

The Government of India have allotted to Orissa a sum of Rs. 9,400 for marketing the produce of handloom industry including Rs. 2,600 for the area transferred from Madras. Separate figures for the consumption of yarns not being available the grant was based on population. It is not known if the ex-Central Provinces area was included in the grant on population basis.

In the current year the marketing organization has been kept joint with Bihar; the Co-operative Department has undertaken the manufacturing part of the organization and the Industries Department, Bihar, the marketing part at a cost of Rs. 5,825.

It is evident that Orissa should have a marketing organization independent of Bihar. To have an independent organization the following provisions are necessary :—

- (1) A central depot for supply of yarn and sale of finished goods.
- (2) A dyeing section—to dye yarn of various shades for pattern weaving.
- (3) Organization for manufacturing and finishing textile goods.

*The Central Depot.*

A Central Depot for the supply of yarn to weavers is essential. This depot will distribute the yarn and collect the finished products for sale and should be situated at Cuttack. There should be a branch depot in every district. It will have a section for dyeing yarn. A working capital of Rs. 50,000 for this purpose will have to be provided by the Local Government as an advance.

The main difficulty of the handloom weaver has been marketing which is the real crux of the whole problem of the handloom industry. But successful marketing pre-supposes efficient and organized production. The handloom weaver requires not only assistance in the marketing of his products, but also guidance in the efficient and economic production of goods which are marketable. The marketing organization which is proposed to be set up for Orissa, will therefore necessitate the organization of weavers' co-operative societies or the employment of master weavers in areas where societies cannot be formed or where there will be difficulty in working them. The marketing organization will thus consist of three sections, *viz.*, (a) Manufacturing, (b) Finishing and (c) Marketing, as indicated above. The main function of the manufacturing section would be to prepare specifications of different varieties of textiles which will be required for marketing and for securing standardization as far as practicable. It will also supervise actual production which will be undertaken through weavers' co-operative societies or failing such societies, through qualified master weavers who should preferably be trained men. The aim will be to organize production as far as practicable through weavers' co-operative societies. Master weavers, if employed, will act as agents of the marketing organization.

The Business Manager, who will be in charge of the organization, after a careful study of the markets for cotton fabrics, will select a few samples of staple goods for manufacture. The samples with detailed instructions and specifications will be passed on to the weavers' societies or master weavers for the manufacture and supply of goods at rates previously agreed upon. With a view to standardize the quality of woven goods, the societies or master weavers will be required to buy their yarn either from the marketing organization or from approved cotton mills. The manufacturing section will therefore be required to maintain a yarn store at its headquarters attached to the Central Depot at Cuttack and to stock both grey and dyed yarn. The Store-keeper, subject to the general control of the Business Manager, will be in charge of this Store and will receive and inspect the goods woven by members of weavers' co-operative societies or master weavers. Proper accounts will be kept in the forms to be prescribed which will be subject to audit by the Examiner of Local Accounts, Orissa. Finished goods will be paid for at prices which

will allow reasonable wages to the weavers and profits to weavers' co-operative societies or master weavers. It will be the duty of the weaving supervisors of the demonstration parties of the Industries Department to see that the rates of wages fixed by the Business Manager are actually paid to the weavers. In special cases, with the sanction of the Director of Development, yarn and raw materials may be supplied on credit to the extent of one-third of the value of the goods ordered. All dues on account of such advances will, however, be deducted from the subsequent bills of the parties for goods supplied.

In order that weavers' co-operative societies may be sufficiently developed to handle the business of the marketing organization it is proposed to continue the employment of one organizer and four supervisors of co-operative societies who had been carrying on the work during the current year under the temporary scheme sanctioned for 1936-37. The annual cost of this staff will amount to Rs. 5,600, as detailed in the enclosed statement of cost.

The cloth will be received in an unfinished condition from the weavers, and to make it marketable finishing is necessary which will be done at the Central Depot with a finishing plant.

The sale organization will be a separate branch, and the work will consist of canvassing and supplying to the branch depots and agents in India and overseas.

The finishing plant owned by Bihar was purchased out of the joint grant for Bihar and Orissa. Orissa cannot get the full benefit of it. Without a plant the independent marketing organization for Orissa will not be complete. The marketing organization depot of Bihar will no longer be responsible for the sale of Orissa goods. Patna being at a great distance, freight payable on goods sent there for finishing and on their return to the Central Depot at Cuttack will be heavy and increase the cost price to an appreciable extent so that the goods will not be able to compete either in the local or in outside markets. The same remarks apply to the necessity for a dyeing plant. Moreover time lost in transit and while waiting for finishing or dyeing at Patna will be a loss from the business point of view. A finishing plant and a dyeing and printing section are therefore essential for the success of the scheme.

In the dyeing section, provision has been made for calico-printing. Orissa produces coarse varieties of handloom cloth and these can sell in competition with other cloths if they are printed in attractive designs. A wholtime printer is therefore necessary to devote attention to this side of industry. A non-recurring provision for Rs. 2,000 has been made for purchase of printing apparatus and blocks and stencils on the Assam model.



1937.]

*Handloom Weaving.*

63

*Grounds for special consideration.*

(1) In the absence of any cotton mill in Orissa this Province gets its supply of cloth from local handloom weavers and cotton mills outside. There is a good deal of scope for the development of the industry.

(2) Orissa has not been much benefitted so far out of the joint grant for Bihar and Orissa.

(3) This Province has no well-equipped weaving institutions, such as other provinces possess, to carry on research for the benefit of the weaver population, as well as for the development of handloom industry.

(4) In spite of inadequate facilities for the improvement of hand-woven fabrics, there are good textiles in Orissa. The Sambalpur weavers in particular can turn out attractive goods ; but they need development and marketing.

(5) The handloom industry in Orissa is confined to backward castes ; the weavers are illiterate and without capital. The majority take yarn on credit from the neighbouring cloth dealer and sell the goods to him getting little more than a day labourer's wages for their skill. If the present system is supplanted by the proposed marketing organization scheme it is expected that the condition of the weaver class in Orissa will improve substantially.

The taste of the people is changing and the rough unfinished goods are fast losing even the local market.

The points mentioned above are for the consideration of the Government of India for a special non-recurring grant of Rs. 27,000 for the purchase of a finishing plant and an Aerograph Printing Set with wooden blocks and stencils for 1937-38, and a recurring grant of Rs. 17,600 in addition to the grant of Rs. 9,400 already allotted to Orissa, every year from 1937-38. The cost of the scheme outlined above has been detailed in the statement below.

The memorandum embodying a draft scheme has been prepared in the hope that the Government of India will, in view of the Province's extreme poverty, allot more to Orissa than would be justified on a strictly population basis.

*Statement of costs.*  
*Recurring.*

## I.—Establishment

## (a) Office of the Central Depot

	Rs.
Business Manager .. .. .	300 per month + $\frac{1}{4}$ per cent. commission on all sales above Rs. 50,000.
Commercial Traveller .. .. .	80 per month + 5 per cent. commission on all sales effected by him.

	Rs.
Textile Designer .. .. .	100 per month.
Accountant .. .. .	50 "
Store-keeper .. .. .	40 "
Clerk and Typist .. .. .	30 "
Two peons .. .. .	20 "
One orderly for Business Manager .. .	10 "
One night watchman .. .. .	10 "
	<hr/> 640 × 12 = Rs. 7,680.
<i>(b) Finishing Section.</i>	
Finishing master .. .. .	100 per month.
Two mistries—one for bleaching and the other for calendering and finishing	60 "
Engine-driver .. .. .	30 "
	<hr/> 190 × 12 = Rs. 2,280.
<i>(c) Dyeing and Printing Section.</i>	
Dyeing Expert .. .. .	75 per month.
One Calico-printing Expert .. .. .	60 "
Two mistries for dyeing and printing .. .	50 "
One mate .. .. .	15 "
	<hr/> 200 × 12 = Rs. 2,400.
<i>(d) Office of the Director of Industries.</i>	
One typist .. .. .	35 per month.
	<hr/> 35 × 12 = Rs. 420.
	<hr/> <b>Rs. 12,780</b>
<b>II.—Travelling allowance</b>	
Travelling allowance of the Business Manager .. .. .	500
Travelling allowance of the Commercial Traveller .. .. .	500
	<hr/> 1,000
<b>III.—Contingencies.</b>	
Rent and taxes .. .. .	1,500
Labour charges, fuel, stores and con- tingencies of Finishing Department	1,500
Chemicals and colours of the Dyeing and Printing Section .. .. .	1,100
Miscellaneous contingencies of the above	500
Office contingencies of the Central Depot including packing, hot and cold weather charges etc. .. .. .	500
	<hr/> 5,100

1937.]

*Handloom Weaving.*

65

	Rs.
IV.—Subsidies to branch depots for shop rent and furniture 15×6×12	1,080
V.—Grant to Co-operative Department for organizing and supervising weavers' societies	
One organizer at Rs. 100 per month ..	1,20
One orderly for the organizer at Rs. 10 per month .. .. .	120
Four Supervisors at Rs. 60 a month 4×60×12 .. .. .	2,880
Travelling allowance of the organizer and his peon .. .. .	600
Travelling allowance of Supervisors 4×10×12 .. .. .	480
Contingencies .. .. .	320
	5,600
VI.—Advertisement, propaganda and participation in exhibitions and fairs .. .. .	1,440
Total ..	27,000

*Non-recurring.*

(1) Finishing Plant .. ..	25,000
(2) Aerograph Printing Set .. ..	1,500
(3) Wooden blocks and stencils .. ..	500
(4) Furniture and fittings .. ..	3,000
	30,000

The cost of furniture and fittings are, however, expected to be met out of the savings from the current year's grant : so the net non-recurring expenditure is Rs. 27,000.

**Delhi.**

Delhi being a Centrally Administered Area has no provincial revenue of its own, and is dependant on the grant received from the Government of India. In view of the necessary funds having not been provided to give effect to the original proposals or the expansion of the limited scheme of work there was no alternative but to curtail activities to keep the expenditure within the limits of the sanctioned grant which is about one-third of that asked for by this Department.

2. In view of the special circumstances obtaining in Delhi, an altogether new scheme on the basis of the modified proposals for the organization and development of the handloom and textile industries generally was put into operation in the form of the establishment of the Government Cottage Industries Institute.

3. With the extension of the 2nd year class as well as addition to the curriculum of studies, larger accommodation has been provided for in a suitable central locality. The house in which the Institute was initially established was too small for corresponding expansion in hostel, class and other accommodation required for the purpose. In view of the considerable demand for admission in the Institute even this accommodation is inadequate and the number of students under training had to be limited to a capacity figure. Out of 344 applicants only 20 could be admitted and more than 300 had to be refused admission.

4. The Institute now has 20 students on roll in the 1st year and 19 in the 2nd year. In addition to the holding of regular classes, casual training has been provided to 47 candidates some of whom were already engaged in different sections of the industry. A dozen casual students have already set up small industries of their own. Three are engaged in weaving, four in dyeing and calico-printing, two in washing, dyeing and dry cleaning and three in the manufacture of tapes and durries.

5. With a view to partially meeting the immediate public demand for improved training in different directions of the textile industry, additional equipments were provided for with the appointment of a demonstrator in the printing section.

6. Industrial training is the back-bone of cottage industries and during the period of the establishment of the Institute considerable progress was made towards promoting technical training. The Institute which is the pioneer institution of its kind in Delhi has in it the potentialities of great utility and real service to the province as a centre for industrial training. The Institute imparts free training in spinning, weaving, including tapes and durries, gota making, manufacture of borders and carpets, dyeing and calico-printing and dry cleaning and washing.

7. The Government Cottage Industries Institute participated in the All-India Industrial Exhibition held at Delhi ; the Delhi Province Rural Exhibition and the Silver Jubilee Exhibitions which were organized by this Department and gave practical extensive demonstrations in calico-printing by different methods carding and spinning, blanket weaving, newar making, warping, winding and reeling, towel and bath mats manufacture, durrie-weaving, gota making and manufacture of saree borders on improved types of semi-automatic hand-operated and inexpensive looms and appliances. The indigenous handloom products were also on display. Three silver medals, three bronze medals, three cash prizes and one certificate of merit were won by the students of the Institute at the competitions held in the handloom section of the All-India Industrial Exhibition, Delhi.

1937.]

*Handloom Weaving.*

67

8. The Institute has organized a small show room in which the products of the students are on display. It was intended to maintain a representative collection of indigenous products for display with a view to promoting the local industrial enterprises and to establishing commercial contact between producers and consumers with the object of developing the handloom and textile industries in the province but the prescribed limit of grant and the lack of accommodation have prevented the offer of such facilities to this pioneer movement in this province. The students are also taught elementary lessons in salesmanship to enable them to dispose of their products without the help of the middlemen. The staff of the Institute with the help of the office of the Superintendent of Industries have continued to provide technical advice and assistance and commercial intelligence to industrial and manufacturing interests in matters relating to the availability of raw materials, markets for finished products, suitability of machinery and appliances, evolution of popular and attractive designs, processes of manufacture, etc.

9. The organization of a peripatetic demonstration party for the development of the handloom and allied industries was not possible in the absence of the provision of necessary funds by the Government of India. Periodic demonstrations were, however, given by the Institute, and the products of its students have received a wide appreciation. In order to encourage students under training, a rebate is allowed to them on their manufactures. With a view to acquiring actual works experience under commercial conditions by the students, and to supplementing the instruction imparted at the Institute by practical training in commercial operations, the necessary facilities have been secured for such training with the co-operation of industrial establishments equipped with modern machinery and appliances.

10. The Institute has established a close contact with the local interests who have been given the fullest co-operation in matters affecting them. It is felt that in the coming year the demand for training may be much greater and if adequate funds are not provided many more applicants may have to suffer disappointment.

**Discussion.***Monday, December 7th, 1936.*

The Chairman observed that the Conference were no longer concerned with the manner in which the grant should be allocated, and there was practically no money unallocated apart from the reserve. There were, however, three special claims to be considered; one from Orissa and two from Bihar.

Mr. Dhar (Bihar) called attention to the fact that some provinces had not spent their allotments and consequently had funds in hand while his province, owing partly to the separation of Orissa, was in some difficulties. He asked if it would not be possible to take this into account in considering the grants for next year.

The Chairman said that there was no question of altering the allocation. But representatives might indicate how they were getting on with their schemes and the reason for delay.

Mr. Green (Madras) explained the difficulties which had been experienced in developing the work of the Madras Central Provincial Co-operative Society. In February 1936, the Local Government considered it desirable to transfer the administrative control of the grant-in-aid to the handloom industry, and of the Madras Handloom Weavers' Provincial Co-operative Society, Ltd., in relation to it, from the Department of Industries to the Co-operative Department. Progress in the development of the co-operative organization had not been so rapid as was anticipated owing mainly to the lack of working capital. Rs. 30,000 had been recently sanctioned by the Government of India for this purpose, and this would be of great assistance to the Provincial Society in enabling it to meet the financial requirements of the affiliated societies. Difficulties had been experienced in connection with marketing, and experience went to show that if certain classes of hand-woven cloth were to compete with mill-made cloth and sales effected in bulk, the cloths would have to be finished and calendered. A scheme had been drawn up for the setting up of a power-driven finishing and calendering plant, and this was awaiting the sanction of the Local Government. Mr. Green referred to the finance of the scheme and stated that after allowing for the provision of Rs. 30,000 for working capital, and providing for the setting up of a finishing and calendering plant, the balance at the end of the year would be comparatively small, and could be utilized to advantage.

Mr. Advani (Bombay) gave particulars of the working of the scheme and said that Bombay had spent practically all it had received. Out of Rs. 96,000 allotted to the Presidency, about Rs. 85,000 had been allocated and the balance would probably be spent by the close of the year. There had been some delay in Sind owing to separation but they had now appointed an Assistant Director of Industries who will push on with the scheme. Both Bombay and Sind would need all the money they had and could spend more.

Mr. Weston (Bengal) said that his position was similar. If there was to be a competition in spending, they could do that easily, but that was undesirable. The Co-operative Department had been facing difficulties which had led to some delay, but these were being overcome. The Government of India had recently agreed that money

1937.]

*Handloom Weaving.*

69

received under the five years' scheme would all be drawn by the 31st March 1940, but the plans for Bengal required that expenditure be allowed to continue up to 31st March 1941, and he was instructed by the Government of Bengal to press for this quite reasonable concession as there would be considerable difficulty unless the time were further extended. He anticipated that by the end of the year there would be a balance in Bengal of Rs. 1,16,000.

Khan Bahadur Arshad Ali (Bengal) explained that the expert staff of the Co-operative Department required for this scheme would cost Rs. 40,000 a year for three years. A further sum was required for non-recurring subsidies, and further claims would have to be met which would require all that was available. But it would not be possible to spend all the money by 31st March 1940.

The Hon'ble Sir Jwala Prasad Srivastava (United Provinces) said that he was relieved that there was no question of altering the method of allocation of the grant. They were making progress but did not wish to enter into a competition in expenditure. The reasons why the United Provinces Government had not been able to spend the money fully had been set out in their memorandum. They were spending as fast as was consistent with getting the full benefit for the industry, which was more important than the Bihar industry. The main item on which expenditure had not been as anticipated was on finishing and calendering plant; they had had to revise their proposals, and have four centres instead of one. The United Provinces Government were spending also substantial sums from their own budget.

The Hon'ble Dr. Sir Gokul Chand Narang (Punjab) gave particulars of the expenditure in the Punjab and observed that they had no substantial balance unspent. Hardly any other province could show better results. He stated that the marketing arrangements had improved immensely since the middle of 1935 when an Expert had been appointed. A well-known firm in the Punjab who were doing the finishing work had written to say that they were fully satisfied with the work done at the Hoshiarpur weaving centre. The weavers were already getting better wages owing to the improvement in quality.

The Chairman said that the Conference would be glad to hear from Mr. Dhar why the separation of Orissa from Bihar, unlike that of Sind from Bombay, should be made the basis of extra demands from both Bihar and Orissa.

Mr. Dhar (Bihar) said that he did not want that the basis of allocation should be altered. What he felt was that as some provinces did not actually need all the money they would be getting to enable them to proceed with their schemes next year, it might

L172DIL

be possible to give more to Bihar. They had a marketing organization which could not be cut down because Orissa was separated, and their finishing plant could not be divided. It could be used by Orissa, but he was not sure that Orissa wanted to do so. No reduction was possible either in the pay of the staff already appointed as a result of separation. If absolutely compelled, he would have to cut out some of the demonstration parties, but that would be a retrograde step which would considerably diminish the utility of the Bihar scheme. They had been able to carry on during this year only because a sum of about Rs. 10,000 had been brought forward from the previous year. They had already cut out a demonstration party and the weaving supervisors for Orissa.

Mr. Bhalja (Central Provinces) said that he had little to add to the printed memorandum from the Central Provinces. They had spent practically the whole of the grant which was so small that no question of not spending it could arise. Some modifications of their original scheme were found to be necessary in the light of the experience gained but on the whole they had made fair progress.

Mr. Mehta (Assam) said that if the scheme as originally formulated was equitable as between Bihar and Orissa, there should have been no need for a further grant. In Assam they would have very little left to carry over to next year and he was certain that the whole amount would be spent by March 1940.

Mr. Mozumdar (Orissa) said that Orissa had no separate organization of its own at present. But from next year they required a separate marketing organization. There were 35,000 looms in the older part of Orissa and 12,000 in the part transferred from Madras. It was not practicable to send goods from Orissa to Patna to be finished and they required a finishing plant of their own.

The Chairman observed that Orissa wanted a finishing plant on a very expensive scale. The North-West Frontier Province had asked for a less expensive plant.

Mr. Mozumdar stated that the scheme was based on the opinion of the Textile Expert for Bihar.

Mr. Rao (Bihar) explained that the Rs. 25,000 included the cost of a boiler. It was not possible to have a calendering machine of less than five bowls and the cost for that would be about £1,000.

The Hon'ble Sir Jwala Prasad Srivastava (United Provinces) confirmed the view that a calendering machine would cost that sum but said that investment in such a plant could only be justified where the output of goods was very large. The United Provinces proposed to do without a calendering machine and the cost would then be



1937.]

*Handloom Weaving.*

71

reduced to Rs. 10,000 to Rs. 15,000 for a finishing plant. He did not think there would be sufficient scope for a calendering machine in Orissa.

Mr. Bhalja (Central Provinces) observed that all provinces had not got finishing plants. The Central Provinces had none.

Mr. Advani (Bombay) pointed out that a case could also be made out for a finishing plant for Sind.

Mr. Mehta (Assam) said that the provinces were supposed to get certain amounts on the basis of definite criteria. The yarn consumption of Bihar and Orissa had not been increased by the separation of Orissa. In Assam, they had not been able to afford a finishing plant because the allotment Assam received on the basis of yarn consumption was very small.

The Chairman remarked that it was clear that if a finishing plant was agreed to in the case of Orissa, similar claims from the Central Provinces and Assam and possibly Sind should have to be met. These provinces should adopt the suggestion of Sir Jwala Prasad Srivastava and see whether some less expensive finishing plant could not be usefully employed. In respect of recurring expenditure there would be Rs. 20,000 more owing to the dropping out of Burma from the scheme and the Government of India were prepared to allow this amount to go to other provinces. He suggested that Rs. 5,000 might be given to Bihar, Orissa, and Sind and the remainder added to the reserve of the Government of India.

He added that he could not hold out much hope at present of getting an extension of the time for expenditure beyond March, 1940.

Rai Bahadur Lala Ram Lal (Punjab) said that the North-West Frontier Province were paying a portion of the cost of their calendering plant and suggested something more might be given to them.

After some discussion it was agreed, on the proposal of the Chairman that from the money set free by the separation of Burma, five grants of Rs. 4,000 each should be made to Bihar, the Central Provinces, Assam, Sind and Orissa. A non-recurring grant of Rs. 5,000 might be made to the North-West Frontier Province out of the reserve in the hands of the Government of India.

The Chairman said that he noticed a complaint from the United Provinces of lack of designers. Some other provinces should be able to supply the deficiency. He asked the Conference to think over the question of how training could be given in designing in India. Mr. Brodie might also investigate the question of cheap finishing machines.

**INTRODUCTION OF HAND-WEAVING INDUSTRY AMONG  
THE WOMEN WORKERS OF THE JHARIA COAL FIELDS.****MEMORANDUM.****Bihar.**

*Object of the scheme and the organization proposed.*—As a result of the recent legislation, a large number of women workers will be excluded from underground work in the Jharia coal fields. The question of finding work for these women withdrawn from the coal mines deserves serious consideration. Hand-weaving has excellent possibilities of absorbing some of those affected by giving them an independent source of livelihood. Women trained in handloom work can easily manufacture the coarse cloth consumed by the miners. There is also a great demand for baskets in the coal mines which are at present largely imported from outside and which the women can produce with the necessary technical training. It is, therefore, proposed to establish three institutions to teach these industries to about fifty women at a time in each of them and also a central warehouse and office under the charge of a Superintendent. The Superintendent, who will be responsible for the entire organization, will purchase raw materials and stores required and also try to secure markets for the products of these women workers when they leave the institutions. The three training institutions will be located at Jharia, Kustore and Sijua, which are important centres, and the central warehouse and office of the Superintendent will be situated at Jharia.

*Management.*—The organization will be under the control of the Department of Industries, Bihar, and managed by a Board of Management with the Additional Deputy Commissioner of Dhanbad as Chairman and the Superintendent of the organization as Secretary. The members of the Board will be nominated by the Local Government in consultation with the Director of Industries and the Additional Deputy Commissioner and they will remain in office for a period of three years.

*Staff and other details.*—Each of the training institutions will have a teaching staff consisting of a weaving mistress, two mistries and one basketry instructor, besides two durwans and two female servants. The weaving mistress will be a passed student of the Serampore Weaving Institute in Bengal or some other similar institution of standing and will have practical experience of teaching weaving. The weaving mistries and the basketry instructor will be practical men of the professional class. Provision is made

1937.]

*Handloom Weaving.*

273

for the appointment of two female servants, as the children accompanying the women under training will have to be looked after when their mothers are at work.

While these schools are expected to dispose of their manufactured goods locally, they will have to depend on the Superintendent of the central warehouse for economical purchase of raw materials and profitable marketing of the unsold stock of finished goods. The Superintendent will be a technically qualified man having some experience of business in cloth. For marketing the products and for maintaining the accounts of the entire organization, he will have a staff consisting of a salesman and store-keeper, an accountant and a typist-clerk.

Each of the women will be paid wages at four annas a day during the period of training and 25 per cent. of the same will be retained as deposit in her favour for the purpose of purchasing loom, yarn, etc., which she will require for setting up her business when she leaves the institution after training.

*Cost.*—The detailed cost of the organization is shown below :—

*Recurring.*

	Rs.
One Superintendent on Rs. 200 per month .. .. .	2 400
One salesman and store-keeper on Rs. 60 per month .. .. .	720
One accountant on Rs. 60 per month .. .. .	720
One typist-clerk on Rs. 40 per month .. .. .	480
Two durwans on Rs. 10 per month each .. .. .	240
Three weaving mistresses on Rs. 60 per month each .. .. .	1,800
Six weaving mistries on Rs. 20 per month each .. .. .	1,440
Three basket instructors on Rs. 20 per month each .. .. .	720
Six durwans on Rs. 10 per month each .. .. .	720
Six female servants on Rs. 8 per month each .. .. .	576
Stipends or wages for 150 women at Rs. 6 per month each .. .. .	10,800
Rent of warehouse and central office at Rs. 40 per month .. .. .	480
Rent of three school buildings at Rs. 50 per month each .. .. .	1,800
Contingencies at Rs. 50 per month .. .. .	600
Travelling allowance for Superintendent and salesman .. .. .	200
Purchase of raw materials .. .. .	10,000
Total .. .. .	33,696
	or
	33,700

*Non-recurring.*

	Rs.
<b>(a) Equipment of Schools</b>	
60 fly-shuttle looms at Rs. 30 each (20 for each School)= Rs. 1,800 .. .. .	} 2,400
12 warping sets at Rs. 10 each =Rs. 120 .. .. .	
36 charkhas at Rs. 5 each =Rs. 180 .. .. .	
Furniture, racks and miscellaneous appliances =Rs. 300 .. .. .	
<b>(b) Superintendent's office and warehouse</b>	
Furniture and racks for stores =Rs. 200 .. .. .	} 600
One iron safe =Rs. 50 .. .. .	
One typewriter =Rs. 350 .. .. .	
<b>Total ..</b>	<b>3,000</b>

*Receipts from the sale of goods and grant required from the Government of India.*—The total value of the output of these schools is estimated at Rs. 15,400 per annum. This is based on the presumption that it will be possible to get back from the sale of the finished goods the entire cost of the raw materials used and at least half the amount paid to the women workers as stipends or wages. Thus against a gross expenditure of Rs. 33,700, the net cost of the entire organization is estimated at about Rs. 18,000 per year. In the first year of the working of the scheme, the receipts from the sale of cloth and baskets will not be proportionate to the expenditure as a part of the money spent on the purchase of raw materials will be locked up in the form of stock in trade. The receipts for the first year are, therefore, expected to be not more than Rs. 5,000.

The grant from the Government of India for the first year should, therefore, be to the extent of the gross recurring expenditure of Rs. 33,700, in addition to the non-recurring expenditure of Rs. 3,000, and the same for the subsequent years can be reduced by the amount of the unspent balance and the receipts on account of the sale proceeds of the previous year.

1937.]

*Handloom Weaving.*

75

*Assistance to women workers after the training.*—One of the important duties of the Superintendent and the staff will be to assist the women trained in the institutes in setting up the industries in their cottages, in obtaining raw materials and in marketing the goods manufactured by them. When that stage is reached, the grant for the purchase of raw materials will have to be increased from year to year as the number of trained women seeking assistance increases. Such expenditure will, however, be recouped by the sale of raw materials to the women workers.

#### Discussion.

*Monday, December 7th, 1936.*

The Chairman observed that it was an expensive scheme and that in any case basket making could not be included.

The Hon'ble Sir Jwala Prasad Srivastava (United Provinces) considered that the scheme did not appear to come within the scope of the handloom grants. What was proposed was to teach handloom weaving to women who had been employed in the profession of mining. This was not really a scheme to benefit the handloom industry.

Mr. Bhalja (Central Provinces) entirely agreed with the Hon'ble Sir Jwala Prasad Srivastava and added that aid was proposed to be given to people whose traditional profession was not weaving.

Mr. Dhar (Bihar) pointed out that there was a substantial weaving industry in Bihar and that it was not entirely unknown among the women affected. Private persons had made some attempt to introduce it among women miners. He saw no objection to the use of the handloom grant to increase the number of handloom weavers.

Mr. Weston (Bengal) claimed that if Bihar got anything something should be also given to Bengal where women were also being excluded from mines.

Mr. Mehta (Assam) said that he was opposed to a grant for this scheme.

The Chairman said that although the Government of India had encouraged the Bihar Government to put forward a proposal of this nature, he recognised the force of the objections raised.

The conclusion of the Conference was that the scheme should not be proceeded with.

### III.—STANDARDIZATION OF WEIGHTS AND MEASURES THROUGHOUT INDIA.

#### MEMORANDUM.

#### Bombay.

Prior to the enforcement of the Bombay Weights and Measures Act from August 1935, there was considerable complexity and confusion in the systems of weights and measures which were employed in the Bombay Presidency. The weight of a seer varied not only from district to district but even in the same district and so also the weight of a maund. In the City of Bombay there used to be eleven different kinds of maunds, besides twelve different kinds of *khandis*. It is, therefore, easy to realize that confusion must have existed by the employment of different weights and measures with similar names. The main object of the standardization of weights and measures was to remove this confusion and thus promote trade on the basis of fixed standard weights and measures.

Furthermore, it was reported to be the practice in some districts that traders and money-lenders maintained two sets of weights and measures. One set of rather larger capacity or weight was used by them when they bought agricultural produce or received rent in kind from cultivators, and the other set of smaller capacity or weight was used by them to sell the products back to the agriculturists for food or seed grains.

The Bombay Government felt that the only way open to them to end this complexity and confusion in buying and selling in the Presidency and also the deception perpetrated on the poor and ignorant agriculturists was to standardize weights and measures in the whole Presidency.

The Government, accordingly, appointed a Committee to consider this question and after careful consideration of the report of the Committee, a Bill was introduced in the Bombay Legislative Council which was passed into law as the Bombay Weights and Measures Act in October 1932. The Act was enforced in a few selected districts from 1st August 1935 and was extended over the whole Presidency on 1st March 1936.

The weights and measures laid down in the Act are given in Appendix I. Experience has shown that trade operations will be facilitated if some more weights and measures are also recognized under section 4 of the Act. Appendix II gives the additional units proposed to be recognized shortly.

3. It will be generally correct to say that the confusion which obtained in the Bombay Presidency in connection with the multiplicity of weights and measures in use prior to the enforcement of the Bombay Weights and Measures Act, at present obtains in at least some of the Provinces and States of India. It will facilitate greatly the internal trade of the various provinces, inter-provincial and foreign trade of India if weights and measures were standardized throughout the country. The preparation of reliable and accurate statistics of agricultural and industrial production, their value and similar other matters, which are so very important in the national economy of the country, will only be possible if weights and measures are so standardized. In this connection it is not only necessary that each province of India should standardize weights and measures within its borders but that all should standardize as far as possible the same weights and measures, so that throughout the country commercial transactions are undertaken on the basis of common weights and measures.

It will be noted from the Appendix I that the seer and maund adopted in the Bombay Weights and Measures Act are the same as those which are at present in use by the Railways all over India. The Bombay Act also recognizes the pound avoirdupois weights. This means that the weights recognized under the Bombay Act are those which have the largest measure of acceptance throughout the country. The Government of Bombay, as mentioned previously, have enforced the Act throughout the Presidency and so far no unusual difficulty has been experienced in the administration of the Act either by the officers responsible for it or by the trading public. It is, therefore, strongly recommended that the various provinces may standardize weights and measures and for this purpose adopt the same weights and measures which are recognised under the Bombay Weights and Measures Act.

4. It is not improbable that some of the Governments may be deterred from taking the necessary steps in the above direction on account of financial considerations. It may be mentioned that this matter was also considered by the Government of Bombay and they ultimately decided to charge fees for verification and stamping of weights and measures of the trading public at the rate of three annas to nine annas per unit of weight, etc. All trading establishments have to have their weights and measures and scales verified and stamped on payment of fees once in two years and all industrial establishments have to do the same once a year. Under this arrangement the enforcement of the Act has been found to be completely self-supporting both in the matter of recurring and non-recurring expenditure. Same procedure, if considered necessary, may be adopted in other provinces.

5. It is suggested that this Conference may recommend to the Government of India that they may be pleased to bring to the notice of the various Provincial and State Governments the desirability of standardization of weights and measures throughout the country and further recommend that in any legislation which may be passed, weights and measures recognized under the Bombay Weights and Measures Act of 1932 should be adopted.

### APPENDIX I.

#### *Weights and measures laid down in the Bombay Weights and Measures Act, 1932.*

##### Weights—

The Bombay tola of 180 grains.

The Bombay seer of 80 tolas.

The Bombay maund of 40 seers.

The sub-multiples  $\frac{1}{2}$ ,  $\frac{1}{4}$ ,  $\frac{1}{8}$ ,  $\frac{1}{16}$  and  $\frac{1}{32}$  and the multiples 2, 4 and 8 of the tola, seer and maund.

The pound avoirdupois equal to 7,000 grains and the sub-multiples  $\frac{1}{8}$ ,  $\frac{1}{4}$ ,  $\frac{1}{2}$ , 1, 2, 4 and 8 ounces, the multiples 1, 2, 4, 7, 14, 28 lbs. (a quarter), 56 lbs., 112 lbs. (1 cwt.) and 2,240 lbs. (1 ton).

The grain is that unit of weight in vacuo which when multiplied by 1799·84585 is the weight of the iridio-platinum cylinder in the custody of the Mint Master, Bombay, the value of which is certified by the Standard Department of the British Board of Trade as 1799·84585 grains in vacuo.

*Explanation 1.*—The equivalent value of the above-mentioned iridio-platinum cylinder when weighed in Standard Indian Air against brass weights having a specific gravity of 8·143 is 1800·00394 grains, i.e., a brass weight whose value in vacuo is 1800·00394 grains will exactly equilibrate the above-mentioned iridio-platinum cylinder in Standard Indian Air.

*Explanation 2.*—Since the Bombay tola equals 180 grains in vacuo, its absolute value is equivalent to 10000356 of the absolute value of the above-mentioned iridio-platinum cylinder. But in practice, all verifications against the above-mentioned iridio-platinum cylinder are carried out by weighments in air, and therefore the value 1800·00394 grains is always used for verifying weights.

*Explanation 3.*—Standard Indian Air is defined as follows :—

Temperature : 85 deg. Fahr.—29·44 deg. Cent. Pressure : A column of mercury at 0 deg. C., 29·8 inches or 756·919 mm. in height. Carbon dioxide gas : 0·0006 of the volume of air. Vapour tension : 0·75 inches = 19·05 mm. Latitude at Calcutta 22° 35' 6·6". Height above M. S. L. = 22·6 feet. 1 litre of Standard Indian Air at Calcutta weighs 1·14917 grm.



1937.]

*Weights and Measures.*

79

## Dry measures—

The Bombay seer.

The sub-multiples  $1/2$ ,  $1/4$  and  $1/8$  seer.The Bombay chatak =  $1/16$  seer.The Adpao =  $1/8$  seer.

The Adholi = 2 seers.

The Bombay payali of 4 seers.

The Bombay maund of 16 payalis.

The Bombay map of 2 maunds.

## Liquid measure—

The Bombay seer.

The sub-multiples  $1/2$ ,  $1/4$ ,  $1/8$  and  $1/16$  seer.

The multiples 2, 4 and 8 seers.

The Imperial gallon.

The Pint =  $1/8$  gallon.

## Dry and Liquid measures—Explanations—

*Explanation 1.*—The unit of capacity called the Bombay seer is equivalent to the volume occupied by 80 tolas of air-free distilled water weighed in Standard Indian Air against brass weights having a specific gravity of 8.143.

*Explanation 2.*—The unit of capacity called the Imperial gallon contains ten British Standard pounds of water at 62°F. being in volume 277.274 cub. in., which contains each 252.724 grains of water in a vacuum at 62° or 252.458 grains of water weighed with the brass weights in air of 62° with the barometer at 30 in.

## Length—

## The Yard—

The inch =  $1/36$ th yard, andThe foot =  $1/3$ rd yard.

The furlong of 220 yards.

The mile of 1,760 yards.

The yard is that unit of length which is exactly equal to the certified yard kept in the custody of the Mint Master, Bombay.

## Area and volume—

The square yard, square foot and square inch.

The cubic yard, cubic foot and cubic inch and sub-multiples of a cubic inch.

The anna of  $1/16$ th of the guntha.

The guntha of 121 square yards and the acre of 4,840 square yards for land measurement.

The square of 100 square feet.

The brass of 100 cubic feet.

## APPENDIX II.

- (a) *Additional multiples and sub-multiples of weights and measures laid down in the Bombay Weights and Measures Act, 1932, (Appendix I), and other weights and measures and multiples and sub-multiples thereof to be standard weights and measures generally.*

## Weights—

The dram equal to 1/16th part of an ounce or 1/256 part of a lb.

Sub-multiples 1/8, 1/4, 1/2 and multiples 2, 4 and 8 drams.

The grain and sub-multiples .01, .02, .03, .05, .1, .2, .3, .5 and multiples 2, 3, 5, 10, 20, 30, 50 and 100 grains.

## Dry measures—

Sub-multiple 1/32 seer.

Sub-multiples 1/8, 1/4, 1/2, 3/4 of Bombay maund.

## Liquid measures—

Sub-multiple 1/32 seer.

Sub-multiples 1/8, 1/4, 1/2 and multiples 2, 4, 8, 20, 40, 50, 100 and 200 of Imperial gallon.

The gill = 1/4 pint.

Sub-multiples 1/8, 1/4, 1/2 and multiples 2, 4, 8 of pint and gill.

## Length—

Sub-multiple 1/2 of the yard.

Multiples 2, 3, 4, 5, 6, 7, 8, 9, 10, 20, 25, 33, 50, 66, 100 of the foot.

Multiples 6, 18, 30, 42, 56, 66 and 100 and all sub-multiples of the inch.

## Area and Volume—

Sub-multiples 1/2 and 1/4 of brass.

- (b) *Weights and measures in addition to those laid down in the Bombay Weights and Measures Act, 1932, (Appendix I) and those mentioned in (a) above, to be standard weights and measures for use in the trades mentioned against them.*

- (i) for gold, silver and precious stones trade :—

The bullion tola of 160 grains.

Rati = 1/64 tola.

Multiples 2, 3, 5, 10, 20, 30, 50, 100, 200, 300, 500, 1,000 and 2,000 of tola.

The sub-multiples 1/64, 1/32, 1/16, 1/8, 1/4 and 1/2 of tola and rati.

- (ii) for Liquor and Drug trade—

The liquor dram = 1/48 of Imperial gallon.

The peg = 2 fl. oz. or 1/80 Imperial gallon.

Sub-multiple 1/2 peg.

- (iii) for Apothecaries trade—

1937.]

*Weights and Measures.*

81

**Weight, (Apothecaries)—**

Apothecaries ounce equal to 8 drachm of 480 grains.

Apothecaries drachm equal to 60 grains.

Sub-multiples  $\frac{1}{16}$ ,  $\frac{1}{8}$ ,  $\frac{1}{4}$ ,  $\frac{1}{2}$  and multiples 2, 4, 6, 8 and 10 of apothecaries oz.

The scruple equal to  $\frac{1}{3}$  drachm or 20 grains.

Sub-multiple  $\frac{1}{2}$  and multiple 2 of scruple.

NOTE.—Apothecaries weights from 10 oz. to 1 oz. should be marked "Apoth".

**Liquid Measures (Apothecaries)—**

Fluid oz. =  $\frac{1}{160}$  of Imperial gallon.

Fluid drachm =  $\frac{1}{8}$  fluid oz.

Minim =  $\frac{1}{60}$  fluid oz.

All measures of capacity of 40 fluid ounces down to half a fluid ounce.

All measures of capacity of 16 fluid drachm down to half a fluid drachm.

All measures of capacity of 60 minims down to 1 minim.

*Explanation.*—One fluid ounce contains 437.5 grains of weight of distilled water at 62° Fahr.

**Discussion.**

*Monday, December 7th, 1936.*

The Chairman said that this was a matter that had received prolonged consideration. There had been a Weights and Measures Committee in 1913-14. In 1922, the Government of India in their Resolution on the report of the Committee decided not to undertake legislation prescribing All-India standards but said they had no objection to Local Governments taking legislative action for provincial standardization should they consider it necessary to do so. In 1927, the Government of India decided not to take any action on the recommendation of the Royal Commission on Agriculture regarding the standardization of weights and measures, as enquiries showed that more substantial progress had been made by Local Governments in the matter than had been reported to the Royal Commission.

Some Local Governments had undertaken legislation in this respect while most others had taken executive action for the standardization of weights and measures on the basis of the Railway system.

Under the new Constitution, the Provincial Governments would be competent to undertake legislation regarding weights and measures; the Central Government would be responsible only for the establishment of standards of weight. The Government of India therefore felt that there was no need at present to reconsider the question of the standardization of weights and measures on an All-India basis.

Mr. Advani (Bombay) referred to the abuses formerly prevalent and explained the scope of the action taken in Bombay. The levy of fees ranging from three to nine annas for inspecting weights had overcome the financial difficulty of maintaining an inspectorate. The Act was self-supporting and had stopped the confusion in the Presidency, although there was still confusion between provinces. The scheme had been in operation for two years. The Central Government could under the Government of India Act, 1935, adopt legislation fixing standards while it was for the Local Governments to pass laws for enforcing them. They had about seventy inspectors at work and very little coercive action had had to be taken.

Mr. Tasker (Hyderabad) said that the Bombay Government's proposal would involve anticipating the laying down of standards of weight by the Federal Government under item 51 of the Federal Legislative List, and that until that was done it was hardly worth while for States or Provinces to proceed with the matter.

Mr. Advani (Bombay) said that Bombay had received enquiries from other provinces who appeared to be considering legislation. This and the provisions of the new Government of India Act made it desirable to secure uniform standards.

Mr. Madhava Rau (Mysore) said that apart from Federation, there was need for co-ordination. Mysore had legislation, but he was not sure that the Railway maund adopted by Bombay was suited to Mysore. They had no objection to examining the question.

Dr. Pagar (Baroda) said that in Baroda they had had standardization for some time but had been handicapped by the lack of it in Bombay. They were glad that Bombay had taken action. Their standard was not the same as that of Bombay. They felt that inter-provincial co-ordination was essential.

Lala Ramji Das Vaishya (Gwalior) said that Gwalior had successfully standardized weights and measures according to the Railway system.

Mr. Rahalkar (Indore) explained that in 1913 weights only were standardized on the basis of the Bengal maund. There were

1937.]

*Weights and Measures.*

83

no standards of cubical measure and legislation on this subject was under consideration.

Mr. Kumara Das (Travancore) said that there was considerable confusion in the State as different weights were used for different materials and different measures in different parts of the State. Some standardization appeared to be essential.

Mr. Green (Madras) said that the Government of Madras decided not to proceed with the question of weights and measures in 1921, in view of the disturbed political conditions then prevailing. In 1935, a private Bill was proposed to be introduced for the standardization of weights and measures in the Presidency, but as it was not a comprehensive measure and as it appeared likely to involve the Provincial Government in expenditure, the extent of which could not be anticipated, permission to introduce the Bill was refused. The Madras Government had recently decided to defer consideration of the question of standardizing weights and measures until after the inauguration of the new constitution.

Mr. Weston (Bengal) heartily supported the proposal. In the jute industry, the lack of standardization meant hardship to the cultivator. A member had proposed the kilogramme as the standard in a private Bill which had been rejected, but Government had promised to take up the question.

The Hon'ble Sir Jwala Prasad Srivastava (United Provinces) stated that a local committee in the United Provinces had many years ago recommended standardization. Instructions had been issued in 1922 which had resulted inaction by sixty-four out of eighty-five Municipal Boards adopting the maund of 40 seers. In 1932, Government had drafted a Bill for the enforcement of standard weights which was circulated for opinion, but, after considering the opinions on it, Government decided to leave the matter over till the introduction of the new constitution. He was in entire agreement with the Bombay view regarding weights. The small ryots were being cheated out of the statutory price for sugar. Nothing has been done as regards measures and the standardization of measures was not so important.

The Hon'ble Dr. Sir Gokul Chand Narang (Punjab) said that there could be no two opinions regarding the utility of the proposed measure. In the Punjab, the question was only recently referred to the Board of Economic Enquiry who had published a booklet on the subject after an inquiry involving the examination of more than thirteen thousand weights. The conclusion was that there was considerable confusion. A Conference under the Presidency of Mr. Darling, Financial Commissioner, suggested experiments in six colony areas before legislation was undertaken. Inquiries in the matter were being made from district officers and other provinces.

Mr. Dhar (Bihar) agreed that standardization was desirable but he was not in a position to say whether the Bombay standards were suitable for Bihar. The Bengal maund might be adopted with suitable variations.

Mr. Bhalja (Central Provinces) said that the Central Provinces Government attached the greatest importance to the standardization of both weights and measures, as grain was measured more by measure than weight. They had an Act of 1928 laying down the seer and *payali* but it had not been possible to enforce it. They had been in correspondence with Bombay over a working arrangement for checking measures. The Central Provinces Government would be quite willing to co-operate in standardization if the Central Government would maintain primary measures against which other measures could be checked.

Mr. Mehta (Assam) said that the Government of Assam would be willing to adopt the Railway seer of 80 tolas but financial implication involved was a serious matter for consideration of his Government. He did not agree with the recommendation of the Bombay Government that all weights and measures recognized under the Bombay Act should be adopted. Thus, for example, the Bombay "payali" would not be understood in Assam. Fundamental units alone need be adopted against which the local weights and measures can be standardized. The Weights and Measures Committee of 1913-14 also made a similar recommendation and observed that, it was not necessary to insist on the multiples and sub-multiples of fundamental units alone.

Mr. Mozumdar (Orissa) stated that the Orissa Government had not had time to examine the question.

Mr. Advani (Bombay) stated that the conclusion reached by expert legal opinion was that the establishment of standards of weights would be a Central subject, while all other matters relating to weights and measures would be Provincial subjects. Standards would therefore have to be laid down after April 1937 by the Central Government and legislation to enforce the standards would have to be undertaken by the Provinces.

The Chairman summarized the conclusions as follows :—

- (1) The Conference agreed that weights should be standardized throughout the country.
- (2) By a large majority the Conference considered that the weights should be those recognized under the Bombay Act of 1932, and
- (3) While it was desirable that measures should be standardized, the Conference was not in a position to recommend what the standard measures should be.

**IV.—PUBLICATION OF FULLER TRADE STATISTICS REGARDING IMPORTANT MANUFACTURED AND SEMI-MANUFACTURED GOODS PRODUCED IN THE COUNTRY AND RAW MATERIALS CONSUMED THEREIN, ALONG WITH FIGURES OF INTER-PROVINCIAL MOVEMENTS OF THESE ARTICLES.**

**MEMORANDUM.**

**Punjab.**

The value and necessity of statistics cannot be questioned. Accounts relating to the Sea-borne Trade and Navigation of India published by the Director General of Commercial Intelligence and Statistics show figures of imports into and exports from India. This publication gives the figures of imports and exports through the five principal ports, *viz.*, Bengal, Bombay, Sind, Madras and Burma. It does not show the ultimate destination of the goods, nor does it throw any useful light on the internal trade of a province. Monthly reports entitled "Exports of Indian Artware and Sports Goods" show the value in rupees of exports of a certain limited number of articles to foreign countries, together with the figures of the share of various Indian ports in the exports. Monthly Summary of Business Conditions in India which was started in 1933 contains statistical tables and a general survey of some of the industries of the country. Monthly Accounts relating to the Inland (Rail and River-borne) Trade of India gives figures of thirty-two items, of which ten are manufactures, the others being raw materials, agricultural produce or animal produce. This last publication is an abridged substitute for Statistics relating to the Internal Trade of India which were discontinued after 1922 for reasons of economy.

The Punjab Government published yearly reports of the External and Internal Trades of the Punjab up to the year 1921-22. The discontinuance of these publications has been described by Trevaskis in "The Punjab of Today" as one of the "penny-wise economies which marked the unstatesmanlike character of that epoch". The Punjab Government has since been seriously considering the question of restarting the publication, but it appears that, apart from the demand by a department of the Central Government, *viz.*, the Railway, for a large sum of money for service to be rendered in the collection and supply of information for incorporation in the trade publications, the value of the statistics would be considerably diminished by the absence of similar statistics in respect of other units, *viz.*, other British Provinces and States of

India. Such information can best be collected and published by a department of the Central Government, *viz.*, the Director General of Commercial Intelligence and Statistics, India, like his other similar publications. Information regarding movements of manufactured goods and manufacturable raw materials as between the various units of the country is as valuable for industrialists and prospective industrialists as for primary producers. There has been a considerable demand for such statistics which has been expressed both in the Punjab Legislative Council as well as outside by the commercial and industrial public. The commercial and industrial community is considerably handicapped for want of information on an All-India basis, on the lines of the information contained in the Reports of the Internal and External Trades of the Punjab, and yearly Inland Trade (Rail and River-borne) of India. As the matter is one of considerable importance to trade and industry, it is suggested that the Government of India be requested (i) to publish fuller trade statistics so as to include in their periodical statistical publications, statistics concerning important manufactured and semi-manufactured goods produced in the country, and raw materials consumed therein, along with figures of inter-provincial movements of these articles, and (ii) to appoint a small committee composed as below to draw up a list of the articles which can be suitably included in the fuller statistics to be published by the Director General of Commercial Intelligence and Statistics in the light of the existing conditions—

Director General of Commercial Intelligence and Statistics—  
*Chairman.*

Director, Industrial Research Bureau.

Two nominees of the Government of India.

At least six Directors of Industries [including those interested in land-borne (trans-border) trade].

} *Members.*

#### Discussion.

*Tuesday, December 8th, 1936.*

The Chairman said that the Director General of Commercial Intelligence and Statistics much regretted that he could not attend the Conference owing to his pre-occupation with trade negotiations arising out of the Ottawa Conference. The Punjab Government's suggestions related to two publications of the Government of India, *viz.*—

- (a) "Monthly Statistics of the Production of Certain Selected Industries of India", and
- (b) "Accounts relating to the Inland (Rail and River-borne) Trade of India."



1937.]

*Trade Statistics.*

87

The main suggestion apparently was that additional commodities should be included in these publications. There were practical difficulties in the way of expanding the scope of the publications. With regard to (a), the main difficulty was that industrialists were not always willing to give the information required by Government. Unless the production of statistics was made obligatory, it would be difficult materially to extend the scope of this publication. The industries included in it at present were either well-organized industries or industries which paid an excise duty. With regard to (b), the question was largely one of expenditure. The subsidies paid to railway companies for the collection of the materials required were already a substantial item of expenditure. If statistics were required for provincial purposes, it would be necessary for the provinces to pay for them. The constitutional position would also have to be considered. In each of the legislative lists the entry was limited to statistics required for the purpose of subjects in that list.

\* Rai Bahadur Lala Ram Lal (Punjab) referred to the publications at present issued by the Director General of Commercial Intelligence and Statistics. Dealing with the Monthly Statistics relating to the Inland (Rail and River-borne) Trade of India he said that these had been revived in 1933 after discontinuance for about eleven years. But whereas the number of commodities dealt formerly by the Punjab Government was one hundred and twenty-seven it was now only thirty-two and the information supplied was not sufficient to answer the various enquiries received from the public. The Punjab Government had been considering the question of reviving the yearly Reports of the External and Internal Trade of the Punjab which had been discontinued in 1922. It was found that the North Western Railway alone required Rs. 29,000 a year for collecting the information, and the aggregate demand of all the Railways was about Rs. 44,000. The publication of statistics would be useful to all the provinces and to those who wish to start new enterprises. The problem could not be tackled by Provincial Governments separately and the Government of India should take the initiative by setting up a Committee. It was also desirable that statistics of trade along land routes should be published.

The Chairman said that there could be no question of collecting particulars of intra-provincial movements, *e.g.*, between blocks of the same province. He asked if the Punjab Government were prepared to meet the cost of such statistics.

The Hon'ble Dr. Sir Gokul Chand Narang (Punjab) thought that that would be reasonable.

Mr. Green (Madras) supported the proposal that a Committee should be set up to consider the question. He thought that so far as the provincial statistical organizations were concerned, the essential

thing was to concentrate all statistical work at one place, and to employ one agency for the preparation, co-ordination, and dissemination of economic and statistical information of all kinds. In Madras, agricultural and industrial statistics had been concentrated in the Industries Department. The sea-borne trade publications issued by the Director General of Commercial Intelligence and Statistics were satisfactory only from the All-India point of view and required amplification in the directions which he indicated to meet the needs of the Provinces. He suggested various commodities which could be usefully included in the statistics of inland trade. He also stressed the desirability of providing for a greater measure of co-ordination of the statistics presented in the sea-borne and land-borne statistics, and of amplifying the latter so as to show more accurately the movements of trade in the important blocks.

Mr. Advani (Bombay) said that he was not instructed in the matter by his Government but he had no doubt that fuller statistics would be valuable and he supported the proposal.

Mr. Weston (Bengal) said that he would welcome further statistics if the Government of India were prepared to collect them. But what he required as more important was statistical information of industrial development in the province particularly in the matter of small industries not affiliated to the large industrial organizations and Chambers of Commerce, whose products did not appear in export returns or statistics of Rail and Sea-borne traffic. It was thus essentially a provincial matter, but if anything could be done here to strengthen their hands he agreed.

The Hon'ble Sir Jwala Prasad Srivastava (United Provinces) agreed with Mr. Weston. He was willing to leave to the Government of India the question of the constitution of the suggested Committee. He agreed that intra-provincial statistics would have to be paid for by provinces.

The Hon'ble M. Saiyid Abdul Aziz (Bihar) agreed with previous speakers regarding the utility of a Committee. Personally he concurred in the view taken by the Hon'ble Sir Jwala Prasad Srivastava regarding intra-provincial statistics.

Mr. Bhalja (Central Provinces) said that the present publications could be more useful at a small cost by the inclusion of certain heads. When the Government of India stopped the inland trade statistics in 1923, the Central Provinces Government started their own publication. This was maintained until the resumption of the collection of these statistics by the Government of India. But they found that certain very useful particulars were omitted and the Director General of Commercial Intelligence and Statistics had informed him that no expansion was possible as the publication was on a temporary basis. It was desirable that the Central Provinces

1937.]

*Trade Statistics.*

89

and Berar should have separate statistics. His personal view was that the expense on intra-provincial statistics would have to be borne by Provincial Governments. The Central Provinces Government used to pay Rs. 15,000 to Railways for publishing their own statistics but the combined scheme would probably cost the Governments concerned much less. A Committee to consider the question would be useful.

Mr. Mehta (Assam) said that Assam had no funds for the collection of statistics of either intra-provincial or inter-provincial trade. They would, however, welcome the Government of India taking up the question, but his Government could not agree to contribute towards the expense.

Mr. Mozumdar (Orissa) stated that Orissa was in the same position as Assam.

Mr. Tasker (Hyderabad) stated that they had an expanding Statistical Department in Hyderabad and that their Customs Department had been re-organized for the purpose of collecting inter-provincial statistics. They had also their own Railway. Hyderabad was thus in a position to co-operate in any scheme of inter-provincial co-ordination. He assumed that, if there was a Committee, provision would be made for the representation of States.

Mr. Madhava Rau (Mysore) stated that Mysore had not discontinued their own statistics of rail-borne trade and they were contemplating the addition of road-borne statistics. They had the necessary agencies, but if Provinces and States sent their own statistics to a central agency there would probably be scope for considerable improvement.

Dr. Pagar (Baroda) said that in Baroda they had their own system but they felt difficulty in distinguishing between Indian and foreign-made articles and were in consultation with the Director General of Commercial Intelligence and Statistics over the matter. They had recently re-organized their Statistical Department and would be glad to co-operate and have their statistics reviewed by the Government of India.

Lala Ramji Das Vaishya (Gwalior) stated that in Gwalior they had their own Statistics Department and would be ready to consider co-operation if the Government of India took up the matter.

Mr. Rahalkar (Indore) stated that they had their own customs system and had opened a special Statistical Department last year. If the Government of India wanted special statistics they would be in a position to co-operate.

Mr. Kumara Das (Travancore) said that Travancore published statistics of imports and exports from their customs returns. They

also found it difficult to distinguish between materials of foreign and indigenous make.

The Chairman said that the subject matter did not come under his Department but he would be glad to pass on the views of the Conference to the Commerce Department. It was largely a question of money and he would not promise any immediate action. But he suggested that a sub-committee might possibly meet in conjunction with the next Industries Conference. Provinces and States could then come with clearer ideas regarding commodities and the financial implications. He added that the States appeared to be setting the Provinces a good example.

The proposal secured general concurrence.

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## II.—HANDLOOM-WEAVING—*contd.*

### ALL-INDIA HAND-WEAVING EXHIBITION AND COMPETITION TO BE HELD ALONG WITH THE UNITED PROVINCES INDUSTRIAL AND AGRICULTURAL EXHIBITION AT LUCKNOW FROM DECEMBER 1936 TO FEBRUARY 1937.

#### MEMORANDUM.

#### United Provinces.

Following the discussion on the subject of exhibitions at the Seventh Industries Conference held in October 1935, and the decision to consider favourably proposals from provinces for holding All-India Exhibitions, the Hon'ble Minister for Education and Industries, United Provinces, convened an informal conference of industrialists at Cawnpore to consider the suggestion for the holding of a large-scale exhibition. The proposal was unanimously welcomed; and it was decided to hold an All-India Exhibition at Lucknow from 5th December 1936 to 4th February 1937.

2. A few facts may be mentioned to give an idea of the magnitude of the project. The budget of the Exhibition Committee exceeds six lakhs of rupees. The various departments of Government are spending a total of about two lakhs, which does not include the expenditure on salaries and travelling allowance of officers and staff who have been deputed at Government expense for exhibition work, which is estimated at over a lakh of rupees. To this should be added a capital of about five lakhs that the Exhibition contractors for entertainments are investing, an item of expenditure which is normally incurred out of Exhibition funds. In short, the aggregate investment on the Exhibition will be in the neighbourhood of fourteen lakhs. An attendance of about two million people is expected.

3. Textiles constitute by far the biggest industry of the United Provinces and the Textile Court naturally occupies a prominent place in the Exhibition. A number of large cotton mills are participating and interesting demonstrations of power textiles and dyeing and printing, will be given. But the most important section of the Textile Court will be the portion allotted for the handloom industry; most of the Provinces and important States in India are taking part in this and extensive covered space has been allotted for the purpose, free of charge, including free lights and power.

4. The actual cost of the construction of stalls and pavilions for the handloom section is estimated at over Rs. 11,000 and the cost

of providing light and power is estimated at Rs. 3,000, making a total of Rs. 14,000. The Exhibition Committee have also sanctioned an expenditure of Rs. 18,000 on arranging demonstrations and display of handloom products including dyeing and printing; this sum does not include the cost of staff for supervising the demonstrations and displays, which is being borne by the United Provinces Government.

5. These demonstrations have been organized with a view to enable every province to see what progress has been achieved in India, and to avail of the improvements effected by different provinces. The demonstrations will cover a varied range as will appear from the following list which is only illustrative :—

(1) Manufacture of gold thread consisting of—

- (a) Silver wire drawing,
- (b) Wire flattening,
- (c) Lametta winding, and
- (d) Electro-plating.

(2) Demonstrations of improved preparatory processes and weaving appliances, *e.g.*—

- (a) Winding and twisting machines,
- (b) Self-leasing warping machines,
- (c) Double box and Multiple box looms,
- (d) Tappet and peg dobbies,
- (e) Gota and Newar weaving looms,
- (f) Pick and Pick loom,
- (g) Jacquard machines,
- (h) Multiple pugree looms, and
- (i) Hand finishing appliances.

(3) Demonstrations of weaving of fabrics of new designs, *e.g.*—

- (a) Kamkhwab,
- (b) Mulberry silk,
- (c) Flower-bordered sarees,
- (d) Furnishing fabrics from printed warps,
- (e) Lace and saree borders,
- (f) Plush fabrics, and
- (g) Sarees of Shantipur (Bengal).

(4) Demonstrations of special fabrics by weavers of the United Provinces and outside, *e.g.*—

- (a) Jamdani and Sojni of Tanda,
- (b) Dogibia and Crepe of Mau,

1937.]

*Lucknow Exhibition.*

98

- (c) Tapti and Lungi of Bara Banki,
  - (d) Gulbadan and Daryai of Agra,
  - (e) Khandala and Saree border of Mau-Aima,
  - (f) Pugree and Muslin of Sikandrabad,
  - (g) Kharwa and Pugree of Ranipur,
  - (h) Mushroo and Satin of Mubarakpur Than,
  - (i) Pashminas of Kashmir, and
  - (j) Silks of Assam.
- (5) Dyeing and printing demonstrations with reference to handloom industry, *e.g.*—
- (a) Tie dyeing (Jaipur Style) and silk discharge printing,
  - (b) Yarn mercerising,
  - (c) Anti-crease and other finishes of cloth and yarn,
  - (d) Cloth printing by multi-colour spray and screen,
  - (e) Indigenous colour dyeing on cloth and yarn,
  - (f) Preparation of indigenous dyes,
  - (g) Testing of dyes, yarns and fabrics,
  - (h) Photo printing on cloth and yarn printing,
  - (i) Warp printing, and
  - (j) Miscellaneous demonstrations.

6. Lastly, All-India competitions in handloom weaving and appliances have been arranged for the benefit of weavers. A large number of prizes will be awarded and invitations have been sent out to all the Provinces and important States, offering full expenses of travelling, boarding and lodging of the competitors. It is hoped that the Provinces and States will depute five competitors each. A net budget of Rs. 10,000 for these handloom competitions is estimated, which does not include the cost of the buildings.

7. Thus a total net expenditure of about Rs. 42,000 will be incurred at the Exhibition for the sake of the handloom industry alone as per details given below. It is requested that the Government of India may be pleased to make a contribution of Rs. 30,000 towards this expenditure.

*Details of expenditure.*

	Rs.
1. Cost of construction of stalls and pavilions placed at the disposal of Provincial Governments and States for displays and demonstrations relating to the handloom industry .. .. .	11,000
2. Cost of providing light and power for the above .. .. .	3,000
3. Expenses on arranging demonstrations and displays relating to the handloom industry .. .. .	18,000

L172DIL

	Rs.
4. Expenses on the All-India Handloom Weaving and Appliances Competitions as detailed below— ..	10,000
	Rs.
(1) Railway fare, expenses of lodging and boarding of competitors ..	3,500
(2) Purchase of looms, accessories and appliances ..	1,500
(3) Purchase of yarn, etc. ..	800
(4) Advertisement, printing, etc. ..	550
(5) Prizes, including medals and cash ..	2,500
(6) Fittings, furniture, decorations ..	350
(7) Contingencies ..	800
	10,000
Total ..	42,000

†Particulars of the Handloom Section of the United Provinces Industrial and Agricultural Exhibition, Lucknow.

	Lucknow Exhibition.	Patna Exhibition.
1. Total Area .. .. .	160 Acres.	11 Acres.
2. Area devoted to Handloom Section ..	24,940 sq. ft.*	18,800 sq. ft.
3. No. of persons visiting the Exhibition	2,000,000	145,000
4. Duration .. .. .	9 weeks.	3 weeks.
5. Provinces and States participating ..	1. United Provinces*. 2. Bihar*. 3. Central Provinces*. 4. Mysore*. 5. Bombay*. 6. Madras*. 7. Hyderabad*. 8. Indore. 9. Assam. 10. Mayurbhanj. 11. Travancore. 12. Kashmir*. 13. Burma. 14. Jodhpur. 15. Shahpura. 16. Datis. 17. Rampur. 18. Benares. 19. Nepal. 20. Cochin.	1. United Provinces*. 2. Bihar*. 3. Central Provinces*. 4. Mysore*. 5. Bombay*. 6. Gwalior*. 7. Hyderabad. 8. Indore. 9. Assam. 10. Mayurbhanj. 11. Bharatpur.

†Circulated at the Conference.

\*This does not include free space of 10,640 sq. ft. given to other Provinces and States free of charge for demonstration and display of industries other than handloom weaving, and other space given at concessional rates.



	Lucknow Exhibition.	Patna Exhibition.
6. Buildings	Brick walls and partitions with corrugated sheet roofs.	Corrugated sheet roof and walls with chatoi partition.
7. Competitions	Four competitions in weaving and one in hand-printing.	Three competitions in weaving and one in preparatory process.
8. Prizes	Rs. 2,500 proposed to be given.	Rs. 1,136.
	The Prizes are more substantial and varied than at the Patna Exhibition. Suitable cash prizes will also be given for they will be much appreciated by the weavers.	
9. Daily allowance to weavers.	At Patna Exhibition every competitor was given 0-8-0 per diem. This was considered to be insufficient by the competitors, who showed some discontent and dissatisfaction. Therefore the rate has been increased to Rs. 1 per head per diem.	
10. Special feature	The addition of hand-printing competition is an improvement over the competitions of the previous years. This has been done to widen the range of the competitions and to create a lively interest in the work.	
11. Number of competitors attending the competitions.	60 for weaving and 6 for printing.	35 in all.

#### Details of Demonstrations.

	Lucknow Exhibition.	Patna Exhibition.
1. United Provinces—		
(a) Demonstration of improved appliances and methods.	Central Weaving Institute, Benares.	Central Weaving Institute-Benares.
(b) Weaving of—		
(i) Printed warps.	Weaving and Printing School, Bulandshahr.	
(ii) Plush weaving.		
(iii) Multiple pugree weaving.		
(c) Woollen durrie weaving	Weaving School, Khairabad.	
(d) Weaving of woollen articles	Bhotiya tribes.	
(e) Special fabrics, such as—		
(i) Jamdani and Sojni	Weavers of famous centres in U. P.	
(ii) Mushroo and Sangi.		
(iii) Khandala cloth and Saree border.		
(iv) Crepe and Dogibia.		
(v) Muslin and Pugree.		
(vi) Gulbadan and Daryal.		
(vii) Kharwa and Kasbi.		

	Luoknow Exhibition.	Patna Exhibition.
(f) Namdah making .. ..	Party from Bahraich.	
(g) Manufacture of gold thread ..	From Benares.	
(A) Improved Dobbies .. ..	1. Weaving School, Mau. 2. Weaving School, Agra. 3. Weaving School, Sandila.	
<b>2. Bihar—</b>		
Complete demonstration of improved appliances and methods.	Weaving Institutions from Bihar.	Cottage Industries Institute, Gulzarbagh.
<b>3. Bengal—</b>		
Fine silk and cotton weaving with jacquards and dobbies .. ..	Five looms.	
Sericulture .. ..	Sericulture.	
Improved looms and appliances—		
4. Madras .. ..	Twenty-four looms and appliances.	Cottage Industries Institute, Gulzarbagh.
5. Central Provinces .. ..	Five looms (out of which only two could be fixed up) and one warping machine.	One loom, one warping and one twisting machine.
6. Bombay .. ..	Five looms .. ..	Five looms.
7. Punjab .. ..	Five looms and three wool spinning wheels.	
8. Hyderabad .. ..	Himru weaving.	
9. Mysore .. ..	Saree border looms (not yet fitted up).	One loom and two appliances.
10. Baroda .. ..	Patola weaving.	
11. Kashmir .. ..	Silk weaving.	
12. Gwalior .. ..		One loom for tuck cloth.
13. Demonstration by others .. ..	1. Carpet weaving .. .. 2. Ghosh's spinning plant.	1. Appliances by EMM and Orr of Bangalore. 2. Ghosh's spinning plant. 3. Shirman weaving factory.

1937.]

Lucknow Exhibition.

27

*Details of the cost of Handloom Section.*

	Lucknow Exhibition. Ra.	Patna Exhibition. Ra.
Construction of stalls and pavilions 24,650 sq. ft. at 0-8-0 per sq. ft. . . . .	12,325	3,176
Contribution for water supply and sanitation, etc. . . . .	4,000	1,236
Lighting charges Ra. 3,000 for Handloom Section and Ra. 1,000 for stalls and pavilions at other places . . . . .	4,000	1,240
Decorations etc. . . . .	500	(Included in lighting.)
<i>Charges exclusively debitable to Competition :—</i>		
Stationery, printing, advertisements, etc. . . . .	900	912
Cost of looms, fittings, etc. . . . .	1,500	649
Cost of yarn, etc. . . . .	800	
Establishment charges . . . . .	350	210
Contingencies . . . . .	500	775
House rent for competitions . . . . .	150	
Prizes . . . . .	2,500	1,136
Travelling allowances and Daily allow- ances to Weavers . . . . .	3,000	1,363
		<hr/> 10,897
<i>Demonstrations and Displays :—</i>		
Expenses on Textile Museum . . . . .	4,000	
Demonstrations by Weaving School, Bulandahar . . . . .	900	
Demonstrations by Central Weaving Institute, Benares . . . . .	2,500	
Demonstrations of durrie weaving . . . . .	275	
Manufacture of gold thread . . . . .	1,150	
Namdah making . . . . .	250	
Weaving of special fabrics by weavers . . . . .	700	
Weaving of woollen articles by Bhotiya tribes . . . . .	400	
Patola weaving . . . . .	200	
Accommodation charges . . . . .	500	
Demonstration of Dyeing and Printing . . . . .	6,500	
Miscellaneous contingencies . . . . .	400	
Proportionate cost of advertisement . . . . .	2,000	
	<hr/> 49,300	

*Details of space devoted to Handloom Section.*

<i>At Lucknow Exhibition :—</i>		<i>Area.</i>
		<i>sq. ft.</i>
1. Textile Museum .. .. .	One pavilion of 60' dia. ..	2,830
2. Demonstrations by the United Provinces and All-India Competition Court .. .. .	54 stalls of 12' x 15' .. .. .	9,720
3. Demonstrations and displays by other Provinces and States.—		
(i) Central Provinces .. .. .	4 stalls of 12' x 15' .. .. .	720
(ii) Bihar .. .. .	5 stalls of 12' x 15' .. .. .	900
(iii) Punjab .. .. .	1 stall of 40' x 20' .. .. .	800
	2 stalls of 12' x 15' .. .. .	360
(iv) Kashmir .. .. .	2 stalls of 12' x 15' .. .. .	360
(v) Bengal.. .. .	One pavilion of 80' dia. half of which is devoted to handloom weaving .. .. .	2,530
(vi) Bombay .. .. .	2 stalls of 40' x 20' .. .. .	1,600
(vii) Madras .. .. .	2 stalls of 40' x 20' .. .. .	1,600
(viii) Assam .. .. .	1 stall of 12' x 15' .. .. .	180
(ix) Hyderabad .. .. .	1 stall of 12' x 15' .. .. .	180
(x) Co-operative Department, United Provinces.	One pavilion of 80' dia. One ¼ of it is devoted to handloom products. 3 stalls of 12' x 15' for demonstrations .. .. .	1,260 540
(xi) Jails Department, United Provinces	One pavilion of 60' dia. half of it is devoted to demonstration and display of cotton goods. .. .. .	1,400
		<hr/> 24,940 <hr/>

*N.B.*—The space of 10,540 sq. ft. given to other Provinces and States free of charge for their demonstrations and displays for industries other than handloom weaving and that given to Provinces and States including U. P. on payment of rent are not shown above.

*At Patna Exhibition :—*

For Provinces and States .. .. .	7 Courts of 40 sq. ft. .. .. .	11,200
	6 Courts of 20' .. .. .	2,400
	One General Textile Court of 80' x 20' .. .. .	1,800
	One Competition Pavilion .. .. .	3,600
		<hr/> 18,800 <hr/>

**Discussion.**

*Monday, December 7th, 1936.*

It was agreed that the question of a grant to the Lucknow Exhibition should be left over till the following day so that members could see the Exhibition before coming to a decision.

1937.]

*Lucknow Exhibition.*

99

*Tuesday, December 8th, 1936.*

The Chairman said that the Conference would be glad to know from the Hon'ble Sir Jwala Prasad Srivastava why he wanted three times for the Lucknow Exhibition as Bihar and Orissa wanted for its Exhibition.

The Hon'ble Sir Jwala Prasad Srivastava (United Provinces) in reply stated that the members had seen the Exhibition. The figures of expenditure would also show the scale of the Exhibition as a whole. Far more visitors would be attending the Lucknow Exhibition than at Patna. The much greater attendance expected at Lucknow was an important element as this meant that handloom products would get wider publicity. Further the Exhibition would last more than twice as long as the Patna Exhibition. Every major Province and fifteen States, including all the biggest ones, were participating. He had circulated a statement giving comparative particulars of the Patna and Lucknow Exhibitions. Their total expenditure on the handloom exhibition would be in the neighbourhood of half a lakh of rupees.

The Chairman enquired whether any recoveries were being made from the States and Provinces for the handloom section and whether there would be any income from it.

The Hon'ble Sir Jwala Prasad Srivastava (United Provinces) stated that the answer to both the questions, so far as handloom exhibits were concerned, was in the negative.

Mr. Brodie stated that a comparison of the Patna and Lucknow Exhibitions was not altogether easy. At Patna there had been a separate enclosure with all handloom exhibits at one place although there were some handloom products in the general Exhibition also. At Lucknow there was no separate section. Dealing exclusively with stalls given to the cotton handloom industry, he estimated that the areas were roughly the same in both Exhibitions. The space devoted to competitions was smaller at Lucknow although the prize money offered was higher. His general conclusion was that the attention given to the handloom was approximately the same but the expenditure and duration at Lucknow were both greater than at Patna.

Mr. Dhar (Bihar) considered that the Handloom Exhibition at Patna was not smaller than the corresponding parts of the Lucknow Exhibition. The Provinces and States exhibiting were approximately the same. At Patna, Bihar did not get preferential treatment in the matter of space, as the United Provinces did at Lucknow.

The Chairman said that there were three main grounds for a larger grant to the Lucknow Exhibition than was given to Patna :—

- (1) At Lucknow the United Provinces Government were spending more than they were asking for, whereas the Patna grant met practically the whole cost.

- (2) The duration of the Exhibition was longer.
- (3) They were expecting a much larger number of visitors.

He suggested that the experience the Conference now had of Exhibitions pointed to four conclusions. The first was that any Province asking for similar grants in future should provide beforehand for the Conference and the Government of India full particulars for space, cost, etc., on the lines of the statement circulated by the United Provinces. The second was that if grants were demanded, Provinces should be given free space. The third conclusion was that only one exhibition should be assisted in a year. Finally, no Provinces should be precluded from selling exhibits, especially handloom products.

The Conference agreed to a grant of Rs. 30,000 to the Lucknow Exhibition.

Mr. Advani (Bombay) enquired whether a loss or deficit was expected on the Exhibition.

The Hon'ble Sir Jwala Prasad Srivastava (United Provinces) stated that most of the items had been given on contract and would just meet the cost.

Mr. Weston (Bengal) stated that there was not proper housing for the assistants sent from Bengal to serve in the Exhibition.

The Hon'ble Dr. Sir Gokul Chand Narang (Punjab) stated that the Punjab contemplated holding an Exhibition in Lahore next year and were providing over a lakh of rupees themselves. He enquired whether they could rely on a grant from the Government of India.

The Chairman stated that the fact that the Punjab was the first claimant was a point in their favour but that they would have to submit an application on the lines specified. An application next year would receive sympathetic consideration, but he was not in a position to bind the next Conference.

#### VENUE OF THE NEXT CONFERENCE.

The Hon'ble Dr. Sir Gokul Chand Narang (Punjab) suggested Lahore for the venue of the next Conference.

The Chairman said that they should remember that there would be new Governments next year, but it would be useful to find out if anyone in the Conference took objection to Lahore. Lahore was as convenient to the Government of India as Lucknow but not so convenient as Lucknow or Delhi for most Provinces and States.

No member had any objection to the next Conference being held at Lahore.

## V.—REMOVAL OF INTER-PROVINCIAL BARRIERS TO TRADE IN THE PHARMACEUTICAL AND DRUG INDUSTRY IN INDIA.

### MEMORANDUM.

#### Mysore.

The biggest hindrance on the free movement of spirituous preparations from one province to another is the diversity of excise regulations in different provinces. The following extract from the recommendations of the Drugs Enquiry Committee, 1930-31, ably summarizes the great handicap to the manufactures of spirituous preparations in India.

“ When spirituous preparations are exported from Bengal to Bombay, the authorities of the latter province refuse to accept the certificate of duty passed by the Excise Officers of Bengal and insist upon the goods being submitted for re-analysis of spirit content and re-valuation of duty by their own officers before they are delivered to the consignee. In the inland towns of the Madras Presidency, the druggists are not allowed to import spirituous preparations from another province in India, unless they obtain an import permit from the Excise Commissioner, assess the duty payable on the goods and pay the same in advance. This seems to be a dilatory and vexatious procedure *which will hamper trade and cause needless embarrassment to the manufacturer.* The iniquity of the procedure becomes more obvious when contrasted with the regulations with regard to the import of spirituous preparations from foreign countries. In such a case, the duty having once been paid at the port of entry, no further restriction is imposed against transmission from one province to another. Notwithstanding the argument advanced by the Excise authorities concerned that the imported preparations bear a much higher duty than those manufactured in the country, we feel that this is a discrimination in favour of goods imported which is detrimental to the interests of the Indian manufacturers.”

The position has been further complicated since 1934. Prior to 1934, there was a uniform duty of Rs. 5 per proof gallon in all the provinces on all spirituous preparations. In 1934, some provinces raised the duty to Rs. 10 per proof gallon for all imported

spirituous preparations whereas the duty on local manufactures remained at Rs. 5 per proof gallon. In 1935 again, certain provinces raised the duty still further to Rs. 17-8-0 per proof gallon on *some* spirituous preparations whether imported or locally manufactured.

The Excise regulations now in force in different Provinces and States hamper the trade in spirituous preparations considerably. In the interest of the Pharmaceutical Industry in India it is very necessary that inter-provincial and inter-State and Provincial barriers should be removed by the introduction of a uniform method of Excise control all over India. A great facility can be afforded to the free movement of spirituous preparations from one Province to another and also from one State to another Province, if when once the duty—which should be uniform—is paid at the place of manufacture, they are allowed freedom of movement throughout India without further restrictions.

#### Discussion.

*Tuesday, December 8th, 1936.*

Mr. N. Madhava Rau (Mysore) stated that he had little to add to the printed memorandum already circulated. The Mysore State had within the past few years started the manufacture of pharmaceutical preparations mostly for use within the State. In attempting to export the small quantities available to other parts of India the difficulties under which the industry laboured owing to unduly stringent regulations in India became apparent. They had no desire to remove excise control but they felt that a simpler procedure might be evolved by series of mutual agreements between the Governments concerned and that the negotiations for the purpose would be facilitated if the nature of the adverse effect of excise restrictions on trade were better known in different parts of India. He suggested the desirability of simplifying the existing procedure as far as possible. Import licenses could be safely dispensed with in the case of respectable manufacturers and he would press for nothing more than that.

Mr. Pandya (Baroda) pleaded for uniformity of procedure in excise matters. He stated that the following points required special consideration :—

- (1) Excise should be collected at the source under the supervision of the local excise authorities and credited to the Province or the State where the goods are consumed.
- (2) Rates should be uniform to avoid smuggling.
- (3) Charitable hospitals and dispensaries supplied with drugs, free of duty should have liberty to get their drugs from any part of India.



- (4) Restrictions on import and transit as well as on export should be removed.
- (5) The prevention of the tendency to introduce provincial protection by means of excise duties.

If a uniform policy fixed on certain principles were accepted, a considerable amount of unnecessary correspondence would be avoided.

Mr. Tasker (Hyderabad) said that anything in the nature of simplification would be welcome to Hyderabad.

Mr. Green (Madras) said that in the case of spirituous preparations manufactured in India, it was necessary for the province to which it was exported to take steps to see that the duty at the rate prevailing there was collected, although duty might already have been paid at the place of manufacture. The Commissioner of Excise thought that the adoption of uniform rules in respect of spirituous preparations throughout India could only be a remote possibility as the number of States and Provinces was very large. It would facilitate matters if a central agency could obtain the views and discuss the problem of co-ordination with the Provincial and States Governments. When the new constitution was introduced the rate of duty on spirituous preparations, whether manufactured in the province or elsewhere, would be the same.

The Chairman referred to section 297 (2) of the Government of India Act, 1935, which precluded discrimination in favour of localities. As Mr. Green had pointed out, no Province would be able to maintain differential duties after the introduction of the new constitution. This met one of the points raised.

Mr. Advani (Bombay) said that the Government of Bombay considered it essential to continue the existing procedure in respect of duty in the interests of their revenues but were considering the question of relaxing any unnecessary restrictions.

Mr. Weston (Bengal) said that the Government of Bengal were fully in sympathy with the proposals made.

The Hon'ble Sir Jwala Prasad Srivastava (United Provinces) proposed that a uniform set of rules was desirable. These might be devised at a Conference of Excise Commissioners.

Rai Bahadur Lala Ram Lal (Punjab) said that the Punjab Government had not had sufficient time to consider the matter, but the recommendations of the Conference would be given due consideration by the Ministry.

The Hon'ble M. Saiyid Abdul Aziz (Bihar) said that the Government of Bihar had not examined the question fully. He agreed with the Hon'ble Sir Jwala Prasad Srivastava's proposal.

Mr. Bhalja (Central Provinces) stated that in the Central Provinces no tests were undertaken on consignments which had already been tested in the province of origin. Pre-payment of duty at the place of export had also been agreed to. He thought that a uniform set of rules was desirable and supported the Hon'ble Sir Jwala Prasad Srivastava's proposal.

Mr. Mehta (Assam) said that the Government of Assam were not opposed to uniformity so long as there was no departure from the principle that duty followed consumption, and that Assam got the whole of its share of the duties based on the consumption in the Province.

The Chairman put the Hon'ble Sir Jwala Prasad Srivastava's proposal to the Conference.

The Hon'ble Sir Jwala Prasad Srivastava (United Provinces) said that it was desirable to include some Directors of Industries in the proposed meeting of Excise Commissioners.

Mr. Pandya (Baroda) supported the Hon'ble Sir Jwala Prasad Srivastava's suggestion. He added that the question was not entirely one for Excise Commissioners but that Directors of Industries concerned should also be called. The Conference accepted the suggestion.

The Chairman said that the conclusion of the Conference was that a uniform set of rules was desirable and that the question should be referred to a meeting of Excise Commissioners who should be assisted by selected Directors of Industries.

## VI.—MATTERS ARISING OUT OF THE PROCEEDINGS OF THE SECOND SESSION OF THE INDUSTRIAL RESEARCH COUNCIL.

### Discussion.

*Tuesday, December 8th, 1936.*

#### (A) INDUSTRIAL SURVEYS.

The Hon'ble Dr. Sir Gokul Chand Narang (Punjab) said that an industrial survey could hardly be treated as a provincial question because the facilities open to the Central Government were not available to Provincial Governments. Officers of the Punjab would not have the same facilities in conducting surveys in other provinces as Officers of the Central Government would have. He emphasized the necessity of a central co-ordinating authority.

Mr. Clow said that the Hon'ble Dr. Sir Gokul Chand Narang was advocating much the same view as the Government of India took in opposing the proposals for decentralization in the Montagu-Chelmsford Report, but the constitutional position had to be faced and it was a function of the Provincial Governments to undertake industrial surveys. Research, however, could be undertaken by the Central Government and certain work of the kind desired could be regarded as research. The Industrial Research Bureau had already published a survey of the glass industry and surveys of the following industries had been taken up and entrusted to experts in different provinces :—

- (1) the soap industry,
- (2) the leather industry,
- (3) the heavy chemical industry, and
- (4) the rape seed and mustard oil industries.

If the Provinces might be willing to contribute to assist industrial surveys, progress could be expedited.

The Chairman said that the permanency of the Industrial Research Bureau itself was not certain. Progress must be slow, and it was for the Industrial Research Council to decide what industries should be taken up.

The Hon'ble Dr. Sir Gokul Chand Narang (Punjab) asked what agency the Bureau had for collecting information.

Mr. Brodie explained that no specific agency existed exclusively for this work and that there was no necessity for such an agency. Each industry was dealt with according to its needs. Mr. Dixon had

to undertake touring in connection with the glass industry, while Mr. Sen Gupta did not have to tour in connection with the heavy chemical industry, but was able to do his work by correspondence.

Mr. Bhalja (Central Provinces) suggested that provinces might be approached to see if they would agree to contribute to industrial surveys carried out by a Central agency.

The Chairman thought that Mr. Bhalja was very optimistic. If the Conference desired that an enquiry should be made from Provincial Governments, there was no objection to that being done. But his own view was that Provincial Governments at the present juncture would be unwilling to bind their successors.

The Hon'ble Sir Jwala Prasad Srivastava (United Provinces) said that he would welcome any proposal for industrial surveys by a Central agency if the Central Government paid for it. But in the United Provinces they had conducted a survey of their own.

The Chairman observed that it was certain that the Central Government could not find funds for any comprehensive survey in the near future.

The Hon'ble Dr. Sir Gokul Chand Narang (Punjab) suggested—

- (1) that a survey of industries was desirable ;
- (2) that this was best effected by a Central agency ; and
- (3) that if the Central Government could not pay, they should ask Provincial Governments to contribute.

The Chairman asked whether it would be necessary for the surveys to be continued for ever.

The Hon'ble Dr. Sir Gokul Chand Narang (Punjab) said that they would have to be kept up-to-date.

The Chairman enquired why it was not possible to follow the example of some Provinces, such as the United Provinces, and to undertake provincial surveys which could be co-ordinated by the Industrial Research Bureau.

Mr. Tasker (Hyderabad) said that the Hyderabad State would not agree to surveys being conducted within the State by Central officers. Hyderabad was not in favour of general surveys. The better method would be for States and Provincial authorities to conduct particular surveys, which could be co-ordinated subsequently by the Central Research Bureau.

The Chairman said that there was general agreement that a survey of industries was desirable. As regards the question of agency, there were two proposals before the Conference—

- (1) The Hon'ble Dr. Sir Gokul Chand Narang's—that it should be undertaken by a Central agency, and

1937.]

*Industrial Surveys.*

107

- (2) Mr. Tasker's—that it should be undertaken by the Provinces and co-ordinated by a Central agency.

The States unanimously, and the majority of the Provinces, were in favour of Mr. Tasker's proposal. The Conference also agreed that the question of cost should be the subject of correspondence with Provincial Governments.

**(B) PRIZES.**

The Hon'ble Dr. Sir Gokul Chand Narang (Punjab) said that he thought it would be advantageous if in addition to prizes for outstanding work done by persons engaged in research, prizes were also offered for work on set subjects. It would not be obligatory to give such a prize every year. The amounts could be allowed to accumulate till a satisfactory solution was reached.

Mr. Brodie referred to the proceedings of the second session of the Industrial Research Council and said that the Sub-Committee appointed by it had come to an adverse conclusion by a majority. Further, the Bureau was on a temporary basis and could not undertake a scheme of prizes spread over several years.

Mr. Clow stated that he had supported the proposal for prizes on set subjects in Calcutta but found subsequently that expert opinion was against it.

Mr. Brodie pointed out the difficulty of selecting suitable subjects. He added that to offer a prize on a set subject would be to induce every young student to submit essays. Such funds as could be secured for work on set subjects would be more profitably spent in engaging a selected scientist for such work.

Mr. Advani (Bombay) said that he was a member of the Committee appointed by the Industrial Research Council to consider the question. He was disposed to set aside three or four of the prizes for specific subjects in future years but this could not be done for the present year because there was insufficient time for the subjects to be fixed, candidates to carry out investigation work and submit papers.

The Chairman suggested that if the Punjab or any other Province felt strongly on the subject, a memorandum could be drawn up and circulated with a note of the objections to it for discussion by the Industrial Research Council.

**(C) GLASS INDUSTRY.**

Mr. Weston (Bengal) enquired what action had been taken on the conclusions of the Council relating to a glass survey.

Mr. Brodie said that the Government of India had decided that the United Provinces would be the best place for locating a furnace and the best offer from a particular manufacturer was still under the consideration of the United Provinces Government. He had been in communication with the furnace manufacturers and had unfortunately been informed, since the Conference opened, that the furnace would cost about Rs. 22,000, a substantial rise on the previous estimate.

Mr. Shivdasani (United Provinces) said that the United Provinces reply would be sent as soon as possible.

Rai Bahadur Lala Ram Lal (Punjab) said that as he had not been informed of the Government of India's decision, he had been unable to give information to a Punjab manufacturer who was interested.

The Chairman observed that as the offer made to the United Provinces had not yet been accepted, no final decision had been taken.

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## VII.—MINUTES OF THE SECOND MEETING OF THE IMPERIAL SERICULTURAL COMMITTEE.

### Discussion.

*Tuesday, December 8th, 1936.*

The Hon'ble Dr. Sir Gokul Chand Narang (Punjab) raised the question of the participation of the Punjab in the grant. He said that they had, as suggested by the Imperial Sericultural Committee, endeavoured to make an arrangement with Kashmir, but the supply of seed offered by Kashmir was quite inadequate and the price of Rs. 2 an ounce, was unduly high. They were therefore anxious to produce their own seed and believed that they could do this at a cheaper rate. The rate asked by Kashmir was much more than the cost of seed in Assam.

Mr. Weston (Bengal) observed that the Punjab silkworm was univoltine whereas other provinces used multivoltine strains.

Mr. Clow stated that the Punjab schemes had been considered by the Committee on two previous occasions. It had been turned down at the first meeting of the Imperial Sericultural Committee. It was discussed again at the second meeting where it failed to get the support of any member other than the representative of the Punjab. The small amount of money available was being devoted to keep the industry alive where the need was greatest. With a short term grant of this kind, and very limited funds it would be undesirable to devote money to a purpose like evolving a new race of worms, which was part of the Punjab proposals.

The Hon'ble Dr. Sir Gokul Chand Narang (Punjab) said that in view of the small amount of money unallotted and the limited tenure of the scheme, he did not wish to press the claim.

## VIII. MINUTES OF THE FIRST MEETING OF THE WOOLLEN INDUSTRY COMMITTEE.

### Discussion.

*Tuesday, December 8th, 1936.*

The Chairman said that he understood that some members from States, for example Hyderabad, wished to attend the Woollen Industry Committee's meeting. He assured them that they would be welcome to do so.

Mr. Tasker (Hyderabad) and Mr. Madhava Rau (Mysore) welcomed the invitation. Mr. Tasker added that representatives of the States would be assisted if they could receive memoranda for these Conferences and Committees direct.


The Chairman said he understood this was already the practice in connection with the Imperial Council of Agricultural Research and added that he would endeavour to meet the request.

The Chairman in concluding the proceedings stated that this would be the last occasion on which he would preside over these Conferences. He wished to thank all for the co-operation he had received throughout and expressed the hope and belief that the Conference had a long life before it. He added that he would follow its proceedings with interest after his retirement.

The Hon'ble. Sir Jwala Prasad Srivastava (United Provinces) in moving a vote of thanks to the Chair, referred to the Chairman's close association with industries for more than a decade and the important developments that he had been instrumental in securing in many directions during his term of office. Not the least of these was the successful revival of these Conferences.

Mr. Tasker (Hyderabad) at the request of the representatives of the States seconded the vote of thanks. He said that the existence of such bodies as the Imperial Council of Agricultural Research and the All-India Industries Conference, where the Provinces and States meet round one board, had done much to foster the attitude of mind out of which the project of Federation itself had arisen.

The Chairman acknowledged the vote of thanks and expressed his gratitude to the United Provinces Government for their hospitality and the facilities they had afforded.





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BULLETINS OF INDIAN INDUSTRIES & LABOUR

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No. 65

PROCEEDINGS  
OF THE  
NINTH INDUSTRIES CONFERENCE

*(Held at Lahore on the 15th and 16th December 1937)*

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FEBRUARY 1938.



Published by order of the Government of India

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1938

## CONTENTS.

	PAGE.
Agenda .. .. .	1
Representatives who attended the Conference .. .. .	2
Chairman's opening speech .. .. .	5
<b>I.—Handloom weaving—</b>	
<b>REPORTS ON THE OPERATION OF THE SCHEMES—</b>	
Madras .. .. .	9
Bombay .. .. .	13
Bengal .. .. .	18
United Provinces .. .. .	27
Punjab .. .. .	32
Bihar .. .. .	34
Central Provinces and Berar .. .. .	38
Assam .. .. .	41
North-West Frontier Province .. .. .	46
Sind .. .. .	49
Orissa .. .. .	49
Delhi .. .. .	50
<b>EXTENSION OF THE PERIOD DURING WHICH THE GRANT IS TO BE SPENT</b>	55
<b>DISCUSSION</b>	
Progress of schemes .. .. .	56
Additional funds for Bihar .. .. .	60
Cheap finishing machines .. .. .	60
Extension of the period during which the grant is to be spent	61
<b>GRANT FOR ALL-INDIA HANDWEAVING EXHIBITION AND COMPETITION HELD ALONG WITH THE ALL-INDIA EXHIBITION OF ARTS AND INDUSTRIES, PUNJAB, AT LAHORE FROM THE 6TH DECEMBER 1937 TO THE 22ND JANUARY 1938</b>	61
<b>DISCUSSION</b> .. .. .	65
<b>SCHEME FOR FINANCING THE ESTABLISHMENT OF A WOMEN'S CO-OPERATIVE INDUSTRIAL HOME IN CALCUTTA OUT OF THE GRANT ALLOTTED TO BENGAL</b> .. .. .	66
<b>DISCUSSION</b> .. .. .	69
M262CD	A2

	PAGE.
<b>I. Handloom weaving—concl'd.</b>	
<b>COMPETITION BETWEEN MILLS AND HANDLOOM WEAVERS .. .. .</b>	70
<b>DISCUSSION .. .. .</b>	70
<b>II.—Middle-class unemployment—</b>	
<b>* THE DEVELOPMENT OF SCHEMES OF APPRENTICESHIP—</b>	
<b>Madras .. .. .</b>	74
<b>Bombay .. .. .</b>	76
<b>Bengal .. .. .</b>	94
<b>United Provinces .. .. .</b>	98
<b>Punjab .. .. .</b>	102
<b>Bihar .. .. .</b>	103
<b>Central Provinces and Berar .. .. .</b>	104
<b>Assam .. .. .</b>	105
<b>Sind .. .. .</b>	107
<b>DISCUSSION .. .. .</b>	108
<b>SCHEME FOR HELPING EDUCATED YOUNG MEN IN STARTING SMALL INDUSTRIES—</b>	
<b>Bengal .. .. .</b>	117
<b>United Provinces .. .. .</b>	120
<b>Punjab .. .. .</b>	121
<b>DISCUSSION .. .. .</b>	123
<b>III.—Publication of a handbook containing information regarding industrial and technical institutions in India including Indian States .. .. .</b>	127
<b>DISCUSSION .. .. .</b>	127
<b>IV.—Minutes of the third meeting of the Imperial Sericultural Committee .. .. .</b>	128
<b>V.—Minutes of the second meeting of the Woollen Industry Committee .. .. .</b>	128
<b>VI.—Matters arising out of the proceedings of the third session of the Industrial Research Council .. .. .</b>	129
<b>A.—INDUSTRIAL SURVEYS .. .. .</b>	132
<b>B.—DRAWING UP OF A REGULAR PROGRAMME FOR THE ESTABLISHMENT AND DEVELOPMENT OF INDUSTRIES OF NATIONAL AND ECONOMIC IMPORTANCE .. .. .</b>	133
<b>C.—INDUSTRIAL RESEARCH .. .. .</b>	134

BULLETINS  
OF  
INDIAN INDUSTRIES AND LABOUR

No. 65.]

1938

[February

PROCEEDINGS OF THE NINTH INDUSTRIES  
CONFERENCE.

*Held at Lahore on the 15th and 16th December 1937.*

**AGENDA.**

**I. Handloom weaving.**

- (a) Progress of the schemes for the development of the handloom industry in the various provinces and the allotments for 1938-39.
- (b) Grant for an All-India Handweaving Exhibition and Competition to be held along with the "All-India Exhibition of Arts and Industries, Punjab" at Lahore from the 6th December 1937 to 22nd January 1938.
- (c) Scheme for financing the establishment of a Women's Co-operative Industrial Home in Calcutta out of the handloom grant allotted to Bengal.
- (d) Competition between mills and handloom weavers.

**II. Middle-class unemployment.**

- (a) The development of schemes of apprenticeship.
- (b) Scheme for helping educated young men in starting small industries.

III. Publication of a handbook containing information regarding industrial and technical institutions in India including Indian States.

IV. Minutes of the third meeting of the Imperial Sericultural Committee.

V. Minutes of the second meeting of the Woollen Industry Committee.

VI. Matters arising out of the proceedings of the third session of the Industrial Research Council.

## PRESENT :

*Government of India.*

The Hon'ble Sir Muhammad Zafrullah Khan, K.C.S.I., Bar.-at-law,  
Member of the Governor General's Executive Council  
—*Chairman.*

## Department of Commerce.

The Hon'ble Mr. H. Dow, C.S.I., C.I.E., I.C.S., Secretary.

Mr. H. Ronson, I.C.S., Under Secretary.

Mr. G. Corley-Smith, M.B.E., Assistant Secretary.

## Indian Stores Department.

Mr. E. F. G. Gilmore, B.Sc. (Hons.), M.I. Mech.E., officiating  
Director, Industrial Research Bureau.

## Department of Labour.

The Hon'ble Mr. A. G. Clow, C.S.I., C.I.E., I.C.S., Secretary.

*Provincial Governments.**Madras.*

The Hon'ble Mr. V. V. Giri, Bar.-at-law, Minister in charge of Industries and Labour.

Mr. L. B. Green, M.B.E., M.I.E. (Ind.), Director of Industries.

*Bombay.*

The Hon'ble Mr. L. M. Patil, B.A., LL.B., Minister for Local Self Government.

Mr. P. B. Advani, M.Sc., Tech., M.I.E., J.P., Director of Industries.

*Bengal.*

Mr. H. S. E. Stevens, I.C.S., Secretary to the Government of Bengal,  
Agriculture and Industries Department.

Khan Bahadur A. M. Arshad Ali, Registrar, Co-operative Societies.

Mr. C. C. Ghosh, B.A., F.R.E.S., Deputy Director of Sericulture.

*United Provinces.*

Mr. J. Nigam, I.C.S., Director of Industries and Commerce.

Acharya Jugal Kishore, M.L.A., Parliamentary Secretary to the  
Hon'ble Minister in charge of Industries.

Mr. B. K. Ghosal, M.A., Assistant Director (Cottage Industries).

Mr. B. K. Murthy, B.E. (Tech.), M.Sc. (Mech.), A.M.C.T., Textile  
Expert.

*Punjab.*

The Hon'ble Rao Bahadur Chaudhri Sir Chhotu Ram, Minister for Development.

Mr. R. J. S. Dodd, I.C.S., Secretary to the Government of the Punjab, Electricity and Industries Departments.

Rai Bahadur Lala Ram Lal, M.B.E., Director of Industries.

*Bihar.*

Mr. S. M. Dhar, I.C.S., Director of Industries.

*Central Provinces and Berar.*

Mr. C. C. Desai, I.C.S., Director of Industries.

Mr. M. B. Mande, L.T.M., A.T.L., Textile Expert.

*Assam.*

Mr. S. L. Mehta, I.C.S., Director of Industries.

*North-West Frontier Province.*

The Hon'ble Khan Mohammad Abbas Khan, Minister for Industries.

*Sind.*

The Hon'ble Sir Ghulam Hussain Hidayatullah, K.C.S.I., Chief Minister.

Mr. A. B. Thadani, D.I.C., M.Sc., Assistant Director of Industries (Adviser).

*Orissa.*

The Hon'ble Mr. B. N. Das, Chief Minister.

*Indian States.**Hyderabad.*

Mr. Khan Fazle Muhammad Khan, Secretary and Commissioner, Vocational Education.

Mr. Ghulam Ali Mohammadi, B.A., F.C.S., Director of Commerce and Industries.

Dr. Khaja Habib Hasan, Chief Chemist.

Mr. K. Nagnath, Textile Expert.

*Mysore.*

Mr. M. S. Ramchendra Rao, B.A., Director of Industries and Commerce.

*Baroda.*

Dr. S. M. Pagar, B.A. (Wis.), A.M., Ph.D. (Columbia), Development Commissioner.

*Gwalior.*

Sir Manubhai N. Mehta, C.S.I., Home Minister\*.

Lala Ramjidas Vaishya, F.R.A.S., M.R.A.S., Secretary, Commerce Department.

*Jammu and Kashmir.*

Mr. M. G. Kotibhaskar, Director of Industries and Commerce.

*Indore.*

Mr. N. S. Rahalkar, B.A., Commissioner of Customs, Excise and Commerce.

Mr. S. C. Ghosal, B.A., LL.B., Director, School Education.

Mr. P. S. Bapna, M.A., LL.B., Officer of the Revenue Department, Subha, Kannod, Indore State.

*Ceylon.*

Mr. K. D. Guha, M.Sc. (Liverpool), A.M.Ch.E., Technical Adviser on Industries.

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\*Attended on the 15th December 1937.

*Wednesday, December 15th, 1937.*

### **CHAIRMAN'S OPENING SPEECH.**

GENTLEMEN, I have great pleasure in extending a hearty welcome to all of you to the capital of this illustrious Province. The successful inauguration of the All-India Arts and Industries Exhibition is only one more proof of its progressive outlook. Such a display of what industry is able to produce all over India, is, I think, an appropriate background for our activities during the next few days.

2. Before I say anything about the agenda, I would like to refer to two important administrative changes that have taken place since the last Industries Conference at Lucknow. The Industries and Labour Department of the Government of India has disappeared and the Industries Branch of that Department is now included in the Commerce portfolio, of which I am in charge. I am sure, however, you will be glad to see that Mr. Clow, who was for years the Secretary of the old Industries and Labour Department and is now the Secretary of the new Labour Department, is present here, and I have no doubt that his long experience of industrial questions in general and of the Industries Conference in particular, will be of the greatest value to us in our deliberations.

3. The second matter to which I would like to refer is the constitutional change which has taken place in the Provinces. Those Ministers who have been good enough to come here today are now backed by constitutional majorities and to that extent are in a far better position to give effect to their policies than was perhaps the case before. While appreciating the progress made in the industrial sphere in the Provinces in the past, I may venture to hope that these constitutional changes will quicken the pace of industrial development of the country.

4. Coming to the agenda, I wish to make a brief reference to item II—Middle-class unemployment. This is a large subject and, perhaps, we shall make the more progress if we set well-defined limits to our discussions. It is a great pity that the Memoranda on the development of schemes of apprenticeship were not received in time from all the provinces and could not, therefore, be circulated. In order, however, not to lose the opportunity of initiating some discussion at least on this important subject, I have arranged for the circulation of those Memoranda which were received in time and it is to be hoped that they will lead to an interesting and fruitful exchange of views. It will, I hope, be possible to



include the subject again in the agenda for the next Conference when some experience would have been gained of some of the schemes recently initiated in the provinces. I may state here that in the course of my tour in Czechoslovakia I observed an excellent system of training in operation in one of the foremost industrial concerns there. I have arranged to obtain detailed information regarding it and hope it may be of use to us in the final consideration of suitable apprenticeship schemes in India.

5. The subject of industrial surveys is one of special interest to us all, and considerable discussion thereon has already taken place at the last Industries Conference and subsequently at the Bombay session of the Industrial Research Council. More recently the importance of such surveys was specifically stressed by His Excellency the Viceroy in his address to the Legislative Assembly in September of this year when His Excellency incidentally drew attention to the relationship between the development of industries as a whole and the problem of middle-class unemployment.

6. The encouragement and development of the major industries of the country must be our concern equally with the cottage industries if an industrially-minded and technically-efficient community, capable of providing all grades of the personnel essential to modern industry, is to be fostered.

7. Such developments must depend to a large extent, if not almost entirely, on the steps taken by the Provinces and States to effect them and it is necessary that detailed and up-to-date information regarding the industries which it is considered to be necessary to assist and develop should be obtained and made available in a suitable form for the instruction of all concerned so as to provide the basis on which plans for their development may be formed.

8. We are all, I feel sure, in agreement that the most suitable way in which this information can be obtained is by means of industrial surveys, industry by industry, in order of their importance to the country, and it was the opinion of the Industrial Research Council, expressed at its last session, that the oil-seed crushing industry is of primary importance in this connection. The oil-seed crushing and oil-production industry is closely allied to the oil-seed producing industry, which is of the greatest agricultural importance and value to India, and its technical development to a standard of equipment and efficiency comparable with that found in this industry in the great industrial countries of the world, is necessary if India is to derive adequate economic benefit from the oil-seed crushing and oil-producing side of the industry.

9. The Department of Agriculture are actively engaged in developing the qualities and yields of oil-seeds and oil-bearing products and also in

encouraging the increased use of seed-cakes as cattle-food and as manure. The agricultural marketing organizations have undertaken work in connection with the marketing of certain of the oil-seeds and the fixing of standards of qualities and weights, and it now remains for work and planning to be undertaken with a view to the development of the technical side of the industry.

10. It is, perhaps, unnecessary for me to point out, in this connection, that in industrial countries which have developed their oil-seed crushing industry, large and costly plants and highly qualified technical staffs are employed. These have been found to be essential if inefficient and wasteful methods are to be left behind, and it is, therefore, reasonable to anticipate that India will also find it necessary to follow suit. Moreover, it would be greatly to the advantage of the country, both economically and technically, if the export of oils could be increased and a corresponding reduction effected in the export of the seeds, and at the same time the consumption of seed-cake, either as cattle food or as manure for the soil, could be considerably expanded; these development would require a considerable expansion of the oil-seed crushing industry and of the technical personnel of all grades employed in the industry.

11. A few words will, I think, be of interest regarding the progress which is being made towards the development of the glass industry.

12. The construction of an improved type of furnace of an experimental design, for the more efficient and economical melting of glass batches is now, thanks to the generosity of a well-known industrialist of Bengal and the initiative of a glass manufacturer of the United Provinces, in active progress at the Star Glass Works, Ferozabad, United Provinces, under the direct supervision of the staff of the Industrial Research Bureau.

13. The Government of the United Provinces has under consideration a scheme for the development of the glass industry in that province, which provides for the recruitment of an expert glass technologist for this purpose, and the Benares Hindu University has recently commenced courses for the training of graduates in glass technology and allied subjects, after having established well-equipped laboratories for this work. The Government of Bombay are conducting investigations in connection with the preparation and improvement of bangle-glasses and of small glass-furnaces for cottage workers.

14. Work is in progress in various centres on the surveying and testing of indigenous raw materials required by the industry, and also on the preparation and production of certain accessories and raw materials which it has hitherto been necessary to import. In this connection the plans for the establishment of technical factories by Messrs. Imperial Chemical

Industries, Ltd. and other firms for the production in India of soda-ash, the important and hitherto comparatively costly glass constituent, are of particular interest.

15. This summary of activities, though necessarily brief, represents a gratifying quickening of the pace of development of this industry. Co-ordinating planning and investigation into the many subjects and problems of immediate practical importance are of the greatest assistance to the industry, but much still requires to be done to invigorate and modernise it. If, however, we regard what has been effected hitherto merely as a commencement, I am confident that our work will in due course produce real and lasting improvement in the industry and also in the well-being of the people employed in it.

16. The Industrial Research Bureau was established approximately three years ago by the Government of India on the recommendation of the Industries Conference on a temporary basis, in the first instance for a period of three years. It has been necessary to build up the organization completely and the recruitment of the majority of the officers and of the technical personnel, the training of the latter to the stage at which they could get to grips with the problems allotted to them, and the obtaining of plant and equipment required for their work, has necessarily taken up a considerable portion of this preliminary period.

17. Nevertheless, the organization has already proved its value and completely justified itself, and its staff are dealing with the various subjects and researches, which have been referred to the Bureau, with initiative and ability. The Government of India, therefore, propose that it shall be placed on a permanent basis from the beginning of the next financial year.

18. Before I close I know you would like me to thank the Punjab Government for their hospitality and for the excellent arrangements they have made for our comfort. When we were invited at the last Conference at Lucknow to hold the next session at Lahore, it was by the Government then in power, before the elections had taken place, but the invitation was repeated with no less cordiality by the new Government and I have great pleasure in expressing to them our thanks.

19. I would like to thank all of you for making it convenient to attend the Conference in spite of your pre-occupations. I am particularly glad of the presence of so many representatives of the States. Some of them have made great progress in industrial matters, and, if I may say so, set an example to us in British India. I hope we shall have a very successful and fruitful session.

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**I.—HANDLOOM WEAVING.**  
**REPORTS ON THE OPERATION OF THE SCHEMES FOR THE DEVELOPMENT OF THE HANDLOOM INDUSTRY IN THE VARIOUS PROVINCES.**

Madras.

(30th June 1937.)

An outline of the scheme adopted in this province has been given in the report for the year 1935-36. This scheme was continued during the year 1936-37.

2. The paid-up share capital of the Madras Handloom Weavers Provincial Co-operative Society increased from Rs. 16,400 at the beginning of the year to Rs. 18,450 at the end of the year. The membership increased from 98 to 128 as shown below :—

	At the beginning of the year.	At the end of the year.
Individuals .. .. .	47	58
Firms .. .. .	8	8
Societies .. .. .	43	62

3. In the original scheme, Government provided that 30 production societies should be organized in the first instance, and be given a subsidy to cover the cost of the staff and purchase of appliances. To give relief to more weavers, the society decided, with the approval of Government, to start and subsidize a larger number of societies. The Provincial Society gave subsidies to 52 primary societies amounting to Rs. 16,596 during the year. This sum includes Rs. 5,400 being the subsidy given to three bigger societies at Madura, Salem and Coimbatore which deal in finer counts of yarn, silk and other fabrics. The Provincial Government contributed Rs. 675, one-eighth of the sum.

4. The system of supplying yarn to societies at wholesale rates by the mills on the guarantee of the Provincial Society was continued. On the 30th June 1937, the Society's guarantee amounted to Rs. 38,065. Societies purchased yarn to the value of Rs. 27,298 as against Rs. 12,364 during the previous year.

5. Government advanced to the Provincial Society Rs. 30,000, out of the subvention, to be utilized as working capital on condition that the amount was repaid within three years. The amount was utilized to give cash credit loans to the production societies for the purchase of yarn and payment of wages to members. The Provincial Society advanced Rs. 21,450 as cash credit to the affiliated societies out of which Rs. 900 was collected leaving a balance of Rs. 20,550 at the end of the year. The Provincial Society advanced Rs. 425 on the security of finished products and the entire amount was collected before the close of the year.

6. In addition to the Emporium at Madras, the Provincial Society opened four sales depots at Madura, Bezwada, Bellary and Calicut during the year, to sell the products of the affiliated societies. It has been decided to start four more depots during the year 1937-38.

7. To reduce the cost of production of goods by supplying ready-made warps, five centres were selected for installing and working hand sizing machines. With the approval of Government, the Provincial Society decided to meet the non-recurring charges and recurring charges for working the machines for the first six months. One machine was installed at Melappalayam in Tinnevely District in June 1937. The remaining machines will be installed after watching its success.

8. At the beginning of the year, a sum of Rs. 64,168 was available under the subvention account. The allotment for 1936-37 was Rs. 68,800. During the year, a sum of Rs. 74,260 was disbursed to the Provincial Society out of the subvention. This includes the sum of Rs. 30,000 being the amount advanced for working capital. A statement showing the expenditure incurred out of the subvention during the year is annexed.

9. The Provincial Society participated in three exhibitions during the year held at Madras, Madura and Tinnevely. Certificates of merit were awarded by the exhibition authorities at Madura and Tinnevely.

10. The Cloth Designer visited 30 societies and introduced 76 designs during the year. The production societies are being induced to take up weaving of shirting and coating cloth which will compete with the mill-made cloths. The design and finish compare favourably with the mill cloths.

11. In the last year's report it was stated that with a view to effect economy, the Provincial Society employed a Sub-Deputy Registrar of the Department to serve as Secretary and Marketing Officer combined. Later, it was found that a merchant with business experience would be more useful for doing marketing work; the Director of Industries also was stressing the importance of appointing a separate qualified Marketing Officer. The Society, therefore, appointed a merchant as Marketing Officer from 21st June 1937 on a salary of Rs. 250 per mensem and the Sub-Deputy Registrar was withdrawn. A departmental senior Inspector is doing work as Executive Officer for the purpose of supervising and co-ordinating the work of supervisors and for the inspection of societies.

12. Goods to the value of Rs. 33,413 were received from primary societies for sale on consignment basis. A sum of Rs. 5,377 was due to consignors at the beginning of the year. Rs. 24,739 were paid off to the societies leaving a balance of Rs. 14,051 pending payment at the end of the year.

13. When the supervisors were originally appointed in 1935, no technical qualification was prescribed for them. The Director of Industries

1938.]

*Handloom Weaving.*

11

suggested that with a view to induce handloom weavers to weave types of cloths with which they were unfamiliar, the supervisors should be able to instruct them how to adapt their production to the changing requirements. This suggestion was accepted by the Provincial Society and persons who had undergone two years' supervisor's course at the Government Textile Institute were appointed as supervisors from November 1936. They are each paid Rs. 40 per mensem as salary, and travelling allowance according to the Madras Travelling Allowance Rules. There were 5 supervisors at the beginning of the year and an additional supervisor was appointed during the year. The Presidency has been divided into six circles and the supervisors have been put in charge of these circles.

14. To effect economy under travelling allowance to Directors, the Provincial Society reduced the railway fare from 1½ second class to single second class, daily allowance from Rs. 10 to Rs. 5 and mileage from Re. 0-4-0 to 0-2-0. The number of members on the Executive Committee has been reduced from 9 to 8.

15. Though the authorised share capital is Rs. 5 lakhs, the paid-up share capital is Rs. 18,450 only. The value of each share is Rs. 50 at present. Many persons of moderate means who were approached to take shares in the Society thought that the share value was high. It was therefore considered necessary to introduce 'B' class shares of the value of Rs. 5 each; the Provincial Government have also agreed to this amendment. The by-laws will be suitably amended at the ensuing general body meeting. The Provincial Society has also been asked to collect from the affiliated societies, 50 per cent. of the share capital collected from their members before September 1937 and the remaining 50 per cent. before 31st March 1938. It is hoped that the share capital will increase substantially before the close of the current year.

16. Government have sanctioned the purchase of a calendering and finishing plant and bleaching apparatus. The plant will be installed shortly. It is expected that after the installation of the plant, the demand for the handloom cloths will increase as proper finishing will make them attractive.

17. The handloom industry is not making much progress on account of the competition of the weaving mills. Several representations were received from weavers societies that Government should pass legislation prohibiting mills from weaving cloths with yarn of counts below a certain limit. The Provincial Government said in November 1936 that legislation was impracticable. The Provincial Society held a conference of representatives of affiliated societies in December 1936, wherein it was resolved to request Government to pass legislation prohibiting the mills from producing cotton cloth up to 40 counts. This resolution also has been communicated to Government.

18. There is a general complaint that the price of handloom cloths is higher than that of mill cloths. To reduce the price, it is necessary that the raw products, viz., yarn, should be available to the weaver at a lower price. The import duty on yarn tends to increase its price and the Textile Expert to Government has estimated that the increase amounts to 20 to 25 per cent. It is necessary to find ways and means to reduce the cost of handloom cloths.

19. The Provincial Society has not yet successfully tackled the problem of marketing; the opening of a few sales depots is not sufficient. The object of the Society to give continuous work to the weaver has not yet been achieved. The question of intensifying the work of the Provincial Society so as to enable it to be of real help to weavers is engaging the attention of Government and Registrar. It may, however, be observed that even if legislation, prohibiting mills from weaving cloth with lower counts of yarn is not possible, it is necessary to effect some adjustment of the spheres of production of the weaving mills and the handlooms and regulation of the classes of fabrics to be produced by each. Only then, the handloom industry will be able to make some headway. The Society is fortunate in having as its President, a gentleman who knows the difficulties and is very keen: a great deal of credit is due to him for the progress already made.

*Statement showing the expenditure incurred during the year 1936-37:*

Particulars.	Paid.	
	Rs.	A. P.
1. Establishment charges .. .. .	9,886	5 0
Subsidy to societies... .. .	16,595	8 0
2. Contingencies—		
Account books .. .. .	21	3 0
Postage .. .. .	578	4 0
Stationery .. .. .	311	0 0
Sales depots .. .. .	1,824	4 0
Lighting : Electric charges .. .. .	55	0 0
Cleaning .. .. .	36	14 0
Coolie .. .. .	4	1 0
Telephones .. .. .	175	11 0
Rent .. .. .	1,182	5 0
Rates and taxes .. .. .	0	8 0
Printing charges and advertisement .. .. .	1,127	7 0
Sundry expenses to Sales Depots .. .. .	76	3 0
Travelling allowance and sitting fees to Directors .. .. .	2,190	3 0
Travelling allowance to Executive Officer .. .. .	578	1 0
Travelling allowance to Supervisors .. .. .	1,963	7 0
Travelling allowance to Office staff-peon .. .. .	209	6 0
Railway freight and conveyance .. .. .	41	12 0
Contingencies .. .. .	173	2 0
Exhibition expenses .. .. .	379	5 0
Madras Emporium expenses, rent, etc. .. .. .	2,769	15 0
Directory .. .. .	8	0 0
Furniture bought .. .. .	683	7 0
	<b>40,886</b>	<b>3 0</b>

1938.]

*Handloom Weaving.*

13

**Bombay.***(31st July 1937.)*

The scheme comprises the organization of District Industrial Co-operative Associations with the following aims and objects, namely :—

- (i) to supply improved appliances on a hire-purchase system or otherwise ;
- (ii) to supply raw materials at reasonable rates ;
- (iii) to advise weavers with regard to the production of improved and easily marketable patterns and designs ;
- (iv) to undertake preparatory and finishing processes and dyeing and printing in connection with handloom industry ; and
- (v) to accept, on consignment account against partial payment handloom products from weavers and to purchase outright handloom products and to sell them.

To fulfil these aims and objects, each Association is to open a shop at its headquarters the expenses of which amounting to about Rs. 3,400 per year are to be met from the grant until the shop is able to support itself. A provision of Rs. 2,000 per year is made for each Association to meet losses, if any, in its working on account of bad debts and depreciation:

2. Proposals were sanctioned by Government during the year to utilize the additional grant of Rs. 5,100 for 1936-37 made by the Government of India. The proposals provide for advertising the products of the Industrial Associations referred to above, meeting losses due to the manufacture of new samples and the payment of bonus to selling agents of the Associations according to the sales effected by them, of the products of the Associations.

3. Since a saving has been made in the working of the scheme so far, it was decided during the year to utilize it in expanding the scheme by

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organizing Co-operative Sales Associations at Yeola and Malegaon in Nasik District and Bhiwandi in Thana District. These are very important hand-weaving centres of the Presidency and as the industry there is passing through critical times, those concerned made applications for help. The scheme under which these centres are to be helped provides that each of them should collect a share capital of Rs. 5,000 and open a shop at its headquarters to fulfil its aims and objects and that the Government will pay to each, its recurring expenses for three years not exceeding Rs. 2,000 per year. It will be observed that while in the original scheme a recurring provision of Rs. 2,000 for each Association was made out of the grant, to meet its losses due to bad debts and depreciation, no such provision is made under the new scheme. It is expected that these Associations will be able to obtain the necessary working capital from Co-operative Banks on the security of their share capital. It may be mentioned that the figure of Rs. 5,000 for share capital to be collected locally was arrived at in consultation with leading men in Yeola and Malegaon.

4. The Associations at Poona, Hubli and Ahmednagar which were organized last year continued to function during the year under review. The Association at Hyderabad (Sind) which was registered under the Co-operative Societies Act during 1935-36 was transferred to the control of the Government of Sind on account of its separation. The N. D. Industrial Co-operative Association, Ltd., Ahmedabad, was newly organized during the year and it commenced working in November 1936. The organization work of the Associations at Yeola, Malegaon and Bhiwandi was taken in hand. In Yeola, the necessary share capital was collected and arrangements were being made for the registration of the Association under the Co-operative Societies Act. In Malegaon, nearly half the capital was collected and it is hoped that the remaining capital will be forthcoming in short time. No progress could be made in the organization of the Association in Bhiwandi, and if it is found that it will not be possible to collect the required share capital in a month or so, some other centre will be given the benefit of the scheme.

5. The Association at Poona, Ahmednagar and Hubli have now been in existence for well over a year and an idea of the results of the working of the scheme can be had from the following figures of membership, capital, turnover and gross profit of each Association.

Name of the Association.	Member-ship as on 31st March 1937.	Share Capital as on 31st March 1937.	Advances from Government for Capital as on 31st March 1937.	Loan from Banks as on 31st March 1937.	Sales during the year 1936-37.			
					Raw materials.	Finished products.	Total.	Gross Profit.
		Rs. A. P.	Rs. A. P.	Rs. A. P.	Rs. A. P.	Rs. A. P.	Rs. A. P.	Rs. A. P.
S. C. D. Weavers' and Industrial Co-operative Association, Ltd., Poona.	87	1,064 1 0	4,000 0 0	3,013 1 6	7,779 9 0	1,713 14 6	9,493 7 6	227 1 0 (Loss).
N. C. D. Industrial Co-operative Association, Ltd., Ahmednagar.	515	984 4 0	4,000 0 0	8,833 10 1	23,772 8 1	22,823 13 0	49,596 5 1	2,240 12 3
The Industrial Co-operative Association, Ltd., S. D., Hubli.	184	950 8 0	4,000 0 0	2,000 0 0	14,530 0 6	3,979 9 9	18,509 10 3	489 14 8
The N. D. Industrial Co-operative Association, Ltd., Ahmedabad.*	101	574 0 0	2,000 0 0	Nil.	540 8 9	690 6 3	1,230 15 0	65 0 0

\* The figures of sales and gross profit for Ahmedabad are for three and half months from middle of December 1936 to March 1937.

6. Since the Ahmedabad Association was in its early stage of working, it is too early to comment upon it. This centre, however, is likely to develop into a big selling centre for handloom products. The great disparity between the sales of Ahmednagar Association and those of the Hubli and Poona Associations is due to the fact that the weavers in Ahmednagar are more progressive and industrious than the other two centres. All the weavers in Ahmednagar are using improved types of looms, *viz.*, fly-shuttle looms; and even though they are not entirely free from the conservatism of their class, they are found to give a reasonable trial to new qualities and designs introduced by the Designer. As regards Poona, it has been found that the conditions are unfavourable; the question, therefore, of continuing the operations at Poona or transferring them to some other more suitable centre, is engaging attention.

7. A study of the corresponding figures given below for the first quarter of the year 1937-38 reveals the rapid progress made by the Hubli Association as well as the potentialities of the Ahmedabad centre.

*Sales and gross profit for April, May and June 1937.*

Name of the Association.	Raw Materials.	Finished Products.	Total.	Gross Profits.
	Rs. A. P.	Rs. A. P.	Rs. A. P.	Rs. A. P.
S. C. D. Weavers' and Industrial Co-operative Association, Ltd., Poona.	825 9 9	1,765 15 3	2,591 9 0	89 12 3 (Loss).
N. C. D. Industrial Co-operative Association, Ltd., Ahmednagar.	2,231 8 9	4,449 3 9	6,680 12 6	523 13 9
The Industrial Co-operative Association, Ltd., S. D. Hubli.	6,068 0 6	3,741 9 0	9,809 9 6	779 3 3
The N. D. Industrial Co-operative Association, Ltd., Ahmedabad.	1,469 4 9	1,419 7 3	2,888 12 0	137 10 9

8. All the above Associations commenced working by purchasing and stocking for sale, raw materials, improved appliances and handloom cloth, etc. The advantages which have been gained by the weaver members are as follows:—

- (a) In raw materials, the rates of the market are brought down as the Associations are selling them at a nominal profit. This has been a help both to the members as well as non-members. Besides, since the Associations are stocking a variety of raw

- materials in different fast colours hitherto not available in those markets, it has been possible for weavers to take out new qualities of cloth without any difficulty. On account of an organized attempt by the Associations to dye fast colours, the rates of dyeing have been considerably reduced.
- (b) As regards the sale of finished products, the Associations with the help of the Designer undertook to manufacture entirely new qualities such as shirtings, coatings, patals, curtains, table cloths, towels, bedsheets, dhoties, etc. There is already an over-production in the usual products on account of the changing requirements of the public. It was, therefore, found unprofitable to deal in such qualities. Production of new qualities mentioned above, was, therefore, successfully introduced and it has opened to the industry a new and wide field. On account of this the glut in the market of the old and usual handloom qualities will be lessened. This will tend to improve the rates of old qualities also. This has actually been the experience of the Ahmednagar Association.
- (c) The weavers can hardly earn Re. 0-4-0 a day as weaving wages in producing usual qualities of cloth on account of over-production and consequent reduction in rates. In new qualities introduced by the Associations they can realize at least Re. 0-8-0 per day as weaving wages for eight hours working on fly-shuttle looms.
- (d) In manufacturing the new qualities every attempt is made to reduce the cost of production at every stage. Great care is taken to produce cloth strictly according to given specifications and to standardize the qualities.
- (e) For selling the finished products of these Associations, a system of appointing selling agents on commission basis in all important cloth distributing centres is adopted. In this way, contact between the handloom weavers and different cloth markets is established on account of which the weavers get acquainted with the changing requirements of markets.
- (f) The Textile Designer, who frequently visited the Associations to advise with regard to the introduction of new designs and patterns, introduced about 60 designs of shirtings, 12 designs of coatings and 6 designs of *lungis* in Hubli, about 24 patterns of borders of patals in Ahmednagar, about 40 designs in curtain cloth and a few borders in sarees in Poona, and a marketable quality of towels and of coating in Ahmedabad.

9. It should be mentioned that the circumstances under which these Associations are working are difficult. They are handloom weavers' co-operative business organizations. Co-operative movement among weavers has been of very slow growth in the past owing to their conservatism and lack of assets. Added to this, is the fact that business in handloom products in general is passing through very critical times at present. With such an unfavourable background, any constructive programme is bound to progress very slowly. The present scheme aims at the organization of a disorganized industry in all its aspects, on co-operative lines. Judging from the results obtained, there is every chance for the Associations to be self-supporting, thus continuing to be of benefit to the hand-weaving industry even after the Government of India grant is withdrawn.

### Bengal.

#### REPORT ON THE PROGRESS MADE DURING 1936-37 (TILL 15TH NOVEMBER 1937) IN THE DEVELOPMENT OF HANDLOOM INDUSTRY IN BENGAL UNDER THE CO-OPERATIVE DEPARTMENT.

Since the last Industries Conference, the Government of India were moved to sanction a revised scheme. In this scheme, provisions were made for supplying the weavers with improved types of looms on easy payment systems for want of which they could not put to use the training in improved weaving received by them from the expert staff employed under the scheme. Proposals were also made for supplementing the working capital of the different Industrial Unions and the Central Sale Depot with a view to enabling these organizations to extend their business and activities.

2. This revised scheme has since received the approval of the Government of India. As a result, the following grants have been sanctioned to the different Unions as indicated below:—

	Non-recurring.		Recurring.	
	Advance.	Improved Looms.	Total.	
	Rs.	Rs.	Rs.	Rs.
1. Bengal Provincial Co-operative Industrial Society .. .. .	20,000	..	20,000	3,180
2. Alamdanga Yarn Depot .. .. .	4,000	1,000	5,000	..
3. Bankura Industrial Union .. .. .	4,000	1,000	5,000	..
4. Naogaon Industrial Union .. .. .	2,000	1,000	3,000	..
5. Chowmohani Industrial Union .. .. .	1,000	1,000	2,000	..
6. Dacca Co-operative Organizations (when new organization will be set up) .. .. .	1,000	1,000	7,000	..
7. Chittagong Co-operative Organizations (when new organization will be set up) .. .. .	3,000	1,000	4,000	..
	<b>40,000</b>	<b>6,000</b>	<b>46,000</b>	<b>3,180</b>

1938.]

*Handloom Weaving.*

19

3. The grants are now in the process of disbursements to the Unions. The detailed proposals from the Unions for the utilization of the grants are also being examined by the Marketing Officer.

4. The staff and appliances given to the Unions remained the same as in 1935-36.

5. The revised scheme has also made provisions for propaganda, publicity and purchase of samples for which a separate sum of Rs. 4,125 has been allocated.

6. The detailed report on progress made during the year 1936-37 is given below :—

*Bankura Co-operative Industrial Union.*—The staff maintained by this Union remained the same as in the previous year. With the help of 7 improved looms, given by Government, demonstrations were given at 15 different villages and 182 members of different weavers' societies were trained in weaving improved class of fabrics during the period under review as against 20 shown in the last report. During the year, textile fabrics of various types to the total quantity of nearly two lakhs of yards were manufactured by the members and were sold at about Rs. 47,000 which shows a definite improvement in marketing and production ; out of the above 70 per cent. were sold at local markets, and the rest were sold in Calcutta and other outside centres through the central organization. The outstanding feature of this Union is that under the directions of the Marketing Officer, it has taken up weaving of mass requirements, such as dhoties and sarees. Nearly 100 pairs of these dhoties and sarees were made by this Union and sold at a fairly competitive price with the mill-made goods of similar type.

When the grant towards working capital have been available to the Union, the Union is going to launch mass production of these fabrics of everyday use.

*Alamdanga Yarn Depot.*—The staff allotted to the Union was the same as in the last year. Ten demonstration centres, as against one of last year, were opened at different places within the area of the Union and the total number of members trained were 170 against 36 of last year, out of which 46 members have also been trained in the art of dyeing. The dye-shop opened with the grant has proved to be a source of great relief to the weavers as they are now getting a ready supply of fast dyed yarn at a comparatively lower price. Approximately 6,000 pounds of yarn of different shades were dyed for the use of the local weavers. Besides supplying grey yarn to the value of about Rs. 11,300 to the weavers, which previously constituted the principal function of the Depot,

it has manufactured finished fabrics of medium and coarse counts for a total value of Rs. 8,600, as against Rs. 2,012 of last year.

The Union also executed an order for 10,000 yards of Nainsook cloth received from the Marketing Officer and supplied 250 yards of towel sheetings to the Medical College, Calcutta. Negotiations are proceeding for manufacturing of upholstery cloths, samples of which have been made and delivered to the parties for approval.

*Naogaon Co-operative Industrial Union.*—The staff allotted to this Union consisted of 1 Weaving Expert and two Weaving Supervisors. With the help of the 4 Government demonstration looms, 150 members have been given demonstrations so far in improved weaving, as against 30 of last year. These demonstrations have helped the weavers to a great extent, in as much as in place of weaving coarse *gamchas* and mosquito curtain cloths which had hitherto been the practice, the trained men are now producing dhoties, sarees and *lungis* of medium counts of yarn and are having good local markets for these. As regards training in improved processes of dyeing, demonstrations were given to 80 members and out of which 28 have become fairly trained in the art. Regarding production of fabrics, the Union was ordered to supply 4,000 yards of Nainsook and envelope-lining cloths by the Marketing Officer and it has executed the order successfully. The Union is, as before, supplying dusters, towels, etc., to the local institutions.

*Dacca Co-operative Industrial Union, Ltd.*—The staff maintained at this Union consists of one Weaving Expert and four Weaving Supervisors. The area of operation of the Union is fairly large and there is a membership of nearly 1,500 weavers, weaving mostly finer fabrics. The staff are working in 4 different centres. The whole weaving population of the district are skilled weavers and as there are quite a number of weekly *hats* held in different places within the area they find little difficulty in disposing of their products. Approximately Rs. 50,000 worth of goods are being sold in these *hats* weekly. Calcutta also affords a good market for the Dacca handloom products, specially sarees, and *lungis*. So far, demonstrations in improved process of weaving were given to 704 weaver members as against 200 of last year as a result of which they are now producing attractive designs of towels, *pardahs*, shirtings, etc., and have sold them locally as well as in Calcutta. 10,000 yards of Nainsook cloth were supplied by this Union under orders received through the Marketing Officer; as also 1,000 yards of water-proof lining cloth and 600 yards of *pardah* cloth.

Orders for 2,000 yards of fancy mosquito curtain cloth, 2,000 yards of *lungi* sheetings, 1,800 yards of Markin cloth and 1,000 yards of water-proof lining cloth are now pending execution. A grant of Rs. 6,000 for

supplementing the working capital and a grant of Rs. 1,000 for purchase of improved looms have been provided for the Union which will undoubtedly increase the activities of the Union. A grant of Rs. 24,000 was made to the Union for a set of slasher sizing and calendering machine but the grant has been kept pending the re-organization of the Union on the lines indicated by the Department.

*Chittagong Co-operative Industrial Union.*—The expert staff provided to the Union out of the Government of India grant are one Weaving Expert and one Weaving Supervisor. With the help of 4 Government looms and two others presented to the Union by the District Board, demonstrations in improved weaving were given to the weavers in 7 centres and 170 of them were trained as against none of last year. A weaving school has been started at the Badarkhali Co-operative Colony where 12 students are being trained in up-to-date methods of weaving. As a result of demonstrations and training, the products of the weavers are now not only sold in the local market but also have crossed the borders to Burmah and transactions have been made with Burmese merchants to an extent of Rs. 7,000 through the agency of the staff during the year.

Negotiations are also afoot with the Assam-Bengal Railway authorities and the local hospital for the supply of dusters, etc. The Union has now been re-organized on better footing and the work is expected to improve much.

*Chowmohani Co-operative Industrial Union.*—The Union having an area with a large weaver population has got a big field for improvement. It has been given one Weaving Expert and two Weaving Supervisors. The staff found the weavers accustomed to weaving of coarse fabrics which they sell locally in their primitive types of looms. They were very much apathetic to improvement. They apprehended that any deviation from their old method of work would be detrimental to their interest. With such difficulties, the staff started their operations. So far, 900 weavers attended the demonstration centres and 150 weavers have received regular training in the improved methods as against none of last year. As a result, they have been able to produce sarees of attractive designs according to samples sent by the Marketing Officer from Calcutta and have created a local market for them. They have also specialized themselves in the manufacture of mock-leno type of mosquito curtain cloth for which there is a demand and attempts are being made to secure wholesale orders for these.

*Bagerhat Weaving Union, Ltd.*—With the subsidy from the Government of India, this Union has purchased a slasher sizing machine and a calendering plant at a cost of Rs. 19,304, which has already been installed. The Union has since purchased a boiler to run these machines. The original



idea was to open a centre for distribution of warp beams to the weavers and also for finishing but as it is apprehended that difficulties would arise in transportation of warp beams to the houses of the weavers which are scattered over a vast area, and collection of woven products from there for finishing, it has been decided to get the members to work under a common shed to which they have agreed. With this end in view, 250 handlooms of improved types are being added to the existing 25 power looms. For the marketing of the products of this Union, little difficulty is felt as they run their own depot at Calcutta and have agencies in other centres as well. The Provincial Society also stock their goods and help them in disposal. Goods to the value of Rs. 2,700 have been disposed of at the Provincial Depot this year, as against Rs. 2,200 of the last year. The total production of the Union this year amounted to 10,750 yards valued at approximately Rs. 35,000.

*Provincial Co-operative Industrial Society.*—The staff provided for this society consists of one Marketing Officer, one Designer and two Canvassers. In fulfilment of its three-fold activities, namely, (i) disposal of finished products manufactured in different co-operatively organized Industrial Unions of the Province and also of individual handloom products, (ii) supplying of raw materials to the weavers and, (iii) propaganda for the sale of handloom goods, the society has achieved the following results :—

(1) During the period under review, the society's total sale has been Rs. 66,000 approximately, as against Rs. 55,000 of the corresponding period of the last year. The Marketing Officer with the help of his Canvassers has contributed to the sale figures of the society to the extent of Rs. 11,000, as against Rs. 4,000 of last year and secured orders for 20,000 yards of Nainsook cloth, 8,000 yards of jaconet cloth, 2,500 yards of water-proof lining cloth, approximately 300 pieces of uniform sarees, 500 yards of towelling cloth, 2,000 yards of *lungi* sheetings, 1,800 yards of Markin cloth and 1,000 yards *pardah* cloth, for the different Industrial Unions. Negotiations for orders were made with Railways, the Indian Stores Department, Calcutta Electric Supply Corporation, Bengal Telephone Company and other big consumers of textile fabrics, but considering the limited working capital of the Central Society and the different producing Unions, attempts to secure large order were abandoned. The recent grant made by the Government of India as advance to the different Unions and also to the Central Sales Depot will to a certain extent relieve them of financial difficulty and help them in increasing their volume of business. The Designer has supplied 120 new designs to the different Industrial Unions and weaving organizations out of which 80 have been successfully adopted by the weavers. The Society supplied raw materials

1938.]

*Handloom Weaving.*

23

to the Unions valued at nearly Rs. 15,000. As regards propaganda work, the Society participated in 12 different exhibitions held in different parts of the Province during the year.

A statement of expenditure in connection with the scheme during the year 1936-37 is given below :—

Pay of establishment	..	..	..	..	Rs.
Travelling allowance	..	..	..	..	15,742
Contingencies	..	..	..	..	3,420
Grants-in-aid, contribution, etc.	..	..	..	..	1,289
					14,304
					<hr/>
					34,735

In summing up the net results achieved during the second year of the actual working of the scheme :—(i) 2,206 weavers have been trained by the expert staff working in six different centres of the Province ; (ii) approximately 2½ lakhs of yards of cloth of various designs have been produced to the value of Rs. 1,10,000 approximately ; (iii) 6,000 lbs. of yarn have been dyed and 46 members trained in dyeing ; (iv) approximately Rs. 15,000 worth of raw materials have been advanced to the Unions by the Provincial Society. Most of the Unions purchased their raw materials locally and attempts are now made to centralize the supply of materials through the Provincial Society ; (v) The Marketing Officer with the help of his Canvassers has substantially contributed to the total of the production and sale cited above and the Designer has supplied 120 designs and most of them have been successfully adopted by the members and have been depicted on fabrics.

*The Bengal Home Industries Association.*—A grant of Rs. 23,500 was sanctioned by the Government of India to the Bengal Home Industries Association through the Department of Co-operative Societies, Bengal. The grant was meant for the development of handloom industry in Bengal by (a) giving instruction to the weavers in the methods of improved class of weaving, (b) supplying them with grey and dyed yarn, and (c) helping the weavers in the disposal of their products. The above grant was received by the Association towards the end of June 1937 and from the report submitted by the Honorary Secretary of the Association it appears that the following work has been done :—

Two technical experts in dyeing and weaving, one accountant, one store keeper and three menials have been appointed. A portion of the grant has also been utilized in the purchase and repairing of furniture.

Orders for various classes of materials have been placed with groups of weavers in the districts of 24-Parganas, Nadia, Pabna, Mymensingh and Dacca and in some cases raw materials were advanced to these weavers for execution of the above orders. Several orders have also been placed with the Bankura Co-operative Industrial Union Ltd.

An order for 650 yards of check muslin cloth was placed with the Marketing Officer of the Co-operative Department for having it executed by the weaver members of the Co-operative Societies and negotiation for production of 2,000 yards of fancy mosquito netting cloth is in progress.

7. On the whole it will appear from the report that although no appreciable progress has been made on account of the shortness of the period since the grant has been made available, it may be said that the work has been started on the right lines and better result is expected next year.

*Budget estimates of expenditure for 1938-39.*

Co-operative Credit Development of Handloom Industry.	Actual, 1936-37.	Budget Estimate, 1937-38.	Revised Estimate, 1937-38.	Proposed Budget, 1938-39.
	Rs.	Rs.	Rs.	Rs.
<i>Pay of Officers.</i>				
One Special Assistant Registrar of Handloom Industry .. .. .	..	3,000	3,000	3,000
<i>Pay of Establishment.</i>				
Marketing Officer, Manager, Assistant Expert and Supervisor .. .. .	15,742	23,040	23,040	20,100
Servant .. .. .	..	..	..	588
	15,742	23,040	23,040	20,688
<i>Allowances, Honoraria, etc.</i>				
Travelling allowance .. .. .	3,419	7,500	7,500	7,500
House-rent and other allowance .. .. .	..	..	..	72
	3,419	7,500	7,500	7,572
<i>Contingencies.</i>				
Other contingent charges .. .. .	1,269	6,000	6,000	6,000
Rents, rates and taxes .. .. .	..	..	..	450
	1,269	6,000	6,000	6,450
<i>Grant-in-aid.</i>				
Grant to Co-operative Societies .. .. .	14,304	75,695	75,695	25,000
	14,304	75,695	75,695	25,000
<b>Grand Total .. .. .</b>	<b>34,734</b>	<b>1,15,235</b>	<b>1,15,235</b>	<b>62,710</b>

**REPORT ON THE OPERATION OF THE SCHEME OF HANDLOOM WEAVING AT GOVERNMENT WEAVING INSTITUTE, SERAMPORE, FOR 1936-37.**

*Staff.*—The staff for the handloom research work at Serampore consisted of one Expert Textile Organizer, two Artisan Assistants and Workman Labourer.

2. *Equipment.*—The handloom research laboratory has now been equipped with 8 fly-shuttle looms with various attachments, the semi-automatic fly-shuttle loom, one niwar loom, one eight shaft dobbie, two

country dobbies, one heald stand and one beam stand. The laboratory has also been provided with arrangements for the display and storage of experimental fabrics other raw materials including yarns.

3. *General.*—During the period under report, the Expert Textile Organizer visited the piece-goods markets of Calcutta and different weaving centres in the districts of Pabna, Dacca, Bankura, Mymensingh, Nadia, Khulna, Malda, Chittagong and Howrah in order to ascertain the trend of fashion and extent of demand, actual and potential and also to form an idea of the capacities and deficiencies of the local weavers. He also attended the All-India Handloom Weaving Competition held at Patna and the All-India Industrial and Agricultural Exhibition held at Lucknow and had had opportunity of studying the general condition of handloom weaving industry, as it exists in different Provinces and States.

4. *Assistance to handloom workers in the mofussil.*—The Expert Textile Organizer visited on invitation Inayatpur, Sree Ratnapur and Sahajadpur and rendered technical help to the demonstration parties working there. The Expert received several enquiries from different parts of Bengal regarding sizing, fancy weaving and dyeing which were complied with. Several designs were supplied to the Head Masters of District Weaving Schools and owners of handloom factories. During the year under report, Head Masters of 3 District Weaving Schools, 3 Peripatetic Weaving Instructors and 3 Weaving Demonstrators visited the Serampore Government Weaving School where the work is being carried on and took necessary particulars of dyeing effects and several weaves of new designs for introduction among the handloom weavers.

5. *Work for the Bengal Home Industries Association.*—A large part of the time of the research staff has been devoted to the production of samples of furnishing fabrics for the Bengal Home Industries Association, who are getting them manufactured on a large scale by handloom weavers of the province on the basis of the samples produced. Altogether 58 pieces of samples have been produced.

6. *Introduction of original designs.*—In addition to producing sample for the Bengal Home Industries Association, the party has worked out 41 original designs which includes 3 coatings, 1 ladies dress material, 7 scarves, 23 furnishing fabrics (5 of which contain trick dyed effect yarn) and 7 sarees with ornamental borders (4 of which have been decorated with trick dyed borders).

7. *Appliances designed.*—During the period under report the following appliances have been designed :—

(a) *A new sley with adjustable reed space.*—This is capable of weaving cloths of varying width from 27" to 60" and is calculated

to enable the weavers who are not in a position to buy looms of various widths, to increase their earnings by extending the range of their production. The Research Party has 2 such sleys working which have been found to be satisfactory under actual working conditions.

(b) *A leasing Paddel.*—This is expected to simplify leasing for warpers who make their warps in the usual indigenous way.

(c) *A simple Yarn Doubling Frame.*—This apparatus is very simple in its construction and is capable of producing soft grandrelle yarn. It will enable even a village weaver to produce his own grandrelle yarn and is thus expected to help him in augmenting his income by increasing the scope of producing ornamental fabrics.

(d) *An adjustable Double Shuttle Sley.*—This is really an adjustable reed space sley with all its special features and in addition is capable of being turned into two small sleys working side by side. Two cotton warps can be woven simultaneously and side by side with this sley. The warps weave very well and almost at the same speed as on ordinary fly-shuttle loom. This new design of the sley affords the possibility of weaving 2 scarves or napkins on a bed sheet loom.

*Estimate of allotment during 1938-39.*

	Scheme No. I.	Scheme No. II.	Scheme No. III.
	Expansion of the experimental handloom research scheme at the Government Weaving Institute, Serampore.	Establishment of three additional weaving demonstration parties under the Industries Department.	Grant-in-aid to the Kalimpong Mission Industries Association.
	Rs.	Rs.	Rs.
Establishment .. ..	5,406	9,048	2,400
Allowances, honoraria, etc. ..	300	1,100	..
Contingencies .. ..	2,494	1,852	..
	8,200	12,000	2,400
Total .. ..		22,600	

1938.]

*Handloom Weaving.*

27

**United Provinces.***(31st August 1937.)*

There were no material alterations in the scheme which worked smoothly. Efforts to offer new designs to the weavers, to evolve and introduce new appliances to assist them in producing goods of new designs and standard quality and in getting the products finished to market their goods through the United Provinces Arts and Crafts Emporium and subsidized agents and to secure new business through commercial travellers and foreign agents were continued. An account of the activities of the different sections of the scheme is given below :—

*Designs.*—Numerous designs were introduced among handloom weavers and cloth printers with the help of three assistant designers working under the guidance of the Emporium and the Central Weaving Institute. Some attractive designs came from the Model Weaving Schools and the Government School of Arts and Crafts also. No Head Designer was appointed. The Research Assistant has been put in charge of the Design Section also. It is proposed to appoint a competent artist to work in co-ordination with textile men. There is a dearth of competent designers for textiles and a proposal to send out suitable men for training abroad is being considered.

*Research and Experiment :—*

(1) *Weaving.*—This section is attached to the Government Central Weaving Institute, Benares, and is meant primarily for solving the practical difficulties of weavers with regard to new appliances and the production of new types of fabrics on popular looms. It introduced the use of hand machines for making fancy yarn, weaving of georgette on fly-shuttle looms and conducted practical tests of some of the improved appliances. The main work of research regarding appliances is conducted by the Government Central Weaving Institute and the Government Model Weaving Schools with their own resources. A long list of appliances devised by these institutions was given in the last year's report. During the year 1936-37, the following appliances were introduced :—

- (i) Attachment for automatic working of the jacquard which enables a weaver to work the jacquard much quicker almost at the speed of an ordinary fly-shuttle loom. This was introduced by the Government Model Weaving School, Mau, and is responsible for the popularity of jacquards at Mau where some 750 jacquards were set up during the year. The Lucknow Exhibition awarded a gold medal for this attachment.

- (ii) *Wooden shaft dobbie*.—This dobbie is an effective labour saving appliance for borders and all-over-effects and is useful for fancy towels, twills, shirtings and suitings. It was introduced by the Government Central Weaving Institute, Benares.
- (iii) *Arrangement for winding a greater length of cloth on the roller of a fly-shuttle loom*.—Cotton weavers found it difficult to weave fabrics in pieces longer than 10 to 15 yards which are odd lengths for cotton piece-goods. This device was produced at the instance of the Emporium to enable weavers to produce pieces 30 to 40 yards in length as required by trade.

(2) *Dyeing and Printing*.—Research and experiment in dyeing and printing was conducted by the Government School of Dyeing and Printing with its own resources. The hand mercerising appliance and process was further improved. A hand machine for *kundi* work beating was devised and demonstrated. Experiments with screen printing by hand were successful and have offered a simpler method of printing to cottage workers who could not afford an aerograph equipment. The Government of India sanctioned a separate section for research and experiments in dyeing and printing as in the case of weaving but as the sanction was received late it could not be started during the year.

*Supervision of manufacture*.—No new Stores for organization of weavers were started. The Stores at Sandila, Barabanki and Tanda were worked as co-operative societies and efforts were continued to organize the weavers attached to the other three Stores at Mau, Amroha and Etawah on co-operative lines. Each Store is being encouraged to have one or two special lines of its own so as to avoid the common fabrics with which the market is glutted.

At Amroha the weaving of towels has been developed. Several styles which were not known to the weavers were introduced and our Supervisor has virtually occupied the place of an "*Ustad*". Upholstery cloth has also been introduced at this centre and the products have been appreciated. This centre produces khaddar (hand-spun yarn hand-woven) cloth also.

Etawah specialized in shirtings and coatings.

Sandila continued to specialize in gauze, jaconet and bandage cloth. Some contracts were secured from the Government Press, the Medical College and other civil hospitals. This is the best centre for work on co-operative lines and has made good use of the facilities available under the handloom scheme.

1938.]

*Handloom Weaving.*

29

The Barabanki Store improved its sales by over 50 per cent. this year. Staple goods like coloured sarees, garha, lining cloth, etc., were manufactured at this centre.

Tanda is noted for artificial silk goods but does not use fast colours. An attempt was made to produce fast coloured art-silk sarees, but as the demand is for cheap art-silk fabrics only, much success could not be attained. The weaving of improved art-silk goods is, however, being attempted and if suitable yarn can be obtained in the country this centre will be able to compete with Japan in better quality art-silk goods also. Printing on improved art-silk fabrics has been tried at this centre and its printed chadars were appreciated.

The Stores at Mau did the maximum business. Mau is the biggest handloom centre in the province. The weavers are quick at adopting new designs and new methods but engage in cut-throat competition which leads to deterioration in quality. The competition amongst the weavers is further stimulated by the *arhatias* who accept orders at low rates and force those prices on weavers who depend on them for business. The Stores has been instrumental in checking these tendencies to some extent.

Jacquard weaving was introduced only last year at Mau, but to-day Mau can boast of at least 1,000 improved jacquards and the manufacture of jacquard itself has also been started there by carpenters.

The Stores had to face antagonism from the middlemen who did all they could to poison the minds of weavers. As all the weavers at a centre could not be brought within the fold of the Stores, the jealousy of the majority against their more fortunate brethren has given the middlemen a good handle. With persistent educative propaganda and efforts at co-operative organization it will, however, be possible to overcome these difficulties.

The average income of the weavers working for the Stores is almost double the usual earnings of others. They have been relieved of the burden of buying the raw material and marketing the finished product. They are saved from market fluctuations and get work regularly.

Five weavers were brought from each centre at Government expense and were shown round the Lucknow Exhibition. The Textile Section was shown to them by Weaving Supervisors who explained the improved appliances of the different provinces. They were also shown different kinds of cloth manufactured. This trip proved to be of great educative value. The Emporium brought weaver members of the six Stores to compete in the All-India Weaving Competitions held at Lucknow and one of them secured the first prize of a gold medal and two second prizes.

*Finishing and Calendering.*—There were already two calendering plants at Tanda and two new ones were put up, one at Tanda and the



other at Mau. They were installed by private persons at the instance of the Department and were utilized for calendering handloom fabrics produced at the Stores. The question of giving grants to one of these for additional machinery is being considered.

A private party has volunteered to put up a regular finishing plant at Etawah, and negotiations for a grant by the Department have been completed.

It is proposed to develop hand finishing by giving grant to expert hand-finishers setting up in rural areas. The intention is to tackle cheaper fabrics which cannot bear the expense of transit to finishing factories.

*Marketing.*—Goods worth Rs. 1,05,220 were sold during the year through the Emporium and the Stores. The Emporium did business with England and the United States of America, through its agents and orders were secured from United Provinces Stores Purchase Department. It participated in several exhibitions—Bareilly, Travancore, Delhi and the Indian Trades Exhibition Train and on a large scale in the United Provinces Industrial and Agricultural Exhibition of Lucknow. United Provinces products displayed by the Emporium won 75 prizes at the All-India Handloom Competition organized by the Lucknow Exhibition. This was the largest number won by any province. The Emporium and the handloom weavers owe a deep debt of gratitude to Lady Haig, the wife of His Excellency the Governor, United Provinces. She was a regular customer and was mainly responsible for popularizing our products in higher circles. She guided the Emporium by giving suggestions in the matter of design and colour schemes.

Four Commercial Travellers attached to the Emporium did extensive touring and secured orders from Bombay, Madras, Travancore, Hyderabad, Bihar and several districts of this province. Orders for new styles popular in other parts were also secured and the manufacture of these has opened new field even for weavers outside the sphere of influence of the Stores. The rural canvassers did not do equally well and they are now being attached to the six Stores which will control their activities.

*Subsidized agencies.*—The scheme for a special subsidy to agents was sanctioned rather late and full effect could not be given to it during the year. Some of the wholesale buyers who completed the quotas fixed for special subsidy will, however, get the benefit of the new terms.

*General.*—So far the progress has been comparatively slow due mainly to the experimental nature of the scheme and the inability of the illiterate and unorganized weavers to take full advantage of the facilities offered. But there is now definite evidence that the advance will be quicker.

1938.]

*Handloom Weaving.*

31

Economy is being effected by utilizing the existing resources of the technical institutions as far as possible without impairing the efficiency of the primary work of these institutions in the hope that better use will be made of the amount saved when the spade work has been done. A proposal is, therefore, being submitted to the Government of India to allow utilization of the savings even after 31st March 1940. The beneficent activities are taking root now and it would undo the good work done if the assistance is withdrawn so soon. If the scheme is allowed to run a year or two longer the result will be more lasting.

The following statement shows the expenditure under the different heads and the savings under each:—

*Statement of expenditure and savings during the year 1936-37.*

HEAD.	Allotment.	Expenditure during 1936-37.			Balance.		
		Rs.	Rs.	A. P.	Rs.	A. P.	
1. Purchase of samples .. .. .	650	641	0	0	9	0	0
2. Commercial Travellers .. .. .	9,115	6,958	2	9	2,156	13	3
3. Supervisor and Stores .. .. .	17,514	11,497	6	9	6,016	9	3
4. Provincial Marketing Organization .. .. .	21,401	21,285	13	9	115	2	3
5. Subsidy to agencies .. .. .	15,600	Nil			15,600	0	0
6. Finishing and calendering of cloth .. .. .	3,000	973	14	3	2,026	1	0
7. Improved appliances .. .. .	7,000	473	10	6	6,526	5	8
8. Director's Reserve .. .. .	3,000	540	12	0	2,459	4	0
9. Designs .. .. .	7,920	2,491	15	8	5,428	0	4
10. Research and experiments—							
(i) Weaving .. .. .	6,420	384	5	0	6,035	11	0
(ii) Dyeing and Printing .. .. .	5,000	Nil			5,000	0	0
11. Setting up of calendering plant .. .. .	25,000	Nil			25,000	0	0
12. Equipment for Dyeing and Printing Research.	2,500	Nil			2,500	0	0
	1,24,120	45,246	0	8	78,873	15	4

## Punjab.

(15th August 1937.)

The expenditure incurred on the scheme up to 15th August 1937 under each primary unit is shown below :—

Primary unit.	1934-35.		1935-36.		1936-37.		1937-38 (1st April 1937 to 15th August 1937).		Total expenditure upto 15th August 1937.	
	Rs.	A. P.	Rs.	A. P.	Rs.	A. P.	Rs.	A. P.	Rs.	A. P.
Pay of establish- ment.	..		11,269	13 0	18,263	5 0	8,342	10 0	37,875	12 0
Other allowances and honoraria.	..		..		225	4 0	44	0 0	269	4 0
Travelling allow- ance.	..		1,012	14 0	2,678	9 0	793	11 0	4,495	2 0
Supplies and ser- vices.	..		7,713	0 0	13,659	2 6	8,624	1 9	42,777	7 3
Contingencies ..	308	2 0	4,552	9 0	7,920	8 0				
Rewards and sub- sidies.	..		166	7 0	248	10 6	..		415	1 6
<b>Total ..</b>	<b>308</b>	<b>2 0</b>	<b>24,724</b>	<b>11 0</b>	<b>42,995</b>	<b>7 0</b>	<b>17,804</b>	<b>6 9</b>	<b>85,832</b>	<b>10 8</b>

2. The amount available in the budget for expenditure during the current year is Rs. 69,400, of which Rs. 17,804 were spent up to 15th August 1937, leaving a balance of Rs. 51,596 in hand. Orders have been placed for sizing machinery costing Rs. 10,300. During the year 1938-39 Rs. 72,000 will be required. The expansion of business has necessitated increased expenditure.

3. The Central Depot at Amritsar continued to exhibit the best samples of printed and woven goods. This depot was visited by hundreds of weavers, printers, businessmen and shopkeepers. The volume of work transacted through branch depots at Multan and Hoshiarpur showed considerable expansion. In addition, another sub-station was opened at Nawashahr, an important weaving centre.

4. The Central Depot at Amritsar controls the marketing organization under the scheme. It works designs and distributes them locally and to other areas through the branch depots.

1938.]

*Handloom Weaving.*

53

5. Assistance was generally rendered to handloom weavers—

- (a) by employing them directly for the execution of orders received through buying agents ;
- (b) by increasing the scope of their work by giving latest and marketable designs ; and
- (c) by the introduction of improved appliances.

The printers were generally helped by securing them increased volume of work by the supply of attractive designs.

6. In certain parts of the Punjab the weavers used to get work only for 125 to 150 days during the year. Because of the marketing scheme they are now able to secure work for over 300 days during the year and the earnings of weavers in certain areas have increased by over 100 per cent.

7. An idea of the volume of work undertaken during the periods 1936-37 and 1st April 1937 to 31st August 1937 will be formed from the under-mentioned figures :—

		During the period 1936-37.	During the period 1st April 1937 to 31st August 1937.	Total.
Amount of cloth turned out	Yds.	2,48,160	2,05,875	4,54,035
Value of cloth .. ..	Rs.	1,20,540	1,16,140	2,36,680
Wages to weavers .. ..	Rs.	22,990	16,906	39,896

8. 167 new designs in woven goods as against 87 during the year 1935-36, were produced during the period 1st April 1936 to 31st August 1937. The number of new designs of printed goods during the same period was 133.

9. Definite progress was made in the standardization of cloth so much so that the dealers and weavers insisted that the Marketing Officer should put a stamp on the cloth produced through him. Originally shopkeepers and dealers displayed active opposition to the marketing organization, but in consequence of the production of standard quality of cloth, shopkeepers and dealers have begun to place orders with the Marketing Officer. Satisfactory progress has been made in the introduction of fast colours and in assistance generally to handloom weavers.

**Bihar.***(31st July 1937.)*

As stated in the last year's report, the Bihar Cottage Industries (Handloom Marketing Organization), in which the old Purdah Section of the Bihar Government had been merged, continued (1) to give wider publicity to handwoven textiles of Bihar through branch depots, commercial travellers and advertisements in newspapers, railway platforms and cinemas, and (2) to conduct the important experiment of manufacturing and finishing staple cotton goods with a view to ascertain if these fabrics could successfully compete with mill-made cloth. While the working capital required for carrying on this business and a part of the establishment charges were provided by the Provincial Government, the grant received from the Government of India was utilized to meet the cost of the additional staff employed, the publicity referred to above, and the organization set up to start and manage the weavers' co-operative societies.

2. With the separation of Orissa from this province in April 1936 from which date Orissa received a separate grant from the Government of India, the working of the scheme for the province of Orissa was taken over by that Government, but the actual marketing of Orissa goods continued to remain joint with Bihar under the supervision of the Director of Industries, Bihar. This arrangement will continue till the 30th September 1937.

3. *Manufacturing.*—In addition to the six weavers' co-operative societies which were working in Bihar in 1935-36, two more were started at Fatwa and Bhagalpur in Bihar and three at Nawapatna, Barabagh and Torabai in Orissa. For the organization and working of these additional weavers' co-operative societies, two more Weaving Supervisors were appointed in Bihar and an Organizer and two Supervisors in Orissa. The Co-operative Departments of Bihar and Orissa continued to organize and supervise the working of these weavers' co-operative societies, the Director of Industries in Bihar being responsible for the supply of raw materials and the manufacture and sale of their products.

These 11 societies and 30 master-weavers (including 12 ex-students of the Cottage Industries Institute) supplied goods worth Rs. 1,23,230 (at cost price) in 1936-37, against Rs. 97,217 during the previous year. The value of cloth supplied by the weavers' co-operative societies in 1936-37 amounted to Rs. 49,445.

23 new patterns for curtains, 12 for durries and 20 for staple goods were designed during the year and these were added to the list of standard patterns. Some of the old patterns which had proved to be unpopular

were scrapped, the total number of standard patterns at the end of the year remaining at 239. During the four months ending the 31st July 1937, 8 new patterns were designed. The Bihar weavers weave at present practically all types of fabrics required either for personal wear or for house decoration and they range from coarse "Motia" and *Gamcha* to furnishing cloths of fascinating designs and sarees of fine textures. Even leno-net cloth for mosquito curtains and counterpanes of complicated weaves are now being produced in Bihar.

4. *Finishing.*—The finishing plant referred to in the last year's report was ready for working about the end of December 1936. But when the finishing and calendering operations were started, the cloth was found to shrink considerably in width. An order for a cloth expander was, therefore, placed and the same was received and fitted up after the close of the official year. However, during the last 3 months of 1936-37, 6,184 lbs. of cloth were bleached and 10,767 lbs. were finished and calendered. But most of these goods not being of standard size could not be sold easily. In the four months ending the 31st July 1937, 7,200 lbs. of cloth were bleached and 5,067 lbs. finished. The bleaching and finishing processes improved the appearance and texture of the handwoven cloth to such an extent that the same could not be easily distinguished from similar fabrics produced in the cotton mills. It is hoped that the cost of finishing, which has so far been high on account of low output of the machines, will be considerably reduced when the business expands further and the plant is worked to its full capacity.

5. *Marketing.*—During the year under report, one more sales depot was started at Cuttack and an additional Commercial Traveller was engaged. Negotiations were carried on for the appointment of a sole agent for the sale of Bihar textiles in Bengal with a central depot in Calcutta. This agency is expected to start selling goods by the beginning of October 1937. While the sale of Bihar art textiles in the New Zealand market in 1936-37 was double that of the previous year, the sale in the English market increased by only 10 per cent. In the latter, the goods had to face the competition from the weavers of the United Provinces who copied Bihar designs and offered their goods for sale at lower prices. Although a few weavers of Madras also started manufacturing curtains and exported the same to London, they did not compete directly with Bihar goods as they were of different designs. In the interest of handloom industry of India in general, it is desirable that there should be some understanding among the Departments of Industries of the various

provinces about the class of goods which each should manufacture for export.

The sales effected by the depots at Patna, Ranchi, Jamshedpur, Bhagalpur, Delhi-Simla and Cuttack in the year 1936-37 amounted to only Rs. 21,431 and were very much less than what had been expected. With the experience gained by the staff employed by the agents of these depots and the sole agency system recently introduced in Bengal, it is hoped that larger sales will be effected in the near future. The two Commercial Travellers, including the one appointed in April 1936, sold goods worth Rs. 10,070, mostly in exhibitions. In addition to two foreign agents, there were six agents who booked orders and sold Bihar textiles in different parts of India. The marketing organization participated in 11 exhibitions held at Allahabad, Mysore, Trivandrum, Madras, Delhi, Lucknow, Sonapur, Bihta, Muzaffarpur, Darbhanga and Dhanbad, and won one gold and 8 silver medals and 6 certificates of merit for the designs and the workmanship of Bihar textiles. As in the previous years, the Government of Bihar participated in the British Industries Fair, London. Bihar textiles were also displayed at the Paris and Vienna Fairs and in the Toronto Exhibition. The immediate effect of all these efforts to popularize Bihar handwoven textiles was increased sales amounting to Rs. 1,69,047 during the year 1936-37, as against Rs. 1,32,173 in the previous year. Raw materials worth Rs. 54,092 were also sold to the weavers of Bihar for the production of goods ordered by the Bihar Cottage Industries. The sales of finished goods and raw materials during the four months of the current year ending the 31st July 1937 amounted to only Rs. 28,878 and Rs. 13,627, respectively, as the season was unfavourable for sale of textiles.

6. *Expenditure.*—On account of the increased demand for Bihar textiles, the Provincial Government enhanced their grant for the purchase of raw materials and finished goods of the weavers from Rs. 1,44,200 to Rs. 1,67,700. The total expenditure incurred in 1936-37 out of the grant received from the Government of India amounted to Rs. 48,957-7-4 which included the value of the additional equipment purchased at a cost of Rs. 5,208 and a sum of Rs. 5,031-6-0 spent by the Registrar of Co-operative Societies for the organization and management of weavers

1938.]

*Handloom Weaving.*

37

societies. The revised estimates for 1937-38 and the budget estimates for 1938-39 are given below—

Items of expenditure.	Actuals for 4 months ending 31st July 1937.	Revised estimate 1937-38.	Budget estimate 1938-39.
	Rs.	Rs.	Rs.
1. Establishment .. .. .	4,863	15,873	16,012
	514	1,554	1,560
2. Travelling allowance .. . . .	628	2,000	1,500
3. Advertisement and publication .. . . .	3,086	4,766	2,500
			5,000 (for printing a catalogue).
4. Cost of participation in exhibitions and fairs.	94	3,220	2,028
5. Subsidies to Branch Stores .. . . .	1,288	5,908	8,000
6. Contingencies—			
(1) Marketing .. . . .	2,154	4,930	3,000
(2) Finishing Department .. . . .	1,301	4,895	3,000
(3) Finishing Plant .. . . .	1,036	1,091	4,000
			(for addi- tional equip- ment).
7. Organization of weavers co-operative societies.	1,833	6,625	8,200
<b>Total .. . . .</b>	<b>16,795</b>	<b>50,862</b>	<b>54,800</b>

The revised estimate of Rs. 50,862 for 1937-38 will be met from the allotment of Rs. 45,800 for the year 1937-38, from the saving of Rs. 4,548 from the previous grants and from Rs. 514 due from the Orissa Government towards the cost of the joint marketing organization for 1936-37. The estimate for 1938-39 includes an additional grant of Rs. 9,000 asked for, for the purchase of some additional equipment for the finishing plant and for printing a catalogue of Bihar textiles for better advertisement, as explained below.



7. *Additional grant required.*—Experience in the working of the finishing plant has shown that a hydro-extractor is essential to remove the water from the washed and bleached cloth before it is dried on drying cylinders. At present the washed cloth has to be passed once through the finishing range merely for drying and for a second time for starching. By using a hydro-extractor the output of the finishing department can be nearly doubled as with the help of this device the cloth can be starched and passed through the finishing machine in one process. The necessity of purchasing one more sewing machine and one hand-trolley to carry the goods from one machine to the other has also been felt. Provision should, therefore, be made for a sum of Rs. 4,000 for the purchase of a hydro-extractor, a sewing machine and a trolley.

On account of inadequacy of the grant, the printing of an illustrated catalogue, which is so essential for proper marketing of goods, is also held up. The cost of printing the catalogue is estimated at about Rs. 5,000, which should be provided.

In consideration of the useful experiment carried on by the Bihar Government, the results of which will be available not only to the weavers of this province but also to those of other provinces, it is hoped that the Government of India will favourably consider this request for an additional grant of Rs. 9,000 to cover the above items. It may be mentioned in this connection that the Government of Bihar have provided not only extensive buildings for the accommodation of the warehouse, finishing plant and the office of the Bihar Cottage Industries, but also the entire working capital (over 2½ lakhs of rupees) required for this marketing organization, and about one-fourth of the cost of its establishment.

#### Central Provinces and Berar.

(30th June 1937.)

The grant-in-aid to this province for the year 1936-37 was Rs. 20,400. Out of this amount a sum of Rs. 10,200 was advanced to the Central Provinces and Berar Weavers' Co-operative Society as working capital and the balance of Rs. 10,200 was given as grant-in-aid for the working expenses. The former amount together with the sum of Rs. 14,115 advanced in previous years, making a total of Rs. 24,315 formed the working capital of the Society during the year.

2. The method of working in the Central Society at Nagpur and the branch society at Kamptee remained the same as in the previous year with

1938.]

*Handloom Weaving.*

39

certain modifications necessitated by experience. The Nagpur society is a manufacturing society which issues raw materials to members and weaves through them cloth of modern design and standard. The work of the Kamptee society is restricted to the sale of yarn to the members. The number of members on roll of the Nagpur society was 272 against 217 in the previous year. Out of them about 100 members were active members who received work from the society. The remaining were dormant members, most of whom owed outstandings to the society, being unwilling to repay, they took no work from the society. The question of recovering outstandings from these members and inducing them to take a active part in the work of the society or, in the alternative, ousting them from the society will be taken in hand shortly. The number of members in the Kamptee society was 111 against 71 in the previous year.

3. During the year, raw material worth Rs. 20,634 was purchased by the Central Society and material worth Rs. 12,229 was issued to members for weaving. Raw material worth Rs. 4,000, Rs. 2,027 and Rs. 1,154 was sold by the Central Society to the Kamptee and Chhindwara societies and the Government Experimental Weaving Shed, respectively. The total value of raw materials issued by the Central Society during the year was thus Rs. 19,410. The net cost of the cloth manufactured by the Nagpur society was Rs. 14,857 and the wages paid to members for weaving the cloth amounted to Rs. 3,603.

4. For marketing the cloth the society participated at the All-India Agricultural and Industrial Exhibitions at Lucknow, Delhi and Poona. A shop has been opened since January 1937 and a travelling canvasser has been engaged from March 1937. The total sale of Society's cloth during the year amounted to Rs. 8,269. As remarked earlier in this report the work was re-started at the end of the year 1936 and was gradually increased towards the close of the year under report.

5. The staff of the Central Society remained the same as in the previous year except that the number of supervisors in the Nagpur society was reduced from five to three and the pay of the remaining three supervisors was reduced from Rs. 25 to Rs. 20 per mensem. The number of supervisors in the Kamptee society was reduced from four to two and the pay of the remaining two supervisors was reduced from Rs. 25 to Rs. 15 per mensem. The house rent of Rs. 75 paid for the Nagpur society was found to be too high and the society's office was shifted to another building with a house rent of Rs. 27-8-0 per mensem. The above changes effected an economy in the working of the Nagpur society by Rs. 112-8-0 per mensem and that at the Kamptee society by Rs. 45 per mensem. A shop for selling the society's cloth was opened in January 1937 on a rent of Rs. 19

per mensem. A salesman for the shop on Rs. 25 per mensem and a canvasser on Rs. 30 per mensem were engaged from January and March 1937, respectively. The total expenditure under the allotment for the grant-in-aid for the working expenses amounted to Rs. 6,940 which includes a sum of Rs. 918 in unpaid vouchers. A balance of Rs. 3,260 was left at the end of the year which was partly due to the economy effected in the expense as detailed above and partly due to the marketing organization not being fully developed. When the marketing side will be in full working the whole amount will be needed for expenditure.

6. So far, five weavers' societies, one each at Kamptee, Chanda, Chhindwara, Umrer and Ellichpur have been organized. Out of them the first, i.e., the Kamptee society is a branch of the Central Society at Nagpur and the account of this society is incorporated in that of the Central Society. The Chanda society is a small society with a few *harijan* weavers as its members. Having no suitable local person to take active interest in the society, the working of the society did not improve much. The working of the Chhindwara society was started since April 1937 and raw-material worth Rs. 2,027 was supplied to it by the Central Society till the end of the year under report. This society is also paid a sum up to Rs. 30 per mensem as working expenses towards establishment charges, shop rent, contingent and travelling expenses. The working of the remaining two societies at Umrer and Ellichpur will be started soon. At present the work of the above societies is limited to the supply of yarn to weavers at a cheaper rate. The question of marketing their cloth will be taken in hand in due course.

7. The difficulties which the Central Society had to encounter are detailed in the previous reports. After preparing the accounts of outstandings against members the work was re-started at the end of the year 1936 and was gradually increased till the end of the year under report partly with old and partly with new members. Sixty new patterns have been introduced during the year and considerable improvement was effected in the quality and designs of the society's product. This has resulted in improving the general tone of the manufacture by outside weavers and in relieving to a certain extent the economic distress of the weavers weaving similar class of goods. The cost of production was also brought down thereby making the product more saleable. The cloth manufactured by the society was sent to the All-India Agricultural and Industrial Exhibitions held at Lucknow, Delhi and Poona where it was much appreciated and medals and certificates of merits were awarded to the society for its superior quality of manufacture.

1938.]

*Handloom Weaving.*

41

**Assam.***(9th October 1937.)*

The Government of India sanctioned Rs. 24,450\* for the year 1936-37 for financing the following schemes for the development of handloom industry in the province :—

	Rs.
<i>Scheme I.</i> —Re-organization of the Government Emporium and Central Stores at Gauhati .. ..	8,080
<i>Scheme II.</i> —Establishment of a branch Emporium at Sylhet .. ..	4,900
<i>Scheme III.</i> —Appointment of Inspectors for organization and supervision of weavers' association and standardization of products .. ..	4,000
<i>Scheme IV.</i> —Dyeing and printing instruction to and through the peripatetic weaving parties .. ..	5,470
Aerograph Printing set for the Surma Valley Technical School, Sylhet .. ..	2,000
	24,450

2. All the above schemes were continued with greater vigour during the year under report. There was no change in the schemes as all of them were found to be quite sound and beneficial, except that some additions were made under scheme IV to popularize dyeing and printing by the entertainment of two operators to the staff. The allotment of funds for this scheme has unfortunately been found to be quite inadequate to push on the work thoroughly and satisfactorily. It was not anticipated that the demand from the public on the staff would be so great as it has been found to be now. The rural uplift activities organized by various district officials demanded attention of the staff. The Marketing Officer, Travelling Canvassers, the Dyeing and Printing Instructors and the Co-operative Weaving Inspectors were sent either together or separately or in batches to various functions with the result that their work suffered to some extent by rapid changes in the field of their work.

3. Propaganda is no doubt necessary but concentrated work is more essential to produce lasting results. Due to inadequacy of staff the work at present tends to be more extensive than intensive.

4. A finishing plant appears to be a real necessity to improve the handloom fabrics with a view to fetch better prices. An additional allotment of Rs. 20,000 at least is necessary for this purpose.

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\*Allotment for Assam for 1936-37 was Rs. 20,400.

5. To take stock of the progress already achieved and to advertise the products of the handloom weavers, it is necessary to organize an exhibition even on a provincial basis, for which a special grant of Rs. 10,000 is required. Due to financial stringency the Provincial Government cannot provide any money for the purpose.

6. The total expenditure on the above schemes during the year 1936-37 amounted to Rs. 24,352-7-3.

7. Some details as to the working of the schemes are given below—

*Scheme I.*—The staff under this scheme consists of a Marketing Officer and two Travelling Canvassers. Babu Rash Behari Das, L.T.M., continued to be the Marketing Officer. He toured for 173 days, visited various local markets and took down notes of important merchants dealing in yarn and cloth and also of yarn and cloth trade. He standardized seventy-five new patterns, most of which were executed through ex-students and weavers and they all found a ready sale. The Travelling Canvassers were sent to various parts of the province with new patterns and they attended eight local exhibitions. The sales effected by them were quite satisfactory. They with the Marketing Officer participated in the All-India Exhibition held at Lucknow. Assam secured a first class silver medal, five other silver medals and a certificate of merit for the exhibits sent. The Emporium at Gauhati improved its sales and increased its popularity during the year and its sales amounted to Rs. 29,000 against Rs. 26,539 in 1935-36. Had the Emporium a sufficient stock of finished products of a uniform character, it could have increased its sales still more as is evident from the visits of many customers to the Emporium and numerous enquiries received by the staff.

*Scheme II.*—The branch Emporium started in August 1935 at Banderbazar was shifted to a better house in Zindabazar, Sylhet, during the year and is getting more popular there. It received a grant of Rs. 1,500 from the Government of India for purchase of stock. A sum of Rs. 500 was also transferred to it from the main Emporium at Gauhati for the same purpose. Yarns of various counts, chemicals and colours and weaving accessories were stocked for sale. Yarns were issued to weavers and ex-students of the weaving schools for manufacture of standardized fabrics. Handloom fabrics were also received from weavers on consignment account and sold to the public at the Emporium and through the Travelling Canvasser. The Emporium was able to secure orders for village chowkidars' pugree cloth, dusters, nimas, dosuti cloth, etc., for various departments. Mercerised sarees of attractive patterns, shirtings, *lungis*, teapoy cloth, chadars, mosquito curtains, door screen, kerchiefs, etc., which were made at the instance of the Emporium, found a ready sale.

The branch has been working quite satisfactorily and has fulfilled expectations beyond doubt. Its sales during the year amounted to Rs. 10,620-7-6 against Rs. 4,872-10-3 during 1935-36.

*Scheme III.*—The two Inspectors of Co-operative Weaving Societies appointed under this scheme have been working in selected areas throughout the province. Though they were given limited areas to work in, it was found difficult for them to confine their activities there as they were wanted in various other centres for delivering lantern lectures on the co-operative movement and for propaganda work.

The Inspector engaged in the Assam Valley visited seventy villages in the districts of Nowgong, Kamrup, Darrang and Goalpara and organized six weaving societies during the year. He delivered thirty lantern lectures in the villages and also collected some indigenous patterns for the marketing scheme.

In the Assam Valley there are at present eighty-three co-operative societies among sericultural and weaving workers. The working of the societies appears to be satisfactory. No attempt has yet been made to start societies for purchase of yarn and sale of cloths. The Emporium has supplied looms and accessories on hire-purchase system to the members of some of these societies and is also encouraging selected members by advancing yarn and in taking back finished products of approved patterns at fixed prices.

The Inspector for the Surma Valley confined his activities mainly to the Karimganj sub-division of the district of Sylhet, Haikandi sub-division of the Cachar district and also a few villages in Habiganj. He visited eighty-one villages and twenty-nine existing societies and organized six new weaving societies. He worked in close touch with the marketing staff of the Department and induced societies to take up orders of the Emporium for the manufacture of fabrics. Two of these societies were supplied with looms and accessories on hire-purchase system. He delivered lantern lectures in most of the centres he visited during the year and created enthusiasm among the weavers. The proposal for starting a co-operative cloth commission shop among the professional weavers has not yet materialized.

*Scheme IV.*—To popularize fast dyeing of yarn and cloths of various shades and to introduce calico printing in the province, a Dyeing Supervisor and a Calico Printing Instructor have been entertained. After the appointment of an Operator and a Jugali under each of these Instructors during the year under report, these two officers are now working as two distinct parties. The headquarters of the Dyeing Supervisor and the Calico Printing Instructor have been fixed at Gauhati and Sylhet, respectively. They work in each of the Assam Valley and the Surma Valley

by turns for three months at a time. Some important centres have been fixed for them but it was not found practicable to confine them to those centres alone. They were wanted in many other places and had to participate in several local exhibitions. Their demonstrations have been of great benefit to the weavers.

The Dyeing Supervisor toured for 237 days, visited 73 villages, rendered assistance to thirty-seven weaving and dyeing factories, twenty-six co-operative societies and participated in three exhibitions. He gave a series of demonstrations to the students of the weaving institutes at Gauhati and Sylhet and rendered help to the Emporia at Sylhet and Gauhati where he dyed 1,600 lbs. of cotton yarn, 104 Abor rugs, a number of durries and over 200 pieces of cloths. He gave demonstrations in rural areas in as many as 135 shades of Indrenthrene and Naphthol colours and a large number of shades of sulphur series, acid and direct colours. He handled about 2,070 lbs. of yarn and 158 pieces of cloths in dyeing for the villagers.

The Calico Printing Instructor toured for 210 days and conducted over 300 demonstrations in several parts of the province and introduced about 400 new patterns and designs for various uses in 4 or 5 colours of aniline black, rapid fast and indigosal colour combinations. He gave demonstrations in the weaving institutes at Gauhati and Sylhet and printed over 5,000 yards of cloths of various descriptions and participated in a few exhibitions.

An aerograph power printing set was installed in the Surma Valley Technical School, Sylhet, and successful demonstrations were given to the students and outsiders. Metal printing and resist printed goods were also demonstrated with success. Calico printing was introduced in 24 private factories or institutions during the year.

The above schemes will cost Rs. 20,185 during the current year as detailed below :—

	Rs.
Scheme I .. .. .	7,999
Scheme II .. .. .	2,437
Scheme III .. .. .	4,056
Scheme IV .. .. .	5,693
	20,185

8. The following scheme has also been submitted to the Government of India for approval (since approved). The cost of Rs. 7,500 will be met

1938.]

*Handloom Weaving.*

45

during the current year by utilizing the extra grant of Rs. 4,000 made to Assam and the savings of the first year amounting to Rs. 3,450 :—

*1. Installation of a "Steaming Cottage" on a small scale at the Government Weaving Institute, Gauhati.*

	Rs.
(a) One Dye-Jigger .. .. .	2,000
(b) One Laboratory steaming cottage .. .. .	2,000
(c) One Fancy Twister .. .. .	1,500
(d) Wooden vats for yarn dyeing .. .. .	500
(e) Contingencies .. .. .	1,500
	7,500

9. A sum of Rs. 18,676, as detailed below, will be required for the working of the sanctioned schemes during 1938-39 :—

	SCHEME I.	Rs.
Establishment .. .. .		3,735
Travelling allowance .. .. .		1,500
Cost of looms and accessories .. .. .		1,000
Contingencies .. .. .		940
		7,175
	SCHEME II.	
Establishment .. .. .		1,396
Contingencies .. .. .		1,000
		2,396
	SCHEME III.	
Establishment .. .. .		2,659
Travelling allowance .. .. .		800
Contingencies .. .. .		300
		3,759
	SCHEME IV.	
Establishment .. .. .		2,750
Travelling allowance .. .. .		1,000
Contingencies .. .. .		1,596
		5,346
Total .. .. .		18,676



## North-West Frontier Province.

(4th October 1937.)

A start was made with the teaching of weaving in October 1935. A grant of Rs. 5,500 was obtained from the Central Government and Rs. 5,100 were found from Provincial Revenues.

2. It was decided to teach weaving on semi-commercial lines. In other words, it was thought that a more practical training could be obtained by starting a Weaving Institute which should make every endeavour to pay its way.

3. A start was made with 6 fly-shuttle handlooms and 4 pit looms with fly-shuttle arrangements and ten students enrolled.

4. The warping machine was not ready until the middle of October; the first few warps had to be drawn according to the primitive methods to start the work on the pit looms. After this was ready, the warps after preparatory arrangements of bleaching, dyeing, sizing, winding, warping, reed and heald filling, were mounted on the looms one by one. This gave some cloth production by the middle of November. Fancy shirtings, *lungis* and dyed yarns, etc., were exhibited at the exhibition held at the Museum in December 1935.

5. An early difficulty was discovered in that students could not afford to undergo training without a stipend. The Deputy Commissioners of the various districts were addressed on the subject and as a result the Municipal Committees and District Boards allocated the following stipends:—

Deputy Commissioner, Dera-Ismail Khan	..	..	Nil.
Deputy Commissioner, Bannu	..	..	1 Rs. 20 p. m.
Deputy Commissioner, Kohat	..	..	2 Rs. 20 p. m. each.
District Board, Peshawar	..	..	Nil.
Municipal Committee, Peshawar	..	..	1 Rs. 10 p. m. (Now 2 at Rs. 5 p. m. each.)
Deputy Commissioner, Hazara	..	..	1 Rs. 25 p. m. (Now 1 at Rs. 25 and 2 at Rs. 12-8 each.)

6. *Training of professional weavers.*—In addition to training students with no previous experience it was thought advisable that professional weavers should be taught the use of improved appliances. At first it was intended to employ them on piece wages but it was found that they could not at first earn a living wage and it was therefore decided to grant a subsistence allowance of annas six per day and a special piece wage in addition. As soon as a weaver became sufficiently proficient to earn twelve annas a day at the above rates he went on to normal piece rates. There are now 10 to 12 professional weavers under training.

1938.]

*Handloom Weaving.*

47

7. *Production and income.*—The following looms and equipment have now been installed and the monthly production figure is now at Rs. 400 to Rs. 500. There are 18 students and 12 professional weavers :—

Hattersleys Automatic Looms	..	..	..	..	2
Jacquard Loom	..	..	..	..	1
Wooden Dobbies	..	..	..	..	2
Niwar Weaving Loom	..	..	..	..	1
S. A. Pattee Weaving Loom	..	..	..	..	1
Rani Spinning Wheel	..	..	..	..	1
Jenny Spinning Wheel	..	..	..	..	1
Doubling Machine	..	..	..	..	1
Reeling Machine	..	..	..	..	1
Sample Cutting Machine	..	..	..	..	1
Mosquito Leno Net Weaving Loom	..	..	..	..	1
Warping Mill	..	..	..	..	2
60" R. S. Fly-shuttle Handlooms	..	..	..	..	3
36" R. S. Fly-shuttle Handlooms	..	..	..	..	7
Pit Looms with Fly-shuttle arrangements	..	..	..	..	2
Battens with double shuttled box at one end 60" R. S.	..	..	..	..	2
Battens with double shuttled box at both end 60" R. S.	..	..	..	..	1
Battens with double shuttled box at one end 36" R. S.	..	..	..	..	8

8. *Disposal of produce.*—Some difficulty has been experienced in disposing of the produce and there is now material to the value of about Rs. 3,488-10-6 in hand. Total sales up to date are Rs. 849-13-6. The question of appointing a selling agent for the disposal of the cloth is under consideration. The Civil Co-operative Stores, Peshawar, have undertaken to sell Rs. 3,000 per annum if given the sole selling agency for Peshawar.

9. *Scope of training.*—During this course of time the students were practically trained from plain weaving to fancy and compound weaving (Jacquard and Dobby) both single and double shuttled, having a variety of about 150 designs. All the students by turn worked on these designs. They were given practical chances of sizing, winding, warping, mounting, bleaching, dyeing and finishing.

10. *Effects of training.*—Three students have started their own weaving at Mardan and another at Tank. Altogether 93 professional weavers and students have passed out from the Institute.

11. *Buildings.*—The building now occupied has proved insufficient for the expansion of the Institute and it is therefore proposed to move to a large Serai which has been promised by the Municipal Committee. This Serai affords ample accommodation and will allow for future expansion.

12. *Accounts.*—These are kept by the clerk under the supervision of the Weaving Expert. The recent audit showed that on the whole the accounts were kept in a satisfactory manner.

13. *Staff.*—The present staff consists of :—

- Weaving Expert.
- One Clerk.
- One Weaving Master.
- One Assistant Weaving Master.
- One Bleacher, Dyer and Finisher.
- Seven Assistants in all.

A qualified Accountant and Store-keeper is becoming an -urgent necessity in view of the expansion of the Institute.

14. *Future prospects.*—Experience shows that it is not very much use turning out weavers able to work the improved appliances and with a knowledge of dyeing unless some arrangements are made to enable them to purchase colours and chemicals at cheap rates and to dispose of their output. Efforts are being made to find market for the produce of hand-looms in the same way as has been done in Patna but so far no great success has been achieved.

15. *Finance.*—Capital expenditure incurred, so far, is as follows :—

	Rs.	A.	P.
1935-36 .. .. .	2,056	0	0
1936-37 .. .. .	3,525	2	6

16. The cost of the educational establishment amounts to Rs. 3,876 per annum. The rest of the work may be said to be on a commercial basis provided a market is found. The following shows the cost of manufacture :—

	Rs.	A.	P.
Cost of Yarn .. .. .	2,136	4	6
Colours and Chemicals .. .. .	326	1	9
Wages .. .. .	754	0	0
10 per cent. overhead .. .. .	321	10	3
	3,538	0	6

Value of the material according to price at which part has been sold is Rs. 4,378-8-0.

1938.]

*Handloom Weaving.*

49

**Sind.***(30th August 1937.)*

Under the scheme for affording marketing facilities for handloom weavers, an Association of weavers was registered as a co-operative society, but owing to the separation of Sind, the Marketing Officer attached to the Director of Industries, Bombay, could not visit Sind for putting the programme into operation, it being decided to have a separate Industries Department under an Assistant Director of Industries in Sind. Although the officer was appointed in December 1936, the control of the Department was transferred to him only from 1st July 1937 and the records from Bombay arrived in Karachi sometime later.

2. The Advisory Committee under this scheme has just been formed ; and the Textile Designer is expected to be appointed shortly. A general meeting of the Weavers' Association will be called during the course of the month to set things going. It is expected that the scheme will be in progress by the time the Ninth Industries Conference takes place : the progress made by then will be placed before the Conference.

**Orissa.***(30th September 1937.)*

During the year under report, Orissa received a grant-in-aid of Rs. 9,400 for the development of the handloom industry. It was, however, arranged that the marketing organization should remain joint with Bihar.

2. The organization of weavers' co-operative societies comprising of one Organizer and two Weaving Supervisors was placed under the Deputy Registrar, Co-operative Societies, Orissa. The duty of the Organizer is to organize weavers' production and sale societies and that of the Supervisors to render technical help to the members, to supply them with yarn and to ensure manufacture strictly to specifications. The work of organization started late in the year with the result that only three societies with a total membership of 40 have so far come to existence. Cash credits granted by the two Central Banks to which these societies are affiliated formed their only working capital. The work of manufacture commenced in January 1937. Progress of work was slow as not unexpected in an organization in its infancy. Goods worth Rs. 838 were manufactured, the major part of which was bought by the marketing organization.

3. Steps were taken to organize new societies in the Jagataingpur and Khurda areas, but the work has been held up on account of inadequacy of orders for manufactured goods,

4. The Sambalpur purdahs continued to be manufactured and supplied by the agent at Sambalpur.

5. A sale depot was opened at Cuttack towards the end of 1936 for the sale of handwoven textiles. Preliminary arrangements were also made to open another depot at Berhampur (Ganjam).

6. The total value of business transacted by the marketing organization amounted to Rs. 5,843-13-0. The details are given below :—

		Rs.	A.	P.
1. Babu Madhia Mohar, Sambalpur	Purdah and Sambalpur red Saree..	5,095	6	0
2. Soma Sekharam, Cuttack	.. Dhories ..	177	10	0
3. Weaving Supervisor, Cuttack	.. Saree and <i>Ganchas</i> ..	55	1	0
4. Nabapatna Society, Jagatsingpur, Cuttack	.. .. Dusters and bedsheets	310	4	0
5. Barabagh Society, Jagatsingpur Cuttack	.. .. Ranhi Chadar ..	110	12	0
6. Cuttack Sale Depot ..	.. .. ..	94	9	0
		5,843 13 0		

7. The Sambalpur bedspreads and curtains continued to be admired both in India and in foreign countries. But on account of their high price the sale was poor. A few new patterns for the Orissa markets were standardized during the year under report.

8. Orissa fabrics were displayed in the Central Textile Court and in the Bihar and Orissa Stall at the Lucknow Exhibition. The following prizes were awarded by the Exhibition Committee to the exhibitors :—

Four first class silver medals.

Three second class silver medals.

Ten certificates of merit.

A fourth prize of Rs. 5 was awarded to a competitor from Orissa for weaving of cotton saree with dobby design in the handloom weaving competition.

#### Delhi.

In view of the peculiar circumstances obtaining in Delhi, an altogether new scheme for the organization and development of the handloom industry was undertaken in the beginning of the year 1935, on the lines of the proposals approved by the Government of India, in the form of the establishment of the Government Cottage Industries Institute in Delhi, as a nucleus of a gradually expanding scheme which however was kept in abeyance owing to lack of funds. As there is no dearth of

demand locally for finished products there is naturally a corresponding public demand for training in improved methods. With a view to meeting adequately such demand, it is essential that the scope and activities of the existing central institution should be sufficiently expanded to be of real service in the cause of development of the handloom and textile industries generally besides offering a partial solution of the unemployment problem.

2. Despite the handicaps in the lack of adequate finances and organization, the Institute has continued to provide useful free training in weaving including tapes and durries, gota-making, manufacture of borders and carpets, dyeing and calico printing, dry cleaning and washing and allied trades. With a view to affording actual works experience under commercial conditions to the students, and supplementing the instruction imparted at the Institute by practical training in commercial operations, the necessary facilities were secured for such training with the co-operation of industrial establishments equipped with modern machinery and appliances. In addition to the holding of regular classes, casual training for varying periods according to the subject is also provided to those already engaged, or who intend to engage in different sections of the industry.

3. The staff consists of a headmaster, a dyeing and calico printing teacher, and a demonstrator each for weaving and calico printing departments. The total strength of students, receiving training at the Institute at the close of the year was 33. Twenty-one students appeared for the final examination all of whom were declared successful. It is satisfactory to note that owing to the practical character of the training imparted at the Institute, most of the passed students were able to start earning soon after they left the institution. Out of the total of 54 casual students, trained at the Institute, 31 were already engaged in different sections of the industry, 14 have set up small industries of their own and 9 have found employment. It is further to be noted with gratification that the students trained at this Institute, are also employed as instructors at other technical institutions.

4. During the year under review, free advice and demonstrations were given to a large number of enquirers seeking such assistance, and the Institute within the limitations of the scheme has established close contact with local interests who have been given the fullest co-operation in matters affecting them. Amongst the more important subjects in which advice and assistance of the Institute have been sought and readily rendered during the year may be mentioned the production of fancy-borders, tapes and gota, dyeing in Naphthol colours for durrie-weavers and in Indrenthrene colours by the standing-bath system for the thread-balling

industry, matching of art shades for local dyers and washers, mercerisation of cotton yarns, preparation of marking inks, costing and surveying of cloth and supply of popular designs for the gold and silver threads and lametta industry. The Institute also undertook the preparation and supply, on request, of workable schemes for the manufacture of niwar and cloth, gota, saree-borders, georgettes, webbings, morocaines, etc. Experiments undertaken on behalf of a private enterprise for weaving casein yarn on powerloom were in progress at the close of the year. The Delhi Women's League started an uplift centre at Chandrawal and cotton spinning was introduced as a domestic occupation for the women of the centre. The yarn spun at the uplift centre was received at the Institute and woven into saleable fabrics.

5. Besides periodic demonstrations which were given from time to time throughout the year, the Institute organized a 'Demonstration Week' to provide concrete and constructive instruction to the interested classes of the population and to educate the general public in the potentialities of small-scale and cottage industries. The varied products of the students were on display and practical demonstrations were given of modern but inexpensive machinery and appliances and of improved and scientific methods of manufacture of textile fabrics in shirtings, suitings, sarees, curtains, *lungis*, sushis, towels, dusters, table-cloth, etc., and production of durries, carpets, gota and laces, and of dyeing and calico-printing, washing, dry-cleaning, mercerisation of yarns, etc. The casual students who on acquiring training were engaged in different sections of the industry also participated in the display. The 'Demonstration Week' attracted about 5,400 visitors including a large number of students from local educational institutions and orphanages and proved a popular event. The Hon'ble the Chief Commissioner distributed prizes on the concluding day.

6. As in the previous year, the Government Cottage Industries Institute participated in the Delhi Industrial and Agricultural Exhibition and the All-India Industrial Exhibition, held at Delhi, the Delhi Province Rural Exhibition, Alipur, and over half a dozen of Rural Uplift Fairs which were organized by the Department. Not only the handloom products and handloom machinery and appliances were displayed at the exhibitions with a view to popularizing their use, but extensive demonstrations were held by the students of the Institute throughout the duration of the exhibitions in the manufacture of textile fabrics of variety, durrie and carpet making, gota making, production of saree-borders, block and aerograph printing, etc., on improved types of semi-automatic hand-operated and inexpensive machinery and appliances. The display of products and machinery and appliances of various description was highly

educative and the demonstrations elicited high admiration. Amongst the distinguished visitors to the Alipur Rural Exhibition which attracted crowds of the populace, special mention may be made of Her Excellency the Marchioness of Linlithgow. Two silver medals and two certificates of merit were awarded to the Institute in the competitions held at the All-India Industrial Exhibition while four gold and six silver medals were won by the students in the Delhi Province Rural Exhibition. Amongst the distinguished personages who visited the All-India Industrial Exhibition may be mentioned the Hon'ble Member in charge of Industries and Labour, who recorded in the visitors' book his appreciation of the Institute's useful activities.

7. The annual grant sanctioned by the Government of India for the development of the handloom industry was Rs. 2,000 in 1934-35, Rs. 5,000 in 1935-36 and Rs. 6,000 in 1936-37 and 1937-38 each. The expenditure incurred on the present scheme since its inception is as follows :—

	1934-35.	1935-36.	1936-37.
	Rs. A. P.	Rs. A. P.	Rs. A. P.
Pay of establishment .. .. .	386 3 0	2,102 12 0	2,288 2 0
Cost of equipment .. .. .	737 5 9	618 0 9	1,306 8 6
Rent of Institute's premises ..	130 0 0	780 0 0	1,194 0 0
Purchase of stores, chemicals and dyes, etc.	501 10 3	961 0 0	507 3 3
Cost of exhibitions .. .. .	..	250 0 0	..
Pay of menials .. .. .	50 0 0	300 0 0	300 0 0
Furniture, hot and cold weather charges, electric charges and contin- gencies, etc.	194 13 0	238 3 3	483 2 3
Total ..	2,000 0 0	5,250 0 0	6,079 0 0

In the matter of equipments, the funds provided were inadequate and a sum of Rs. 1,020-12-0 was obtained in the form of private donations out of which the power looms and other essential accessories were purchased.

8. The conditions obtaining in Delhi where the demand for the manufactures exists already to a sufficient degree, point to the need of improved quality of products and acceleration of production. But the accommodation in the existing Institute is inadequate to limit training of candidates to a capacity figure and the funds provided insufficient to permit any



further extension of its activities in other advanced directions. In view of the restricted financial grant-in-aid and with a view to promoting industrial efficiency of the students under training, arrangements are made to obtain raw material from private enterprise for manufacture into finished products according to individual specifications.

9. The most important need of organizing a peripatetic demonstration party which was included in the original scheme is still felt to be indispensable in attaining the desired measure of success. As the artisan as well as interested non-artisan classes are distributed over a wide area in the province it is not possible to concentrate them for training on a central urban institution. The Central Institute with a limited scope is situated in the city of Delhi and has limited accommodation for students coming from urban as well as rural areas. The need for rural Delhi cannot be served by the existing Institute unless its activities are supplemented either by opening branch institutions at important rural centres or, which appears to be the most economical arrangement, by the organization of a peripatetic demonstration party.

10. In order to attract suitable candidates particularly from the poor population and to afford an encouragement to students under training a rebate or allowance is allowed to them on their manufactures. Whereas the demand for admission to the Institute is very heavy, such demand however mainly emanates from candidates belonging to urban classes. The poor and rural classes who are otherwise occupied in somewhat remunerative occupations and would not be persuaded to leave them for training undertaken at their own cost, could not be attracted unless provision is made for stipends. In the absence of such provision in the grant, eight stipends were secured from private philanthropists for the benefit of deserving students for the first year of its establishment. With a view to providing industrial educational facilities for children rendered destitute by the Quetta earthquake, eight scholarships of the monthly value of Rs. 6 each were sanctioned by the Central Authority administering the Viceroy's Quetta Earthquake Relief Fund, tenable for two years at the Institute.

11. A reference was made in the report of the preceding year to the organization of a small showroom for the display of indigenous products with a view to promoting the local industrial enterprise and to establishing commercial contact between producers and consumers with the object of developing the handloom and textile industries in the province. The prescribed limit of grant and the lack of accommodation have however prevented the offer of such facilities to this pioneer movement in this province. The students are also taught elementary lessons in salesmanship to enable them to dispose of their products without the

1938.]

*Handloom Weaving.*

55

help of the middleman. The office of the Superintendent of Industries has continued to serve as a clearing house of industrial intelligence for the benefit of the industry.

12. Delhi being a Centrally Administered Area has no provincial revenue of its own, and is dependent on the grant received from the Government of India. Without the Government of India's financial assistance no measures of industrial development can be undertaken here and in the absence of the sanction of the necessary funds to give effect to the proposals for the expansion of the limited scheme of work, there was no alternative but to curtail activities to keep the expenditure within the limits of the sanctioned grant.

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**EXTENSION OF THE PERIOD DURING WHICH THE GRANT FOR  
THE DEVELOPMENT OF HANDLOOM INDUSTRY IS TO BE SPENT.**

**MEMORANDA.**

**United Provinces.**

The progress of the handloom scheme has been slow everywhere. We are breaking new ground in many respects and dealing with persons who are not only illiterate but have had no organization of their own prior to the inauguration of the scheme. They are, therefore, not able to utilize so readily the new facilities offered. It is felt that mere extensive work to utilize the grant according to the sanctioned scheme will result in an undesirable race for spending money in a given time and will not yield permanent results. As far as the United Provinces is concerned, the scheme is now in full swing but the cautious steps taken in the past have resulted in some savings. It is proposed to utilize the savings for continuing the scheme for at least a year more than the sanctioned period (31st March 1940) so that the weavers may have the benefit of intensive work for a longer period. Provincial Governments may therefore be empowered to utilize the savings even after 31st March 1940, according to schemes approved by the Government of India, and the unspent balance at their credit may not be resumed by the Government of India. The sum involved will be small but will materially assist the weavers. It may be pointed out that in the case of the United Provinces the saving effected so far has been possible because the existing resources of the Province in the matters of designing, research and finishing were found to be sufficient to meet the requirements in the early stages.

**Government of India.**

It was originally decided that the five-years' scheme of assistance to the handloom industry should come into operation from the 1st November 1934 and terminate on the 31st October 1939. But it was observed that in some Provinces the scheme was actually started after March 1935 and that consequently those Provinces would be at a disadvantage if the scheme was terminated on the 31st October 1939. The Provincial Governments were accordingly authorized to spread their schemes over a full five-year period provided that this did not extend, in the case of any scheme, beyond the 31st March 1940. (In special circumstances explained by the Government of Bengal, they have been allowed to spread their schemes over a period not extending beyond the 31st March 1942.)

2. The Government of India would be prepared to consider the question of allowing the Provinces to spread their schemes beyond the 31st March 1940 provided

- (a) that this does not imply the provision of any allotment by the Government of India after the 31st March 1940, and that only sums allotted before that date to approved schemes may be spent within the extended period, and
- (b) that adequate reasons are given for not spending the allotments in full before the 31st March 1940.

**Discussion.**

*Wednesday, December 15th, 1937.*

**PROGRESS OF SCHEMES.**

The Hon'ble Mr. Giri (Madras) opened the discussion. He said that although progress had not been so rapid as anticipated some progress had been made. The difficult problems with which they were faced were the competition from the weaving mills and the general state of indigence of the handloom weavers. The crux of the problem was marketing. He referred to the opening of an emporium in Madras for the sale of cloths produced by affiliated societies. Sale depots had been opened in various centres and the opening of further depots was under consideration. He was of the opinion that the co-operation of cloth merchants was necessary and said that a local merchant had been recruited to serve as a marketing officer. As regards primary societies, a hundred centres had been selected and subsidies had been granted to 59 societies so far. To cope with the work of finishing and calendering, a second-hand calendering plant was purchased in Bombay. An attempt was also made to distribute finished warps with a view to facilitating

1938.]

*Handloom Weaving.*

57

the work. The progress in this direction had been slow as objection was raised that this created some unemployment amongst street winders, warpers and sizers.

The Hon'ble Mr. Patil (Bombay) stated that good progress had been made by all Associations in the Bombay Presidency except the one at Poona. At Poona, conditions were found unfavourable and it became necessary to close down the Association due to lack of progress. Some success had been achieved from the organization of demonstration parties which toured round the various centres. On the whole the progress made was satisfactory.

Khan Bahadur Arshad Ali (Bengal) said that handlooms had been supplied to various Co-operative Industrial Unions for demonstration purposes and over 2,000 weavers had so far been trained by the expert staff in the improved weaving of various new designs. It was found that progress had been restricted due to a lack of working capital. The position had now improved, as the Government of India had agreed to the proposal to supply such capital to the different industrial unions out of the grant. The different unions were federated into a central organization in Calcutta which arranged for the disposal of finished products. He hoped to be in a position to report better results next year as more handlooms had been arranged for demonstration purposes.

Mr. Nigam (United Provinces) stated that the finishing plant for Etawah mentioned in the memorandum had since been erected and work had started. Sole Agents for the sale of finished products had been secured in several provinces and some goods were also sold in America and England. Business was increasing at a satisfactory rate. He placed before the Conference the proposal of his Government that the period within which the grant should normally be spent should be extended to 1941. He pointed out that progress was slow and on this account his Government had been cautious in spending the money which accounted for the savings now accumulating.

Rai Bahadur Lala Ram Lal (Punjab) explained how the Central Depot at Amritsar controlled the marketing organization under the scheme. Supervisors and Master Weavers had been appointed to help the weavers and effective arrangements had been made for the disposal of the finished products. Weekly bazars were being held. Buying Agents had been appointed and these agents supplied yarn and dyes, etc., to the weavers. The Province did not possess a finishing plant and arrangements had, therefore, been made with a private firm in Amritsar for finishing work. Business had expanded and increased expenditure was found necessary.

Mr. Dhar (Bihar) explained the Bihar system under which all the work was done in cottages and the marketing arrangements were left to the Central Emporium. He also mentioned that so far Bihar continued to do the marketing work for Orissa. The finishing plant which had been erected gave rise to some difficulty due to the lack of an expander. The latter had now been obtained and the shrinkage of the cloth during the finishing process was avoided. A considerable advance had been made in the quantity of goods sold, and the progress of the scheme was satisfactory. He considered, however, that a hydro-extractor and also one more sewing machine and one hand-trolley were necessities and placed before the conference a proposal that Rs. 4,000 should be granted from the reserve fund for this purpose. He also asked for assistance to the extent of Rs. 5,000 to be utilized in the issue of an illustrated catalogue.

The Chairman enquired the number of copies which would be printed.

Mr. Dhar's estimate was 5,000. He further pointed out that the initial expense would not be fully recurring as blocks once made could be used for some time.

The Chairman bore witness to the excellence of the Bihar products and mentioned that the price was correspondingly high.

Mr. Dhar replied that it was because they were so good that advertising was necessary in order to correct a possible impression that the price was excessive.

Mr. Desai (Central Provinces and Berar) had nothing to add to the report supplied by his Government.

Mr. Mehta (Assam) requested that the Rs. 4,000 extra grant which was received by his Province last year should be continued.

The Chairman, however, pointed out that this grant was recurring up to the termination of the scheme.

Mr. Mehta added that a Provincial exhibition was desirable, but he did not press for funds. He further pointed out that a finishing plant was a necessity, but this also he did not press.

The Hon'ble Khan Abbas Khan (North-West Frontier Province) asked for special consideration to be shown to his Province. He had, however, no specific scheme to put before the Conference as a report about the existing handloom weaving institute had already been sent to the Government of India.

The Hon'ble Sir Ghulam Hussain Hidayatullah (Sind) asked for an extension of the period within which the amount of the grant had to be utilized, up to the 31st March 1942. He explained that it took Sind

some time to appoint an Assistant Director of Industries and to get the scheme working. Consequently, they had been unable to utilize the full amount of the grant placed at the disposal of his Province.

The Hon'ble Mr. B. M. Das (Orissa) was of the opinion that the handloom industries had been dying and were still on their death bed. His diagnosis of the disease from which he considered the industries were suffering was (a) costliness of the finished products, and (b) the fact that the handloom weavers were generally financially in the hands of petty shopkeeper money lenders. The weavers suffered from want of capital and want of markets. He proposed to make an experiment in a small way under which handloom weavers would be provided with yarn at a minimum price and all finished products would be dealt with by the organizers of the scheme. He suggested that the improvement of the financial condition of the weaver should be the first concern of the Conference and that improvements in looms and the like, an attempt to introduce which was now being made should come later.

The Chairman explained how the normal grants were allocated to each Province. He also gave an account of the manner in which the small reserve with the Government of India was utilized for special schemes which came within the four corners of the subvention. He stressed that the development of industries was primarily a Provincial concern and that this Conference and the Government of India were mainly concerned with the collation of ideas as to the general lines on which development should proceed.

Mr. Rahalkar (Indore) stated that weaving had been introduced as an optional subject in the middle schools and spinning as a compulsory subject in the upper primary schools. A grant of Rs. 8,000 was placed at the disposal of the Education Department in this connection. There was a demonstration factory at Maheshwar where weavers were given free instruction. All the dyes and yarn were imported free of duty. These were in brief some of the directions in which the State was encouraging the handloom industry.

Mr. Kotibhaskar (Kashmir) said that there was no organization in the State to supply raw materials to the weavers and to market their manufactured goods. The Kashmir Government was, therefore, taking necessary steps to remove these deficiencies.

Sir Manubhai Mehta (Gwalior) referred to the lack of marketing arrangements, but informed the Conference that the State was now arranging to supply this deficiency. Handloom classes had also been introduced in the technical schools.

Dr. Pagar (Baroda) said that purchasing of yarn and selling of finished products were being organized on a co-operative basis and that

new designs had been introduced. A Central Sales Depot for the products of village industries had also been organized.

Mr. Ramchendra Rao (Mysore) gave a brief survey of work which was being done in the Mysore State to help the handloom industry.

Mr. Ghulam Ali Mohammadi (Hyderabad) stated that in the Hyderabad State there were about four lakhs of persons who were dependent on the handloom weaving industry. Efforts were being made to organize the handloom weavers and, in addition, the areas in which gold brocade and gold thread working were a speciality, trade in which due to foreign competition had deteriorated, were receiving the special attention of the State. Assistance was given by organizing the supply of thread. The carpet industry was also being helped by the standardization of goods made by the villagers, and there was now a market for such carpets in London, the demand in which exceeded the supply.

#### ADDITIONAL FUNDS FOR BIHAR.

The Chairman surveyed the state of the Reserve Fund and decided that the question of a grant to the Punjab Government for their Exhibition and also the application for additional funds from the Bihar Government should be taken up. The Bihar application was first placed before the house.

Mr. Green (Madras) suggested that the surplus which existed in the Reserve Fund should be divided *pro rata* on the basis of the normal grants.

The Chairman interposed that this raised a big question of principle which should, if necessary, be considered separately.

After further discussion Mr. Green stated that he would not object to the grant of the amount asked for by the Bihar Government if they could not themselves provide it.

The representatives from the remaining Provinces also had no objection to the grant being given with the exception of Bengal on whose behalf Mr. Stevens stated that there was no objection to the grant of Rs. 4,000 for the hydro-extractor, etc., but that he objected to the grant of Rs. 5,000 for the purpose of a catalogue. The grant to Bihar of Rs. 4,000 for the hydro-extractor, a sewing machine and a trolley required in connection with their finishing plant and Rs. 5,000 for the purpose of drawing up a catalogue was accordingly approved by a majority.

#### CHEAP FINISHING MACHINES.

The Chairman stated that Mr. Brodie was charged last year to look into the question of availability of cheap finishing machines and asked Mr. Gilmore to speak on the subject.

1938.]

*Handloom Weaving.*

61

Mr. Gilmore said that he had enquired from finishing plant manufacturers and had found that there was a considerable range of machines the cost of which depended on size. Some machines were designed to carry out calendering alone and in these machines the price depended on the number of bowls. He had also enquired from the various Provinces and discovered that, in the Punjab, outside mills were employed for the work while in the United Provinces mills were subsidized for this purpose. Madras had purchased a second-hand plant and Bihar had a plant of their own. In order to come to any mature conclusion it was necessary to judge the various plants by experience. He considered that Provinces which possessed plants should pool their experience for the benefit of those which did not yet possess them. He suggested that the former should keep him in touch with their difficulties and he would then correlate the information thus received. The object in view was the minimum plant required to finish the products of the areas concerned.

**EXTENSION OF THE PERIOD DURING WHICH THE GRANT IS TO BE SPENT.**

The Chairman next placed the question of the extensions required by the Sind and the United Provinces Governments, of the period within which the subvention grant should be utilized. He said that the Government of India had no objection to short extensions in specially approved cases, as it was desirable to avoid the money being utilized on hastily conceived schemes. On the other hand, the period should not be too long drawn out as this would mitigate against the express object of the grant, namely, the completion of the scheme within a definitely stated period. He added that it must be clearly understood that the Government of India's liability would not extend beyond the specified period.

The matter was put to the Conference and the extensions were unanimously approved.

**ALL-INDIA EXHIBITION OF ARTS AND INDUSTRIES, PUNJAB.  
HANDLOOM WEAVING, SPINNING, DYEING AND PRINTING  
COMPETITIONS.**

**MEMORANDUM.****Punjab.**

The preliminary decision to hold an All-India Exhibition in the Punjab was arrived at in September 1936, but the matter was not finally decided till the new Government assumed office. On the invitation of the Hon'ble Minister for Local Self-Government, Punjab, at the Eighth Industries Conference at Lucknow last year it was decided to hold the Ninth Industries Conference at Lahore on the occasion of the All-India Exhibition of Arts and Industries.

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2. The Punjab Government provided a sum of Rs. 1,27,000 in the budget for expenditure on the Exhibition, but this amount will very likely be considerably exceeded. The beneficent Departments of the Punjab Government who have participated have spent thousands of rupees each, on participation. The Departments of Education, Public Health, Animal Husbandry, Co-operation, Forest, Irrigation, Hydro-Electric, Buildings and Roads, Criminal Tribes, Rural Reconstruction, Fisheries and Prisons have joined. From the other Provinces the Department of Industries, United Provinces, Inspector General of Prisons, United Provinces, Arts and Crafts Emporium, Lucknow, Department of Industries, Bengal, Department of Industries, Central Provinces and Berar, Gulzarbagh Cottage Industries Institute, Patna, Director of Development, Orissa, and the Marketing Officer, North-West Frontier Province have participated: The Indian States of Gwalior, Hyderabad, Patiala, Kapurthala, Indore, Mandi, Bikaner and Nabha have taken pavilions or stalls, and the States of Mysore, Datta and Travancore have sent exhibits to the Textile and Handicraft Museums.

3. Textiles occupy the most prominent position in the Exhibition. For the benefit of cottage and handloom weavers, dyers and printers, demonstrations have been arranged by the Department of Industries, Punjab, and by some of the other Provinces.

4. Practical demonstrations will be given by the various institutions of the Department of Industries, Punjab, in spinning by improved types of hand-spinning wheels, in weaving, finishing and dyeing and in block printing by the most modern methods for the benefit of the cottage weaver, the dyer and the printer. A list of the demonstrations which have been arranged is given below :—

- (a) Pirn and bobbin winding and twisting machines.
- (b) Sizing beck and warping arrangements.
- (c) Double box and multiple box sleys and looms.
- (d) Dobbies and jacquard machines.
- (e) Niwar and gota weaving looms.
- (f) Pick and pick and even pick looms.
- (g) Hand finishing implements.
- (h) Automatic Turkish towel looms.
- (i) Leno weaving looms.
- (j) Automatic let off and take up motions.
- (k) Double production loom.
- (l) Improved wool and pashmina spinning wheels.
- (m) Solid border looms.

The demonstrations will cover the weaving of the following kinds of woven fabrics :—

- (a) Mulberry silk sarees with fancy border all over effect.
- (b) Fancy laces.
- (c) *Majnu kheses* on double cloth principle.
- (d) Curtain and tapestry cloth for upholstery purposes.
- (e) Pashmina weaving on fly-shuttle loom.
- (f) Weaving of tweed and *khaddar* on fly-shuttle loom out of handspun yarn.
- (g) Fine muslin *lungi* and saree weaving out of 90s yarn.
- (h) Art silk weaving on fly-shuttle loom.
- (i) Tie cloth weaving out of silk yarn.
- (j) Weaving of *daryai* on fly-shuttle loom.
- (k) Furnishing fabrics from printed warps and wefts.
- (l) *Kimkhab* and *Jamdani*.
- (m) Carpet weaving.
- (n) Camel hair rugs and druggets of Mankera.
- (o) Shawls, tush and *toffatas* of Kashmir.
- (p) Silks of Benares, Bengal and Assam.
- (q) Sarees and dhoties of Dacca, Shantipur and Chanderi.
- (r) Plain and fancy *namdas* and felts of Kashmir.

The dyeing and printing demonstrations will cover the following branches of the industry :—

- (a) Washing, bleaching and dyeing by improved hand devices.
- (b) Printing by blocks, spray screen and roller methods.
- (c) Tie dyeing (Jaipur and Multan styles).
- (d) Rainbowing or multicolour block printing.
- (e) *Bigli* or graded dyeing.
- (f) Discharge and resist printing.
- (g) Preparation of indigenous dyes.
- (h) Printing of warp and weft yarns.
- (i) Photo printing.
- (j) Printing of mixed style.
- (k) Dyeing and mercerising of yarn.
- (l) Finishing of cloth by hand methods.
- (m) Collar finishing.
- (n) Miscellaneous demonstrations.

5. Eight competitions in weaving cotton, art silk, woollen and mulberry silk, pashmina spinning, block printing and matching of shades in dyeing will be held and four prizes of gold, silver and bronze medals together with cash prizes will be awarded to winners in order of merit. Besides these competitions, nine prizes will be awarded for improved types of looms and appliances and a special prize of Rs. 500 will be awarded for the most original device adjudged to be of the greatest practical utility to cottage spinning, handloom weaving, dyeing and printing industries. Four hundred and fourteen prizes will be given for goods entered in the fabrics competitions in the Textile Museum, and three special gold medals will be awarded for the most outstanding exhibits in cotton, silk and wool produced on handlooms or any other hand operated devices. The competitors entering the practical competitions will be paid full expenses for travelling, boarding and lodging. A sum of Rs. 15,000 has been provided to meet the cost of the competitions, prizes, etc.

6. The total net cost of the handloom and dyeing and printing demonstrations and competitions, as per details given below, will be approximately Rs. 62,000. A grant-in-aid contribution of Rs. 40,000 is requested from the Government of India.

1938.]

*Lahore Exhibition.*

65

*Details of expenditure.*

Cost of construction of Textile Museum, Demonstration and Competition Halls and Pavilions.

	Area in sq. ft.	Cost. Rs.
(i) Textile Museum .. 40' x 40'	2,400	2,500
(ii) Handloom Weaving Competition Hall .. 50' x 100'	5,000	5,200
(iii) Hall of Dyeing and Calico Printing .. 50' x 100'	5,000	5,200
(iv) Textile Implements Hall .. 30' x 20'	600	640
(v) Department of Industries, Punjab, Textile Demonstrations .. 33' x 100'	3,300	4,200
(vi) Marketing Organization Show Room .. 80' x 50'	4,000	6,000
(vii) Sales Depot of Handloom Products of Government Industrial Weaving Schools, Punjab 12' x 70'	840	450
(viii) Office .. 12' x 10'	120	70
<b>Total</b> ..	<b>21,260</b>	<b>24,440</b>
(ix) Constructed area allotted free to Departments of Industries, United Provinces, Bihar, Central Provinces and Berar, Bengal, Orissa and North-West Frontier Province ..	7,048	7,827
2. Cost of electric fittings and light and power ..		4,000
3. Cost of demonstrations and display ..		10,000
4. Cost of handloom weaving, spinning, dyeing, printing and implements competitions ..	Rs.	
(i) Railway fare and halting allowance to competitors ..	5,000	
(ii) Cost of looms implements and raw materials ..	3,000	
(iii) Rent of lodging provided for competitors from outside ..	1,000	
(iv) Advertising and printing ..	700	
(v) Prizes including medals and cash ..	4,000	
(vi) Furniture, fittings and decorations ..	500	
(vii) Contingencies ..	1,500	
		<b>15,700</b>
		<b>61,967</b>

7. The Provincial Departments of Industries have been provided free space with liberty to sell their products.

*Discussion.*

*Wednesday, December 15th, 1937.*

Mr. Green (Madras) said that, as the principle of giving such grants had been approved at the last Conference, there would seem to be no

objection to a similar grant being given to the Punjab Government on this occasion. He stated, however, that on the facts before him, he was not able to say whether the amount required was reasonable or not.

Mr. Stevens (Bengal) supported the proposal.

Mr. Jugal Kishore (United Provinces) while approving in principle suggested that the amount of Rs. 30,000 which was given to the United Provinces for exhibition last year, should suffice.

Mr. Desai (Central Provinces and Berar) suggested that the amount should be Rs. 40,000 or the total net loss on the exhibition whichever was less.

Rai Bahadur Lala Ram Lal (Punjab) explained that the method suggested by Mr. Desai would not be suitable.

On taking the sense of the Conference it was found that the majority were in favour of a grant of Rs. 40,000 to the Punjab Government, and this amount was accordingly agreed to.

#### **SCHEME FOR FINANCING THE ESTABLISHMENT OF A WOMEN'S CO-OPERATIVE INDUSTRIAL HOME IN CALCUTTA OUT OF THE HANDLOOM GRANT ALLOTTED TO BENGAL.**

##### **MEMORANDUM.**

##### **Bengal.**

One of the proposals recommended by the Government of Bengal to the Government of India for being financed out of the Government of India handloom grant allotted to Bengal was the establishment of a Women's Co-operative Industrial Home in Calcutta. The proposal was not approved by the Government of India (*vide* extract below) as they were not convinced that the scheme was "designed to place the handloom industry in a stronger position and particularly equip that industry to meet competition more effectively". They were, therefore, of opinion that it did not come within the scope of the handloom grant. In this connection the Government of India referred to the views expressed by the last Industries Conference in declining to consider the Bihar scheme for the introduction of handloom weaving among the women workers of the Jharia coal fields (page 75 of the *Bulletins of Indian Industries and Labour* No. 59). At the same time the Government of India suggested that they would be prepared to reconsider the matter in the light of the decision of this Conference provided the Provincial Government felt that the scheme for a "Women's Co-operative Industrial Home" could be differentiated from the Bihar scheme. This memorandum indicating

briefly the important features of the scheme and its fundamental difference from the Bihar scheme is submitted for the consideration of the Conference.

2. A women's industrial organization by the name of Nari Shiksha Samity has been working in Calcutta since 1919 with the main object of training unemployed women in textile arts and crafts and providing them work for earning their livelihood. The founder and President of the Samity is Lady Bose, widow of the late Sir Jagadish Chandra Bose. The Samity started an industrial school in 1927 as an annexe and has been maintaining it with the grant from the Industries Department and from donations contributed by the Samity and the generous public. In this school unemployed women are trained for 3 years in handloom weaving, dyeing, block printing, etc. Uptil 1936, the Samity received a total grant of Rs. 70,238 from the Industries Department of the Government of Bengal and it has spent a further sum of Rs. 42,793 by raising subscriptions and donations in furtherance of its industrial activities and for the upkeep of the school. The number of students passed out of the school since 1927 was over 400 and the number is steadily increasing. Among the trained students, 23 are now employed as Instructress in the village industrial schools established under the auspices of the Samity and 24 are employed in the technical schools in Calcutta and its neighbourhood. A large number of remaining students, so far as information is available, has taken to handloom weaving as vocation in life. In 1932, the Samity has also made arrangement for the marketing of the finished products of the under-training women and also of the trained ex-students of the school by establishing a co-operative selling agency in Calcutta called Nari Shilpa Samabaya Mandali.

3. As stated above, the number of trained women handloom workers is steadily increasing as a result of the activities of this useful institution but these trained women do not at present get adequate scope and facilities for efficiently pursuing the industry in which they have been trained. To meet this difficulty the Samity proposes to establish a Women Workers Home where they may be provided with expert advice and guidance and supplied with improved appliances for improvement of their efficiency in handloom weaving. Undoubtedly, the Home will be in a position to supply regular work to its inmates and better wages but at the same time it will considerably improve the prospects of handloom industry by placing in the market better and improved varieties of textiles which can be expected to stand competition.

4. It will appear from the facts stated above that the object of the Samity is a laudable one. It not only aims at giving training to unemployed women, finding work for them, and disposing of their finished products but also in carrying out its object it is largely contributing to

strengthen the position of the handloom industry in the Province. With this aim in view the Nari Shiksha Samity has been working for about 18 years now and it has regularly received encouragement in its work from the Government of Bengal.

5. The activities of the Samity fundamentally differ from the Bihar scheme for introduction of handloom weaving among the women workers of the Jharia coal fields, in that, while the object of the Bihar scheme was only to provide employment to the retrenched women workers of the Jharia coal fields, the object of the Samity is and has always been to popularize the handloom industry among the women folks in the Province by starting industrial schools for them both in towns and rural areas, by supplying suitable instructress to these schools and also by facilitating the training in improved handloom weaving. The materials drawn for the purpose by the Samity belong to the intellectual class of women in the Province who realize the importance of handloom industry and are capable of effecting improvement in the industry after training, while the women workers of the Jharia coal fields were an uncertain quantity who might not have possessed the requisite intelligence and technical bend of mind for the industry. While it was not desirable to spend any grant on the uncertain position of the women workers of the Jharia coal fields any grant to the Nari Shiksha Samity may be considered fully justified.

6. The total grant asked for the proposed Women's Co-operative Industrial Home out of the grant allotted to Bengal is only Rs. 9,370 of which Rs. 2,520 is recurring and Rs. 6,850 non-recurring cost.

7. The scheme is commended for the favourable consideration of the Industries Conference.

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EXTRACT FROM GOVERNMENT OF INDIA'S LETTER DATED THE 22ND MAY 1937.

The Government of India regret that they are still not convinced that this scheme comes within the scope of the handloom grant. The real criterion, in the opinion of the Government of India, is whether the scheme is designed to place the handloom industry in a stronger position and particularly equip that industry to meet competition more effectively. The purpose of the Nari Shiksha Samity in giving training in handloom weaving to destitute women appears to be mainly charitable and the fact that they have been engaged in this work for the last fifteen years does not appear to the Government of India to be a relevant consideration. As regards the argument that the Bihar scheme for the introduction of handloom weaving among the women workers of the Jharia coal fields would have the effect of taking them away from their normal profession, I am to point out that on or after the 1st July next (since altered to 1st October 1937) their normal profession will cease to be available for them,

and that they will have an equally good claim on charitable grounds. The scheme was, indeed, based on the fact that these women were being deprived of their occupation.

3. The Government of India feel that they cannot, consistently with what they believe to be the views held by the Industries Conference and the view taken by them in the case of the women colliery workers, sanction the present proposal. But if the Government of Bengal feel on reconsideration that the case can be differentiated, the Government of India would be prepared to place it before the next Industries Conference for their views, and would be prepared to re-examine the matter in the light of any conclusion reached by that Conference.

#### Discussion.

*Wednesday, December 15th, 1937.*

The Chairman drew particular attention to two points:—

- (1) The extent to which an institution of this kind is designed to help the handloom industry, and
- (2) the two different forms of grants required—a lump sum grant and a recurring grant.

Taking the latter first, he enquired how many years this recurring grant was likely to be necessary and whether, when the grant from the subvention ceased, the Provincial Government would continue it, and, if so, was not the Provincial Government in a position to deal with the scheme from its inception. He then called upon the representative of the Bengal Government to supply to the Conference further information on the proposal.

Khan Bahadur Arshad Ali (Bengal) explained that the Nari Shiksha Samity was already supported by Government and that it was hoped by the additional grant to establish an annexe in which destitute women could be trained in handloom weaving. He then attempted to dispel the impression of members that this proposal would lead to an increase in the aggregate number of handloom weavers to the detriment of the industry as a whole. He pointed out that even if the aggregate number in the industry was increased a continuation of the start which had already been made was desirable. In any case the scheme, which was an attempt to train women to manufacture art fabrics, was to some extent a new departure in the industry.

On the matter being placed before the Conference all Provinces supported the proposal with the exception of Bombay and the United Provinces. Mr. Advani (Bombay) made the point that in view of the intense competition already in the trade, it would be no service to the



handloom industry to increase the existing number of weavers. Mr. Nigam (United Provinces) supported the view taken by the Government of India in their letter of the 22nd May 1937. By a majority, the Conference approved the reappropriation proposed by the Bengal Government.

## COMPETITION BETWEEN MILLS AND HANDLOOM WEAVERS.

### MEMORANDUM.

#### United Provinces.

Government decided to offer direct State-aid to the handloom industry because it was felt that it could not derive full benefit from the protective duty without such assistance. But it has been found that the Indian Mill Industry is at once the supplier of raw material to the handloom industry and its largest competitor. The handloom weaver gets yarn of indifferent quality and even the quantity per bundle is not guaranteed. Further, he is not supplied with all varieties of yarn which the Indian mills manufacture. This compels him to use foreign yarn and this places him at a disadvantage in the market for "Swadeshi" goods.

2. It is therefore suggested that Government should impose some restriction either by legislation or agreement so that the mills may be obliged to offer in the market yarn of standard tensile strength and counts and in bundles of guaranteed weight. Yarn rates should be published by the association of mill-owners or by the Directors of Industries of the various Provinces.

3. Further, some grant should be set aside for conducting research of the production of fancy and new types of yarn and purchasing patents and the results of such experiments and patents should be utilized for producing special yarn for handloom weavers by arrangement with mills producing yarn only.

4. If the proposal is accepted by the Conference, a small sub-committee may be formed to submit proposals in detail.

### Discussion.

*Wednesday, December 15th, 1937.*

Mr. Nigam (United Provinces) stated that he had nothing further to urge beyond what was contained in the memorandum.

The Chairman dealt briefly with the proposal and pointed out that in the matter of tensile strength, it was the quality which determined

this and that therefore any attempt to regulate it would be impracticable. This left only two matters for consideration, the question of counts and the question of yarn being supplied in bundles of guaranteed weights. He further pointed out that the existing law was sufficient to cover cases in which consumers were defrauded.

Mr. Advani (Bombay) referred to the difficulties involved in moving the law. The aggrieved parties, he said, were the handloom weavers or the consumers of such goods, and in many cases they would not realize that they were being supplied short or below standard. He supported the proposal of the United Provinces representative for the appointment of a sub-committee to examine the question.

Mr. Green (Madras) stated that the Madras Government were prepared to give their unqualified support to the proposal of the United Provinces Government that Government should impose some restriction, either by legislation or by agreement, so that mills would be obliged to offer in the market yarn of standard tensile strength and counts and in bundles of guaranteed weight. He explained that the Madras Government had already issued two communiques, and were contemplating issuing a third communique, warning the mills as to their liability under the Indian Merchandise Marks Act and the rules framed thereunder if they indulged in any of the malpractices which it was the object of the United Provinces Government to set right.

General support for the proposal to form a sub-committee to examine the questions appeared to be forthcoming from the Conference.

Mr. Dhar (Bihar) raised several new points. He suggested that the import duty should be abolished or reduced and that a countervailing excise duty should be imposed on all yarn supplied to the mills. He also advocated that counts below a certain number should be reserved for the use of the handloom weaver, these being available to the mills only on payment of an excise duty.

The Chairman intervened at this stage and resurveyed the position. He said that there were three questions for consideration by the Conference: (1) The difficulty concerning short reeling. (2) The question raised with regard to the duty on yarn linked with the question of an excise duty and the reservation of certain counts of yarn for the handloom industry. (3) The question raised in paragraph 3 of the memorandum.

With regard to the first question, he observed that if a sub-committee was appointed, it would probably take one year to report and a further year would be taken up by the Government of India in examining the question. It would therefore be more expeditious if the matter was taken up at once by the Government of India especially in view of the fact that the amendment of the Indian Merchandise Marks Act was now

under active consideration and would probably be dealt with within the next month or two. After the proposals of the Government of India were formulated these would, in the usual course, as part of the amended Bill, be circulated to Provinces and all other interests concerned. This would bring to light in an adequate manner the point of view of the handloom workers.

The second question had been raised on several occasions. It was raised in the Central Legislature and on one or two occasions an attempt was made to bring together the representatives, or at any rate some members of the Legislature who were interested in the handloom industry, and some members who were connected with the mill industry. On those occasions the handloom industry representatives were told by him that if some feasible solution of this question was forthcoming, that there was substantial agreement between the parties and that difficulty was only in regard to details, he was personally quite willing to make an attempt to bring the two points of view nearer together. On the other hand, he made it quite clear that Government would find it extremely difficult at that stage to come between the two sections of the industry as arbitrators. The position had not advanced any further than the point at which it stood a year ago and he did not see his way to agree, on behalf of the Government of India, to the question now being investigated by a sort of *ex-parte* sub-committee of this Conference which would make proposals as to what would suit the handloom industry. He thought that the only feasible way of taking it up was to entrust it to the Tariff Board who would be charged with the question of determining the extent of protection to be continued to the textile industry and as part of their terms of reference they might also be asked to look into the question of the handloom industry. That would be a fair way of dealing with the question. He made it clear that he was giving no undertaking on behalf of Government one way or the other, but if the Conference felt that they would like to have the matter investigated in that manner, he promised that any views expressed by them would receive the fullest consideration of the Government of India. He was sure that it would be realized that an *ex-parte* committee of the Conference dealing with an item of the agenda which concerned one section of the textile industry only, both sides of which ought to be equally consulted by the Government of India, would not be a fair method of tackling the question. It might cause unnecessary suspicion and alarm and the prospect of any agreement between the interests concerned might become more difficult and recede into the background rather than be brought any nearer.

Mr. Advani (Bombay) suggested that a sub-committee, if appointed, would be in a position to place before the Government of India the

difficulties with which the handloom weaver was faced, and, if necessary, the sub-committee itself could consult the millowners.

The Hon'ble Mr. Giri (Madras) supported Mr. Advani with the modification that the report of the sub-committee might be circulated to the millowners and the remarks of the latter could then be forwarded to the Government of India.

Mr. Advani (Bombay) raised the question whether the solving of the handloom weaver's difficulties could be adequately dealt with by the Tariff Board. He pointed out that protection was not the only method by which the handloom weaver could be assisted. The restriction of certain counts, he thought, was hardly a matter for the Tariff Board.

The Chairman pointed out that the Tariff Board could not be charged with the duty of saying whether a certain remedy suggested would be suitable or not; the Board would be charged generally with the task of keeping in mind the effect on the handloom industry of any recommendations made by them.

The Hon'ble Mr. Giri (Madras) agreed with the representative from Bombay that a sub-committee was desirable.

At this stage the views of the members of the Conference were ascertained and it was found that the majority opinion of the Conference was in favour of the matter being dealt with departmentally by the Government of India, but representatives of certain provinces persisted in advocating the desirability of a sub-committee of the Conference to examine the various points referred to.

The Chairman in summing up said that so far as the question dealt with in paragraph 2 of the United Provinces Memorandum was concerned, it would be investigated by the Government of India and they were ready to incorporate in the Indian Merchandise Marks (Amendment) Act any proper remedy suggested for that purpose. With regard to the question of a sub-committee, he pointed out that it was not a matter which could be decided merely by a counting of votes. He repeated his promise that the Government of India would give the fullest consideration to whatever views had been expressed in this connection. Various suggestions at various times had been put forward but Government was charged with the responsibility of safeguarding all aspects of the textile industry and they would have to see whether any action could be taken by them, which might facilitate some sort of arrangement between the two sections of the industry. More than that it was not possible for him to say at present.

## II.—MIDDLE-CLASS UNEMPLOYMENT.

### THE DEVELOPMENT OF SCHEMES OF APPRENTICESHIP.

#### MEMORANDA.

#### Madras.

The question of State regulation of apprenticeship in the Madras Presidency was first considered by a Committee appointed by Government in 1912 to report on proposals for the improvement of technical and industrial education in the City of Madras. The Committee recommended *inter alia* that a system of State apprenticeship should be introduced. The Government accepted this recommendation and instructed the Superintendent of Industrial Education to formulate definite proposals. According to the proposals submitted by this officer, a certain number of boys were to be admitted as State apprentices under an agreement and distributed among the local workshops for training. This scheme, however, fell through owing to the outbreak of the Great War. The question was next taken up by a Committee on Technical and Industrial Education appointed by Government in 1922. This Committee, which examined the Apprentices Act of 1850 considered that the Act as it stood was not suited to modern requirements, and recommended that it should be remodelled so as to provide for the binding of apprentices to serve their employers even though they might not live in their employers' houses as contemplated in the old Act. They also recommended the provision of penalties for persons enticing away or employing an apprentice bound to another employer.

2. In pursuance of the recommendation of the Committee on Industrial and Technical Education, Government, in 1924, appointed a Committee to examine the provisions of the law on the subject of apprenticeship in force in other countries, and to recommend which, if any, of these could, with suitable regard to local conditions, be incorporated into an Apprenticeship Bill for the Madras Presidency. The report of that Committee with a draft Bill was published for general information in 1925. But after giving their careful consideration to the report, Government, early in 1927, decided that the time was not yet ripe for the introduction of legislation on the lines recommended.

3. Since the publication of the report of the Apprenticeship Bill Committee, apprenticeship schemes in Madras City have been further developed. The principal employers in Madras now co-operate with the Department of Industries by allowing their apprentices, especially those in the engineering trades, time off duty for one clear day in the week to attend the Government School of Technology. Apprentices are now selected in

consultation with the head of that school and a reasonably high standard of education is insisted upon. For example, apprentices are entertained in the Buckingham and Carnatic Mills in the mechanical, electrical and textile trades. The mechanical and electrical students attend the School of Technology, whilst the apprentices in the textile section receive their theoretical training in classes organized specially for their benefit in the Government Textile Institute, and they are selected in consultation with the head of that institution. It may be mentioned in passing that the old prejudice of reasonably well educated youths against manual labour has for all practical purposes disappeared in Madras City and almost so in the areas where Government have established industrial schools, *i.e.*, at Calicut, Mangalore, Bellary and Madura, and no difficulty whatever is experienced in these institutions in getting educated youths to devote themselves to hand work to the extent necessary for them to develop the workman's touch and to be able later on in their career, after they are promoted to foreman rank, to estimate exactly the amount of time a workman should devote to a job and, if necessary, to take the tools from a workman and show him how to do the work efficiently. Some employers, though not many, still do not realize the advantage of selecting reasonably well educated youths as apprentices so that they may eventually have an educated labour force to whom instructions can be conveyed in writing or by drawing, and who by reason of their superior intelligence and general education are able to execute the work with considerably less of that supervision which now adds so seriously to the overhead charges in most industrial operations in this country.

4. It is becoming increasingly recognized throughout India that a somewhat different preliminary education is necessary in the case of a youth who intends to take up industrial work. In his report on Vocational Education in India, Mr. Abbott has advocated the establishment of junior vocational schools, and it may be mentioned in this connection, that Madras has had, for many years, a Preparatory Trades School which takes lads of about 12 to 13 years of age who have completed Form I in the ordinary elementary school, and provides for them a three years course in general education heavily biased towards industry, the number of hours of attendance being slightly more than ordinary school hours though less than workshop hours in order to bridge the gap between the school and the workshop. The curriculum has been devised with the object of turning out a youth at 15½ or 16 properly prepared to enter on a regular artisan apprenticeship course. Recruitment to the School is made in consultation with the employers in Madras, the understanding being that a boy will not be admitted unless the employer has promised to give him a fair chance as an apprentice in his workshop on the completion of his preparatory course. The Madras and Southern Mahratta Railway Co. Ltd.,

freely realize the value of the preparatory training provided and they nominate the sons of their workmen for places in the school, pay them wages at the rate of 5, 6 and 7 annas per school day whilst in attendance, and admit them to their works as artisan apprentices in the third year course, i.e., they treat the three years' preparatory school course as being equivalent to two years ordinary apprenticeship in the works. These artisan apprentices after completing another three years course in the workshops are graded as skilled workmen in the several trades. The other types of apprentices in the railway workshops are catered for in a branch of the School of Technology which is conducted in the workshop compound, 'A' class apprentices (High School) receiving a five years course of instruction consisting of class room work for one day per week, whilst 'B' class apprentices (Middle School) receive a similar course of instruction, though of a lower standard in consonance with their lower general educational qualifications.

5. The training in the Government School of Technology aims at turning out in the diploma course a superior type of supervisor, whilst the preparatory section of the school aims at preparing a boy for an artisan apprenticeship. There is at present no intermediate course, but proposals, which are under the consideration of Government, provide, amongst other things, for bridging the gap between the Preparatory Trade School and the diploma course by introducing a certificate course for those who are not qualified to take the diploma course. The question of setting up a Technological Examination Board to control the conditions under which youths aspiring to the diplomas of the School of Technology, the Textile Institute, and other technological institutions as school students or as outside candidates, are trained and examined for diplomas, is also under the consideration of Government. It is proposed that this Board should inspect the various institutions in which technical instruction is imparted, in order to assure itself that the scheme of work, time table, equipment, staffing arrangements, etc., are adequate, draw up a list of approved workshops and lay down conditions regulating the training in these shops. The annual examinations will, it is proposed, be conducted by the schools concerned in accordance with a scheme approved by the Board, the final examinations being conducted by examiners approved by the Board.

#### Bombay.

#### NOTE ON APPRENTICESHIP IN INDUSTRY AND TRADE IN INDIA.\*

*Introductory.*—Apprenticeship, as the term is understood in the West, has not found much vogue in India partly because industry has been

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\* Prepared by the Director of Industries.

content to carry on mostly with illiterate workmen, jobbers, etc., and partly because literacy has been confined very largely to the middle classes who were not perhaps prepared to take to skilled workers' occupations for a living. The situation has, however, changed appreciably now as Industry has become acutely conscious of increased difficulties in coping with a mass of illiterate workers while widespread unemployment amongst the middle-classes has altered their views on industrial occupations as a means of living. The time is, therefore, psychologically opportune for the development of organized and systematic apprenticeship in industry and trade at the present moment.

2. *Definition of Apprenticeship.*—The precise meaning of the term "Apprenticeship" should be clearly understood so that no confusion or misunderstanding may arise regarding its definition.

In England and elsewhere, the term "Apprenticeship" signifies "a contractual relationship between an employer and a worker, involving an undertaking on the part of the employer to train the worker in a certain trade and to employ him on stated terms for a given number of years, and on the part of the worker to serve the employer for the agreed period on stated terms. This relationship implies that the employer will give by way of training more than he receives in the way of service, at least during the early years of the relationship".

In England, apprenticeship is said to fall "into three main categories in accordance with the force of the obligation to train and to serve; indentured apprenticeship; apprenticeship based on a simple written agreement; and apprenticeship based on a verbal agreement". The apprentices in these categories are commonly known as "Trade Apprentices".

In addition to the above, there are also the following categories of apprentices in British industry and trade:—

- (1) *Pupil Apprentices.*—Those who are given a wider training designed to fit them for supervisory posts.
- (2) *Student Apprentices.*—Those who are undergoing a particular course of study in the works of a firm or a number of firms.
- (3) *Premium Apprentices.*—Of whom a premium is demanded by the employer as a prior condition to their admission into his employment.

The first two terms are said to be interchangeable to some extent and a trade apprentice is often known as student apprentice if he attends for a definite period trade classes organized by a local education authority, as a part of his training requirements.



3. *Choice of definition in India.*—For obvious reasons, it seems highly desirable that in the formulation of a scheme of apprenticeship the nomenclature adopted should be as simple as possible. It is, therefore, suggested that the following two classifications should suffice in this country :—

(1) TRADE APPRENTICESHIP.

(2) PUPIL APPRENTICESHIP.

In the former case, a written indenture will be necessary and in the latter, a written agreement without which no one will be called an apprentice. Verbal agreement should be definitely excluded from any scheme of apprenticeship.

4. *Form of indenture.*—From the foregoing, it is manifest that a written indenture or agreement must form the basis for both types of apprenticeship. The written indentures or agreements should contain only such conditions as are mutually satisfactory to the contracting parties, and the conditions must be absolutely fair to each and all parties to the agreement. If they are not, they will prove a source of trouble. It is fundamental, therefore, that the spirit as well as the letter of the co-operative agreements be adhered to by every one concerned.

In the annexure to this note will be found specimens of indenture forms in Canada and America. A specimen of Bombay indenture under the Apprentice Scheme recently inaugurated here is also included.\*

5. *Scale of wages.*—It is essential that the indenture or agreement should provide for a definite scale of wages to be paid to the apprentices during each year of apprenticeship. The rate will necessarily vary from region to region as also from industry to industry. Moreover, in fixing the scale, it should be recognized, in due fairness to employees, that during the first year the apprentices are likely to prove more of a liability than asset to the former and this should be duly taken into account in determining the rates for the subsequent years. It is, however, suggested that this should not in any way influence the rate of wages for the initial year which should be sufficiently high to render the scheme attractive to the vast majority of the classes for whom it is intended. There should, of course, be no question of the scheme serving as a source of cheap labour for industry.

6. *Duration of apprenticeship.*—Theoretically, the length of apprenticeship should correspond to the actual time required to train an apprentice in a particular trade. In practice, however, this is greatly influenced by a number of factors such as the age at entry, the nature and character of the trade, the training facility obtaining in a given industrial

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\* Not printed.

establishment, the amount of interest taken by the employers as well as the employees, the aptitude, adaptability, native ability and diligence shown by the apprentices, measures taken to co-ordinate practical training with theoretical instruction and so on.

Since, however, there is no historical background in this country for systematic apprenticeship such as is contemplated and the pre-employment education of the bulk of the Trade Apprentices, is likely to be more literary than practical, the length of apprenticeship for them should not ordinarily be less than five years. For Trade Apprentices recruited from the lower grade Technical and Industrial Schools the period may be shortened by a year or two as circumstances may justify.

For the Pupil Apprentices, holding a diploma of a technical institute of good standing or a technical or technological degree of a recognized university the period should be a minimum of two years at least.

7. *The age of entry.*—It is generally recognized that Trade Apprentices should not be too tender nor too mature in age. On the assumption that the minimum admission qualification should be about the Matriculation Standard, the age of entry should be 15/17. For apprenticeship in the heavy industries, the maturer boys would be preferred and, in exceptional cases, the limit may be raised to 18 even, but certainly not beyond, whereas in the lighter trades, such as Printing and Building, boys of 15/16 should get preference. The age limits fixed upon should be rigidly adhered to. The aim should be to complete the period of apprenticeship not later than 21.

The age of entry for Pupil Apprentices should ordinarily be 20 for the diploma holders and 21/22 for the degree men.

8. *Admission qualification.*—The minimum admission qualification for Trade Apprenticeship should be about the Matriculation Standard or completion of the pre-vocational courses in Junior Vocational Schools as outlined in Abbott-Wood Report. In addition, the scheme should also provide for the admission of students from the lower Technical or Industrial Schools who have put in 2 or 3 years' work provided they do not exceed the upper age limit.

Pupil Apprenticeship must be confined solely to technical graduates of the university rank and holders of diplomas of high grade technical institutes of the rank of the V. J. Technical Institute of Bombay.

9. *Medical examination for fitness.*—In selecting boys for Trade Apprenticeship, great emphasis should be laid on their physical fitness. Experience in working the Bombay Apprentice Scheme has revealed that medical certificate of fitness submitted by the apprentices could not be relied

upon. The medical examination of apprentices should, therefore, be carried out by a reliable Medical Board specially constituted for the purpose.

9. *Selection by personal interview.*—Under the Bombay Apprentice Scheme, there is provision for personal interview of the candidates by the Advisory Board of the Scheme. Experience has shown that this step has served to eliminate a number of candidates who were unsuitable for admission under the scheme.

10. *Provision for tryout before enrolment.*—Before being enrolled as Trade Apprentices, it may be desirable to give the recruits from the ordinary secondary schools a tryout for a period of, say, two months or so. The boys wishing to enter the Apprentice Scheme may be asked to express their desire at the close of the sessional examination of the appropriate stage specified as minimum admission qualification in order that they may be given the suggested tryout in the trade or industry of their choice. This will give them a first-hand knowledge of the advantages and disadvantages of the work. If they like the work, see a future in it, and show aptitude and capacity for it, they may enrol, but not otherwise.

11. *Suggestive trades and occupations for apprenticeship.*—In the annexure to this note will be found a list of occupations by groups to which Trade Apprenticeship has been applied with success in the West. The list, needless to say, is by no means exhaustive.

12. *Training of apprentices—(a) Training in trade and industrial establishments.*—The practical training in industrial establishments should be so arranged as to provide for advancement on the part of the learner from simple to more difficult and complex work. It should be planned to give sufficient rotation or change of work throughout the trade or industry in order to assure well-rounded instruction.

Industry should recognize its responsibility in this matter and set up definite scheme and plans for the training to be given in the works. Care should be taken that co-operation by industry in the Apprentice Scheme is not whittled down by the apathy, ignorance, and even antagonism of the foremen, jobbers and other subordinate staff under whom the apprentices may be placed for training.

(b) *Part-time theoretical instruction.*—No systematic Apprentice Scheme will be complete without adequate provision for part-time theoretical instruction in appropriate technical subjects. This instruction may be given either in evening classes after the working hours or during the day, that is, during working hours.

In the present state of development in technical education and, particularly part-time technical education in this country, it is anticipated

that difficulties will arise in securing properly qualified part-time technical instructors and also suitable lesson materials. The solution of this difficulty will, therefore, require to be attacked resolutely.

An inherent drawback of part-time instruction in the evening which educationists rightly deplore is that at the end of a day's work in mills, factories and works the apprentices are not fresh either in mind or body to make the most of such instruction. In India, this short-coming is further aggravated by the fact that climatic and working conditions are perhaps more unfavourable than abroad and the physique of the average Indian youth poorer than that of boys in Europe and America. Even in England, the leakage from evening classes is stated to be extremely heavy amounting to about 40 per cent. at the end of the first year and 44 per cent. at the end of the second year. It is, therefore, considered essential that day instruction during working hours should prevail in this country in preference to evening instruction. It is perhaps superfluous to state that trade and industry must be persuaded to take a liberal view in the matter and assist the authorities by agreeing to give such "time-off" as may be considered necessary for which no deduction in pay should be made.

13. *Supervision of instruction.*—For the supervision of instruction, in the school as well as in the workshops, supervisors or co-ordinators should be appointed whose duty it should be to dovetail shop practice and industrial needs. They should have free access to the industrial establishments where the apprentices are at work as authorized agents of the controlling authorities. It will be their duty to clear up and eliminate misunderstandings between pupils and their foremen or supervisors representing the employers and to see that pupils are given progressive work and an all-round knowledge of their trade or calling. This calls for men of considerable tact, patience and practical industrial experience, for there are major and minor foremen and supervisors who look upon their work almost entirely as a production job but who must be persuaded to see and appreciate the advantage of giving floor space and time to an instruction-programme for certain of their workers.

The experience and training of the co-ordinators should be such as to render them particularly valuable as vocational counsellors to the pupils who come under their supervision. They are in a position to know what the pupils are doing in school and how they are getting along in their work in the industrial establishments. When desirable, their stock of information can be reinforced by visits to the homes of the pupils. The fact that the co-ordinators know the requirements of the vocations from first-hand experience is conducive to confidence and trust on the part of pupils seeking counsel. No change of courses or job by the apprentices should be effected without the consent of the co-ordinators.

14. *Enactment of Apprenticeship Act.*—With a view to consolidate the Apprentice Scheme on a permanent footing and giving it an approved status as a means for recruitment of a higher type of industrial workers than at present, the desirability of enacting an Apprenticeship Act on the model of that of Ontario, Canada, may be thoroughly explored. Such an Act will ensure continuity of policy, growth and development through successive years uninfluenced by the exigencies of administrative, industrial, or economic policy or conveniences. Such an Act, if enacted, will also be the means of regulating the employment of juveniles in industry on a far more satisfactory basis than the Factory Act alone can do. From the social point of view, no less than that of industry itself, an Apprenticeship Act will constitute a very important and most desirable piece of legislation indeed. This suggestion, it is hoped, will receive earnest thought and consideration.

15. *National or Provincial Certificate of Apprenticeship.*—The enactment of an Apprenticeship Act would render it feasible to grant a National or Provincial Certificate to all apprentices on satisfactory completion of their apprenticeship. The Certificate so granted should be recognized by all employers and other things being equal, the holders of such certificates should get preference in employment over others.

16. *Contract between industry and the apprentice controlling authority.*—It is essential that very close contact should be maintained between the Department of Government controlling the Apprentice Schemes and industry. This should be brought about by the establishment of an Advisory Council representative of industry and education, etc., as has been done in connection with the Bombay Apprentice Scheme.

17. *Cost of maintaining a system of Apprenticeship.*—This note would be incomplete without a reference to the financial burden involved in giving effect to a comprehensive Apprentice Scheme covering every phase of industrial and commercial occupations. To rely entirely on the slender resources of the Provinces to finance such Schemes is not a practical proposition. That indeed was the view held even in such a rich and prosperous country as America with the result that the Federal Government found it necessary to enact the now famous Smith-Hughes Act, in 1916, by which no less a sum than \$7,000,000 is annually disbursed to the States in support of their vocational education programme. The Federal Government of Canada also has passed a similar measure ensuring substantial financial assistance to the Provinces in promoting and extending vocational education on a wide scale. The impetus which vocational education in America and Canada has derived from these beneficial measures and the momentum which it continues to gather under it are indeed phenomenal. The question of similar financial assistance being

1938.]

*Apprenticeship Schemes.*

83

rendered by the Government of India to the Provinces will, it is hoped, receive earnest consideration.

The various Provinces should themselves also consider the question of raising money for Apprentice Schemes and Technical and Industrial Education by special levies on industrial establishments. Attention in this connection is invited to Chapter IV, Section 47, pages 53-54 of the Abbott-Wood Report on Vocational Education in India wherein the method of taxation adopted in France to defray the cost of maintaining the apprenticeship system in that country is described.

Below is quoted an extract from Section 21a of Apprenticeship Act, 1928, as amended 1930—1937 of Ontario, Canada :—

“ To defray the cost of maintaining a system of apprenticeship, in any designated trade or group of trades, subject to the approval of the Provincial Advisory Committee or Committees, the Board may assess employers and employees in such designated trade or group of trades at a rate fixed by the regulations, and may require such employers and employees to pay to the Board at such times as the Board may fix, the amounts due under such assessment”. 1936, c. 2, s. 10.

18. *The Bombay Scheme of Trade Apprenticeship.*—A separate note on the Bombay Apprentice Scheme is given below.

NOTE ON APPRENTICE SCHEME IN THE BOMBAY PRESIDENCY.

A copy of the General Prospectus of the Bombay Apprentice Scheme is attached hereto\*. The Scheme was given effect to in July 1937, and the experience gained so far, though necessarily brief, is summarised as hereunder :—

It is well known that the average Indian educated young man, starved of any opportunities for real manual work in school and any industrial bias in his studies has a pronounced distaste for practical work or for work which involves the soiling of his hands and clothes. It was feared, therefore, that about one-third of the boys admitted under the Scheme might discontinue their training in the first few months. It is satisfactory to note, however, that out of 333 young men initially selected for training, possibly not more than 10 per cent. left the Scheme in the first month or two. The vacancies so created were filled from the waiting list and the recent reports from the mills and workshops indicate relatively few vacancies have occurred since then.

\* Not printed.

2. *Most trying period.*—The first month or two were the most trying, both for the boys as well as for the Department and the employers. The scheme had been put into operation in the cities of Bombay and Ahmedabad to which most of the apprentices were more or less strangers, having come, possibly for the first time, from their distant homes in rural and semi-rural areas of the province. It was evident that sudden plunge into an industrial life from comparatively easy hours and light discipline of schools was too severe for a great many of them. Added to these were also the difficulties of a strange city life, food, housing, climate and even language. Another unfavourable factor was that the average age of the apprentices was 20 as against 14 or 15 in England and elsewhere. Consequently, it was apprehended that they might be far too "set" to adapt themselves readily to their new environment.

The Department had, therefore, to deal with many boys bewildered, puzzled, hesitant, even rebellious, and resolved to throw up the "sponge" and return to their homes. Much persuasion, tactful handling and personal attention to their complaints and difficulties had to be exercised to induce them to stick to their posts and continue their training and it is gratifying to state that the majority of the boys decided to take the advice and persevere which is all to their credit. Within a short time, complaints grew less and less in volume until to-day there is hardly a whisper heard regarding the alleged rigours of factory life and its rigid discipline. Not a little of the credit for this is due to the splendid co-operation and sympathy displayed by the employers and their managers who had the difficult task of "breaking" the boys into harness.

3. *The Scheme.*—The apprentice scheme comprises the acceptance by a number of industrial establishments in Bombay and Ahmedabad of young men whose education has progressed up to about the Seventh English High School Standard (pre-matriculation standard) for practical training for a period of five years. So far 79 industrial establishments—54 in Bombay and 25 in Ahmedabad—have absorbed about 333 apprentices of which 144 and 96 have been taken by the textile mills in Bombay and Ahmedabad, respectively, and 79 by engineering and other workshops. Three printing presses in Bombay including the Government Central Press have admitted 20 boys for training in the Printers' trade, and two firms have taken four boys between them for training in the chemical industry. The subjects in which the training is being given are Electrical Engineering, Mechanical Engineering, Spinning, Weaving, Dyeing and Printing, Typography and Chemical Industry.

All but three or four firms co-operating in the scheme have already commenced paying wages to the apprentices under training at the rate of Rs. 15 per month. Some are paying as high as a Rupee per day and one or

two as low as Rs. 10 per month. It is hoped that the few firms who are not paying any wages at present will take more liberal view and fall in line with the others associated with the scheme.

4. *Indenture.*—The essential part of the scheme is that the apprentices are bound by the terms of an agreement to attend the evening technical classes throughout the entire period of their training in mills and factories. Arrangements have accordingly been made to hold classes in the premises of the Victoria Jubilee Technical Institute in Bombay and the R. C. Technical Institute in Ahmedabad.

5. *Teaching Staff.*—The part-time teachers for the evening classes at Bombay have been recruited from the staff of the institutes where these classes are held. The teaching staff in Ahmedabad is, however, strengthened with outsiders for subjects like English, Physics, Chemistry and Mathematics. The effect of holding these classes, it will be noted, has led to more intensive use being made of the splendid equipment and facilities already available at these institutes.

6. *Hours of attendance of evening classes.*—Every apprentice has to attend the evening classes for four and a half hours per week. In order to enable them to attend the classes punctually they are allowed "time-off" by their employers on the days they have to attend the classes.

7. *Courses of study.*—It is axiomatic that a satisfactory vocational education must be grafted on a sound general education. With this end in view, it was considered desirable that the first year's course should aim at strengthening the foundational subjects such as English, Mathematics, Chemistry and Physics. From the second year onwards, instruction in these classes will be largely confined to technical subjects. But, it is hoped, time may be found to continue lessons in such non-vocational subjects as will further strengthen and develop the character and mind of the apprentices so that they may dignify their leisure. It is intended to make the technical instruction relate as closely as possible to the work which the apprentices will have to perform in their day to day employment. To put it tersely, the intention is to make such instruction involve a minimum of "cold storage".

Our experience has shown that the general education received by the boys was faulty and their physique poor. They have literally been starved of any opportunity for manual work of any kind as an integral part of their formal study. Nor had they any clear idea of the environment in which they would find themselves as apprentices in industry. As a result, the first year course under the Apprentice Scheme had to be



confined to instruction in English, Mathematics, and the Sciences (Physics and Chemistry) which should have been unnecessary. Not only does this constitute some waste of time but the delay in introducing the apprentices to technical subjects is likely to discourage and hamper them in getting an early foothold in their practical work. Part-time technical education is evaluated by those who take up such education largely in terms of its contribution to immediate needs, namely, to vocational proficiency.

8. *Co-operation—Key-Note of Success.*—The scheme calls for complete co-operation between industry on one hand and the Department of Industries representing the public and educational interests on the other. There must be also earnestness of purpose on the part of apprentices to pull their weight while undergoing training. The co-ordination of practical training and theoretical instruction is also essential. A responsible officer of the Department, the Deputy Director of Industries, is therefore, in direct charge of the scheme. He is also the Secretary of the Advisory Committee formed to ensure continued co-operation of all the industrial concerns co-operating in the scheme at present or later.

9. *Progress Reports.*—Provision has also been made for monthly reports on the progress of apprentices being furnished by the employers to the Department as well as to the Technical Institutes concerned. In addition, the Institutes will furnish monthly attendance reports to the employers and progress reports covering the apprentices' studies at the end of each term. The interchange of these reports, it is expected, will enable both the employers and the Department of Industries to follow up the progress of the apprentices at every stage of their education and training.

10. *General.*—It is estimated that by 1941-42, about 1,400 boys will be undergoing training under the scheme. In the meantime, efforts are to be made to persuade more industrial concerns to take apprentices under the scheme and possibly, to extend it in other suitable industrial centres in the province as well. If the industry responds, and it is hoped that it will have the effect of enabling young men of good secondary education to qualify for profitable occupations in industry, while the latter will have the great advantage of recruiting a far more desirable type of skilled worker having not only a sound general education, but a basic knowledge of Drawing, Science and Mathematics and also capable of developing in due course into a higher type of foremen, supervisors, chargehands, etc., than is possible at present. Not the least satisfactory feature of the scheme is that it enables, at least in part, to earn one's way to a profitable occupation.

1938.]

*Apprenticeship Schemes.*

87

**THE ONTARIO APPRENTICESHIP ACT.****CONTRACT OF APPRENTICESHIP.**

THIS CONTRACT, made in triplicate the \_\_\_\_\_ day of \_\_\_\_\_ 19\_\_\_\_, between \_\_\_\_\_ (hereinafter called the "Employer") of the First Part, and \_\_\_\_\_ a minor of the age of sixteen years or over, having been born on the \_\_\_\_\_ day of \_\_\_\_\_ 19\_\_\_\_ (hereinafter called the "Apprentice"), of the Second Part, and \_\_\_\_\_ (Parent) (Guardian) of the Third Part, WITNESSETH :

1. That the Apprentice, having been found medically fit, and in consideration of the agreements herein contained and on the part of the Employer to be performed, does of his own free will and with the consent of the party of the Third Part by these presents agree :—

- (a) To bind himself as an Apprentice to the Employer in the trade or occupation of \_\_\_\_\_ for a period of \_\_\_\_\_ years, commencing on the \_\_\_\_\_ day of \_\_\_\_\_ 19\_\_\_\_ :
- (b) To serve faithfully, honestly, and diligently the Employer and to obey all lawful and reasonable demands and requirements of the Employer or those duly placed in authority over him :
- (c) To be subject to and obey the regulations made by the Lieutenant-Governor in Council governing his employment and training as an Apprentice.

2. That the Employer, in consideration of the agreements herein contained and on the part of the Apprentice to be performed, does by these presents agree :—

- (a) To bind himself to receive the Apprentice for the period stated and to teach efficiently or cause to be taught efficiently the Apprentice in the trade or occupation specified :
- (b) To pay the said Apprentice wages at the following rates namely :—

For the first year	First half	second half,
For the second year	First half	second half,
For the third year	First half	second half,
For the fourth year	First half	second half,
For the fifth or any subsequent year.		

(c) To be subject to and carry out the regulations made by the Lieutenant-Governor in Council governing the employment and training of the Apprentice.

IN WITNESS WHEREOF the contracting parties hereto have hereunder set their hands the day and year aforesaid

As Witness :

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_  
Employer.

\_\_\_\_\_  
Apprentice.

\_\_\_\_\_  
Guardians.

Registered at the office of the Inspector of Apprenticeship this day of  
19  
Number

\_\_\_\_\_  
Inspector of Apprenticeship.

(To be filled in if Apprentice transfers to another Employer.)

With the consent of all the parties of this Contract, the services of the Apprentice and the responsibilities of the Employer are hereby transferred to and assumed by this  
day of 19

As Witness :

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_  
Employer.

\_\_\_\_\_  
Employer.

\_\_\_\_\_  
Apprentice.

\_\_\_\_\_  
Guardians.

Registered at the office of the Inspector of Apprenticeship this  
day of 19

\_\_\_\_\_  
Inspector of Apprenticeship.

(To be filled in on completion of the term of apprenticeship under this contract.)

This is to certify that the within-named  
has completed his apprenticeship under this Contract this  
day of 19

\_\_\_\_\_  
Employer.

## APPRENTICESHIP AGREEMENTS.

A few typical apprenticeship agreements that are now in use in school districts of the Commonwealth of Pennsylvania are herewith given. It will be noticed that they have certain features in common and that they differ in other respects. They are included here for the assistance that they may give to those who wish to draw up agreements that will fit specific situation elsewhere. At this point it should be re-emphasized that written agreements should contain only such conditions and requirements as are mutually satisfactory to all parties concerned in the matter.

## I.—WILLIAMSPORT PUBLIC SCHOOLS.

## APPRENTICESHIP AGREEMENT.

*Section I.—The School District Agrees :*

1. To send the Employer only those Apprentices it believes to be suited to the trade in question and who have completed in a satisfactory manner the first two years work of the Industrial Course of the Williamsport High School.

2. To arrange a school programme for the Apprentice so that he may work in the shop and attend school in alternate periods of two weeks during the school term and to give to the Apprentice such training related to the trade as will enable him to progress satisfactorily.

3. To have its representative visit the Employer at regular intervals to learn what progress is being made by the Apprentice and what further school training should be given to him.

4. To give to the Apprentice a High School diploma when he has successfully completed the four-year Industrial Course, and an Apprenticeship Certificate when he has successfully completed the work outlined in Section II, Paragraphs, 5, 6 and 7.

*Section II.—The Employer Agrees :*

1. To employ the Apprentice in alternate two-week periods during the school year and continuously during the school vacation with the exception of a two-week vacation without pay.

2. To teach the Apprentice as much of the trade as the equipment and personnel will permit.

3. To notify the Director of Vocational Education, Williamsport Public Schools, at the end of six weeks shop work if the Apprentice is not found suitable for the trade.

4. To submit to the Director of Vocational Education, Williamsport Public Schools, upon his request, a report on the progress of the Apprentice.

5. To pay the Apprentice at the following rates :—

First period of approximately 650 hours shop work at—cents per hour.

Second period " " " " " "

Third period " " " " " "

Fourth period " " " " " "

6. To employ the Apprentice for one year after graduation from the Williamsport High School at the rate of pay to be mutually agreeable to the Employer and the Apprentice in order that he may secure the Certificate of Apprenticeship referred to in Section 1, Paragraph 4.

7. To give the Apprentice opportunity for the following training during his apprenticeship.

PRACTICAL WORK IN

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8. The Employer reserves the right to suspend Apprentices entirely or in part, and also to decrease working hours whenever the status of business justifies it, at the discretion of the Employer. All hours lost either due to suspension or to decreased working hours shall or shall not be made up at the discretion of the Employer.

Section III.—The Apprentice Agrees :

1. To conform to the rules of the Employer and carry out directions to the best of his ability.

2. To make an honest effort to complete the training outlined in Section II.

3. To purchase from time to time such tools as may be required to do rapid and accurate work.

Approved and accepted :

.....(Apprentice).

.....(Parent or Guardian).

.....(Employer).

.....(For School District).

1938.]

*Apprenticeship Schemes.*

91.

## II.—CHESTER PUBLIC SCHOOLS.

Department of Co-operative Industrial Education.

## PART I.—APPRENTICESHIP AGREEMENT.

This Agreement made this \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_\_\_, between \_\_\_\_\_, hereinafter known as "Company" and \_\_\_\_\_, hereinafter known as "Guardian", whose relationship to the Apprentice is that of \_\_\_\_\_ witnesseth that said \_\_\_\_\_ a minor, over \_\_\_\_\_ years of age, hereby becomes an Apprentice to the Company and the Company hereby accepts him subject to the terms herein stated, to learn the trade of \_\_\_\_\_ subject to the terms herein stated.

The Apprentice and his Guardian hereby promise that the Apprentice shall conform to and abide by all the provisions of this Agreement, and shall faithfully serve the Company during the full period of time named in this Agreement. And the said \_\_\_\_\_ as aforesaid, expressly agrees hereby that all wages which may be earned, and all moneys which become due under this contract may be credited to said Apprentice upon the books of said Company, and may be paid to him as the same shall accrue.

The said \_\_\_\_\_, in consideration of the agreements herein entered into by said \_\_\_\_\_ as \_\_\_\_\_ and by said minor, respectively, does covenant and agree to pay said Apprentice for each hour of actual labour performed, in accordance with the terms of this Agreement and in compliance with the rules and regulations which said Company may from time to time prescribe and the following :

For the first period of 1536 hours—cents per hour ;

For the second period of 1536 hours—cents per hour ;

For the third period of 1536 hours—cents per hour ;

And it is hereby mutually understood and agreed between all parties hereto as follows : to wit :

That this Agreement is to continue in force only so long as said Apprentice is attending the Co-operative School regularly.

That the said Apprentice is to report for work every alternate two weeks for a two-week period during the school term, and continuously during the summer vacation except for a period of two weeks' vacation, without pay allowed the said Apprentice, if he so-wishes.

That the said Company reserves the right to reduce the regular number of working hours if, in its opinion, the condition of business renders such a course expedient.

That the said Company reserves the right to dismiss the said Apprentice and to annul and cancel this Agreement or to suspend such Apprentice whose work or conduct is unsatisfactory.

That time lost due to any cause must be made up before starting on an advanced period.

That the said Apprentice must purchase from time to time such tools as are required for the successful pursuance of this course.

That the said Company shall not be responsible to any person or persons in any manner or to any extent for debts which may be contracted by him upon any account whatever during the said terms of service hereunder.

That the said Apprentice during all of said term or terms, unless sick or otherwise excused, shall be punctual in commencing his labours and in performing the same, and shall work the regular number of working hours each working day unless otherwise directed by said Company.

And for the true and faithful performance of their respective covenants, as above set forth, the said parties do hereby promise and engage to each other firmly by these presents which are executed in triplicate.

In WITNESS WHEREOF the parties hereto have hereunto set their hand and seal the day and year above written.

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Company.

---

Parent or Guardian.

---

Apprentice.

1938.]

*Apprenticeship Schemes.*

93

**PART II.—AGREEMENT FOR STUDENT-APPRENTICE.**

, with the consent of

my

guardian,

my parent, who takes part in this Agreement, hereby request to receive me into their employ as a part of my training in learning the trade of \_\_\_\_\_ I assume all risk of life, bodily injury and health, not otherwise regulated by law, and I hereby promise and agree to abide by all the conditions of Part I of this Agreement, with the provisions of which I admit entire familiarity. I furthermore promise that I will perform all the duties connected with this work faithfully and well.

---

 Student-Apprentice.

Date

Place

---

**SUGGESTIVE TRADES WHICH MAY BE TAUGHT BY MEANS OF APPRENTICESHIP.**

- A. Building and related trades—Architectural draftsmen, bricklayers, cabinetmakers, carpenters, concrete workers, house wiremen, interior decorators, painters, paperhangers, plasterers, plumbers, sheetmetal workers, stone masons, tilesetters, etc.
- B. Electrical and related trades—Armature winders, automobile electricians, electrical repairmen (general), electrical testers (telephone or motor), house wiremen, power plant engineers, telegraphers, telephone repairmen.
- C. Machine and related trades—Automobile mechanics, blacksmiths, machinists, mechanical draftsmen, moulders, patternmakers, sheetmetal workers, stationery engineers, toolmakers, etc.
- D. Miscellaneous trades in manufacturing and mechanical industries—Bakers, cobblers, dressmakers, milliners, power machine operators, tailors, weavers, etc.
- E. Personal services—Barbers, chefs and cooks (in hotels and restaurants), hairdressers, launderers, manicurists, waiters, etc.
- F. Printing trades—Bookbinders, compositors, electro-typers, engravers, linotypers, pressmen, printers, typesetters, etc.



**Bengal.**

The system of Apprenticeship training as it now obtains in Bengal, owes its origin to the recognition of the fact that the students for the course of Mechanical and Electrical Engineering in the Bengal Engineering College did not have sufficient practical training without which the education was not likely to be of any great use. This led the Government to form a Committee in 1917 which recommended for adoption a scheme of co-operation of the College with the Railway Companies with a view to affording the students an opportunity to gain practical experience. Later the Mukherjee Committee was appointed in 1921 to advise Government further on the point. This Committee recommended a course which would effectively combine sound practical training under commercial conditions with simultaneous theoretical training, through a common standard of admission to such a course controlled by a Board which was formerly called the Board of Control for Apprenticeship Training.

2. The scheme thus evolved for the training of Mechanical Engineers, the Board believed, would apply with equal practical usefulness to the training of the personnel of many other branches of industry. This Board has all along been trying to secure the co-operation of workshop authorities so as to co-ordinate workshop training of apprentices with such theoretical instruction as may be within the capacity of individual apprentices with a view to providing, in the first instance, a supply of trained and qualified persons capable of filling positions of secondary authority in the industrial establishments of Bengal and enabling in the second instance, all apprentices, who appear to be qualified, to obtain a training in Mechanical Engineering equal to that which at present may be obtained in England.

3. In order that the co-ordination of training may be really effective and co-operation of business firms and industrial establishments may be continuous and be utilized to the best advantage, most of the members on the Board represent trade and commerce, including railways and organized industries. In 1930, the name of the Board was changed to Board of Apprenticeship Training with the object of defining more clearly the *raison d'être* of the Board.

4. The Board has recognized and made a list of certain engineering workshops as being suitable for, and capable of, giving a good training to an apprentice. There are as well several senior technical schools where the apprentices now get their theoretical training. Of these schools mention may be made of the Kanchrapara Technical School attached to the workshops of the Eastern Bengal Railway at Kanchrapara, the Kharagpur Technical School attached to the Bengal Nagpur Railway workshops at Kharagpur and the Calcutta Technical School which works in relation to the workshops in and about Calcutta, including those of the Port Commissioners and the Corporation of Calcutta.

5. The candidates for any apprenticeship who should be between the ages of 16 and 19, will have to pass a common standard test or Admission Examination, held by the Board of Apprenticeship Training before they are selected by the employers of the workshops who generally make another scrutiny usually by interview. The apprentices are allowed time off to attend the schools for 10 to 12 hours per week. The school fees and other allowances are paid to the students by the respective workshops.

6. For the guidance, as far as possible, of employers, the Board has devised a model system of training for apprentices in workshops and recommended a suitable course of study for Mechanical and Electrical apprentices in the Technical Schools.

7. The course extends over 4 or 5 years during which period the apprentices appear at the annual examinations of the Board and to successful apprentices certificates are awarded. Although most of the apprentices are generally absorbed in workshops after completion of their course, some of them prefer to proceed to the Bengal Engineering College to pursue their studies further with a view to passing the Diploma or Associateship Examination held by the Board.

8. The possession of a Diploma or Certificate of Associateship awarded by the Board thus represents a fairly high standard of theoretical and practical knowledge having been attained. But inasmuch as the Board will never award a Diploma nor a Certificate of Associateship unless the candidate will have served to the satisfaction of the Board a practical training in a workshop of substantial standing and status, it is

obvious that such Diploma-holder must be taken as men of sound practical and theoretical training. It is in this respect that the obtaining of the Diploma is not a mere academic distinction.

9. Some idea of the useful work done by the Board can be found from the records of the Calcutta Technical School to which reference has been made in a foregoing paragraph. More than 100 students who have passed from this School are employed in good positions in engineering firms and industrial establishments. Equally good is the record of the Kanchrapara Technical School.

10. The apprenticeship system followed in Bengal, which may be considered sound, has evolved as a result of the willing and active co-operation of the employers, whose number is by no means inconsiderable.

11. In this connection, it is interesting to refer to the Report (1936) of the British Association for Commercial and Industrial Education. Over 70 per cent. of the firms who were referred to by the Association were convinced that the method of gaining practical experience and theoretical knowledge concurrently had served trade and industry well for generations. The reasons for their views are summarised as follows:—

- (a) Workshop or office experience and school instruction should be complementary to one another, one giving the practical and the other the theoretical side of the complete training of the recruit.
- (b) Workshop or office experience concurrently with attendance at school develop in the recruits certain valuable qualities, amongst which is the habit of hard work.
- (c) It is important that the recruit should enter business early in order that he may become thoroughly accustomed to its atmosphere and its conditions at an impressionable age. He is more willing to perform minor and unimportant tasks at 16 than he is at 18, if he has remained at school until the later age.
- (d) Entrance to employment at 16 results in their being fewer "misfits" ultimately, since it is easier to find a more

suitable or more congenial occupation at this age than at, say, 18, when valuable time may have been spent in preparing for a particular occupation.

- (e) In some industries the demand for highly trained young men is so small that it would not be worth while to organize full time instruction for them locally.

The Committee strongly recommend therefore that firms will take into serious consideration the advisability of allowing "time-off" to all their younger employees—either during the day or by allowing them to leave work early and regularly on certain evenings of the week—in order that they may attend a full course of instruction.

Attendance at a technical school on one or two half days a week is a very suitable arrangement, since it provides for regularity and continuity of progress in both school and employment, but in exceptional circumstances some alternative form may be unavoidable.

The practice followed in Calcutta for over twelve years has modelled itself on the principles indicated in the remarks of the Committee quoted above.

12. A word or two regarding the recruitment of candidates through the Admission Examination of the Board of Apprenticeship may not be out of place here. Besides some of the ordinary papers of the Matriculation Examination, the Board's examination includes a paper on dictation in English, to ascertain whether lectures or workshop instructions will be profitably followed by the students and a paper on drawing to judge the aptitude of the students for making sketches. No initial qualification is necessary. The Junior Technical Schools in District towns are, however, preparing the students on the syllabus laid down for them.

While the firms send lists of vacancies of apprentices every year to the Secretary, the Secretary sends the pass lists to the firms to make their selection. Control is exercised to some extent to see that the number of passes does not outstrip the number of vacancies for apprentices.

**United Provinces\*.**

The Industries Department has hitherto confined its attention mainly to finding practical training facilities for the students of its technical and industrial institutions, whereas there has been no difficulty in arranging apprenticeships for the students of the technical institutions in Railway Workshops, Power Houses and various factories and mills, the students of the Textile Institution particularly those belonging to the Dyeing and Printing sections have had difficulties, which have of late been increasing, in getting fitted into textile mills, which have hitherto been very backward in encouraging any apprenticeship scheme.

2. Of organized apprenticeship, the G. I. P. Railway is the solitary example in these provinces. Twenty Matriculates are selected every year and appointed as paid apprentices in the various workshops. The training lasts for 5 years and is given in the workshops at Bombay and Jhansi. The workshop practice is supplemented by theoretical training imparted in the Government Technical School, Jhansi, for 3 months during each of the first 4 years. At the end of the training practically all the apprentices are absorbed in the G. I. P. Railway services.

3. Apart from this arrangement there is no organized system of apprenticeship directed at the employment of the educated young men in industry. There is no doubt that a large number of boys now engaged in education of a general type could be usefully diverted to practical lines; and the development of a well-regulated apprenticeship system is essential both for relieving educated unemployment and for saving the industry from a great deal of avoidable loss.

4. The skilled labour required by the mills can be broadly classified under various heads as shown in the Appendix. This statement contains consolidated information for 180 mills which was collected in connection with the information required by the United Provinces Unemployment Committee. In addition to the occupations shown therein, there is a large number of operators who may also be classed as skilled labour. Most of the skilled labour is at present recruited from uneducated classes.

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\*Not circulated at the Conference.

There is no reason why a majority of this class of workmen should not be replaced by educated or even literate persons. There is a growing realization on the part of the mill-owner of the drawbacks and deficiencies of illiterate labourers, and he would be happy if in their place he could find a better and more intelligent class of people. The prejudice against manual labour in the educated class is also fast disappearing. Too much has been made in the past of the reluctance of the educated young man to take off his coat and the apathy of the industrialist towards him has been unduly exaggerated. It should be possible at the present stage of the country's development to bring together the employers and the educated middle-class for their common good by a well-thought-out plan.

5. The first difficulty will lie in the arrangements for the preliminary training. The mills will not and, in fact, cannot afford to take apprentices in large numbers and start teaching of processes from beginning to end. The skilled labourer, to whom an apprentice is attached, has neither the time nor the patience to teach the preliminary processes. As for instance, an engineering apprentice if attached to a fitter has at first to learn filing, chipping, etc. The fitter cannot devote his time to teaching these processes nor are there any spare materials with which to work. Without knowing filing and chipping the apprentice is not in a position to do even the most ordinary work of a fitter. He is therefore considered to be a burden to the mill. Similarly an apprentice working in a weaving shed has to learn the working of a loom. No one would allow him to touch a loom lest he should spoil the cloth. In this way, an apprentice has to face many difficulties from the very start of his career. The solution seems to lie in pre-apprenticeship vocational training as advocated by Mr. Abbott. Those who wish to enter manipulative industries should join a vocational school when about 15 years of age and undergo pre-apprenticeship training in a vocational institution for a period of at least 2 years before they would be in a position to work their way up in a mill or factory. For non-manipulative industries a shorter training will be enough and the age limit may correspondingly be increased.

6. The next difficulty will be to secure apprentices of the right type and proper age. Parents are desirous to see their children well educated and well fixed up in life. A suggestion to send their children at an early age

to practical lines to work as operatives or apprentices will not be favourably entertained by most parents without some inducement. A boy who fails to pass the ordinary school examination may be secured, but he will probably not be an asset to the industry. In spite of the facts that there are thousands of educated persons without employment and many lucrative posts are being filled up by illiterate people, the parents of literate children do not generally like to disturb their general education for the sake of sending them to the mills. It is necessary therefore to offer the inducement of apprenticeship stipends. It is most unlikely that the offer of Lala Sri Ram contained in the October issue of "Industrial India" will be repeated by many other employers and the stipends have therefore to be arranged for by Government. These stipends should be sufficiently attractive without being too liberal and should be on a graduated scale, falling as the earning capacity of the apprentice increases.

7. After a certain stage, arrangements will be necessary to provide the necessary theoretical training to selected apprentices in order to enable them to work their way up to the higher supervisory grades. This training will have to be given in some sort of evening classes such as exist for operators in England and other foreign countries.

8. To solve these and other difficulties the whole-hearted co-operation of industrial organizations is essential in any scheme of apprenticeship. To secure such co-operation Mr. Abbott has suggested provincial Advisory Committees for vocational education, while the United Provinces Unemployment Committee has recommended the establishment of Regional Vocational Guidance Authorities. Both ideas are similar. Either body will consist of representatives both of education and industry. Whatever authority is established, it should be charged not merely with the duty of solving the problems arising from vocational education as suggested by Mr. Abbott, but as suggested by the Unemployment Committee, "should also be under an obligation to establish contacts with the educational institutions and actual industries of the locality or the neighbourhood and to help the products of such schools in securing employment in such industries".

1938.]

## Apprenticeship Schemes.

101

## APPENDIX.

Statement showing the technical men employed in posts of the following categories in 180 mills.

Designation.	No. of posts.	Salary per mensom.	
		Salaries range between	
		Rs.	Rs.
Managers .. .. .	110	50	1,500
Assistant Managers .. .. .	70	30	500
Engineers .. .. .	86	40	900
Assistant Engineers .. .. .	91	25	300
Foremen .. .. .	123	20	150
Chargemen .. .. .	88	25	100
Overseers .. .. .	37	35	85
Supervisors .. .. .	110	15	150
Paper-makers .. .. .	21	15	400
Sugar Boilers .. .. .	176	30	250
Jobbers .. .. .	652	20	50
Head Jobbers .. .. .	65	28	100
Steam Power Assistants .. .. .	74	15	60
Electrical Mistry .. .. .	98	30	100
Mistries .. .. .	347	20	100
Fitters .. .. .	1,273	15	75
Turners .. .. .	209	20	75
Drillers .. .. .	30	15	50
Sawmen .. .. .	47	15	30
Blacksmiths .. .. .	249	20	80
Tinsmiths .. .. .	87	15	50
Motormen .. .. .	103	15	80
Carpenters .. .. .	585	20	90
Tool-makers .. .. .	11	30	65
Dye-sinkers .. .. .	5	25	60
Engine Drivers .. .. .	800	15	65
Switchboard attendants .. .. .	81	15	25
Moulders .. .. .	132	15	80
Electric Welders .. .. .	36	45	65
Armature Winders .. .. .	17	30	45
Pattern makers .. .. .	18	20	65
Others .. .. .	2,837	15	400
<b>Total .. .. .</b>	<b>8,668</b>		



### Punjab.

There are generally three types of apprenticeship :—

(i) *Articled pupilship*.—Whereby young persons are accepted in the offices of professional persons or in factories dealing with advanced technical matters, under a contract with the owners or managers to be taught the profession or trade in consideration of a premium paid. In connection with skilled trades, this is the common manner of training supervisors, foremen, designers, future managers, or the like. Only educated persons are accepted as articled pupils.

(ii) *Indentured apprenticeship to skilled trade*.—In this case minor persons, or their guardians on their behalf, agree to work for a particular employer until their majority, as learners, and receive some small pay for their labour.

(iii) *Apprenticeship at will*.—This is the employment of young persons without any bond, as learners or helpers in skilled or semi-skilled trades.

Types (ii) and (iii) above, relate to ordinary manipulative trades and the initiative rests with the employer. He takes such apprentices in his own interest for the following reasons :—

- (a) to replace ageing workers, or losses through deaths or retirements ;
- (b) to meet expanding trade ; and
- (c) to dilute high priced labour.

When trade is bad, employers prefer to take no apprentices because it is a nuisance to train them, and unless there is a pressure of work, they are more trouble than help. It is on this account that schools of apprenticeship have had to be opened in certain places to deal with young people who cannot get into factories.

2. In the Punjab, with the exception of two or three places, factories are scattered all over the province, and no "company" schools, or schools run by the factories, have been opened. Accordingly, in order to meet the demand for skilled labour, and to cope with the unwillingness of employers to accept apprentices which happens generally in "slump" times, the Punjab Government have opened Trade Schools and Institutes. These institutes are more or less of the type which give apprenticeship training. The pupils are admitted above the age of 14 years after they have received some general education mostly up to the Middle Standard. They receive training in theory, e.g., in related drawing, calculations and technical Arithmetic, and before leaving the school go through a course in semi-commercial production. The Punjab Govern-

ment have found it necessary to provide these semi-factory conditions for purposes of training because of the absence of facilities for practical training in private factories. The Punjab Government are also running a Government Demonstration Weaving Factory at Shahdara to train in powerloom weaving educated persons and weavers as apprentices by granting them certain scholarships.

3. Apart from the schools run by the Industries Department, there are the workshops of the North Western Railway, the Ferozepore Arsenal, the Rawalpindi Arsenal, the Chaklala Heavy Motor Transport Repair Department, the P. W. D., Central Workshops which have apprenticeship systems to make good "wastage" in skilled labour. No facilities are provided by them for the practical training of others who may seek admission therein.

4. On the whole, while it may be said that there is no intimate contact between the learner and the factory, the Punjab, from the point of view of learning a trade, is fairly well provided. Adequate facilities do not yet exist for practical training for supervisory positions. The main reason for the present state of things is that industries in the main are struggling to exist rather than thriving.

5. The system of apprenticeship requires to be developed both in the interests of industry and of young men seeking training. But before proceeding further it would be necessary to carry out a sort of preliminary survey on an All-India scale to ascertain—

- (i) the requirements of the important industries existing in the country in the matter of trained labour and supervisory staff, due to deaths, retirements or the normal expansion of the industry;
- (ii) the number of men ordinarily available and the sources which provide it; and
- (iii) what steps are needed on an All-India basis to deal with the problem.

Simultaneously it would be necessary to take steps for the development of industry so that it should be in a better position to absorb the trained labour and supervisory staff.

#### **Bihar.**

The Government of Bihar appreciate the importance of providing facilities for practical training of educated young men in organized industries apprentices or probationers. They have also long recognized that the diversion of suitable young men to practical line should preferably take place at a pre-matric stage before they become too literary.

2. The Bihar Unemployment Committee, 1935-36, examined this question in detail and action is being taken in accordance with their recommendations in paragraphs 235 to 237 and 252 to 254 of their report.

3. Owing to the scattered nature of our industries, the Bengal and the Bombay Apprenticeship Schemes are not practicable here. We have, therefore, evolved a system suited to our conditions and requirements. Since it is not possible here to arrange for theoretical training side by side with practical training in factories, which are not concentrated at one place, we have introduced Technical Schools where boys are taken in after they have passed their Middle Vernacular examination and are given practical and theoretical training for a period of five years in all the essential branches of modern manufacture. After the boys have completed the school course, they are sent out for a year for actual factory training in different industries according to their choice and inclination and the demand of the industries concerned. The all-round training which is given under this system is considered particularly suitable for the needs of the province in the present state of her development. The Industrial Diploma with the Chargehand's and Journeyman's certificates given in the Technical Schools, meets the demand not only of the largest factories like the Tatas but also the smaller factories, mines and mills, where a general all-round training is considered more useful than specialized training. It also enables the boys to set up independent repair shops and small industries requiring mechanical knowledge.

4. For larger and specialized industries which prefer to train their own men, arrangement is made by the Department of Industries to bring suitable candidates with necessary preliminary qualifications in touch with industries and to get them fixed up as apprentices or probationers. Since March 1935, the Information Bureau under the Department of Industries has provided for 293 educated young men in the different industries, of whom 136 were taken in permanent posts and 157 as apprentices or probationers.

#### Central Provinces and Berar.

An attempt was recently made to try the system in this province. A circular letter was issued to the textile mills, factories, workshops and other industrial concerns at Nagpur, enquiring if they would co-operate in introducing a scheme of apprenticeship in this province by taking apprentices. The response to the appeal was disappointing. No concern was prepared to guarantee employment even after the apprentices received training and came out of the tests successfully; most concerns were unwilling to pay any remuneration during the period of apprenticeship and only a couple of them were agreeable to taking apprentices for training

without remuneration but without any guarantee of employment in the end. The scheme had therefore to be abandoned.

2. This experience does not justify the claim often advanced by industrialists that they are prepared to co-operate with Government in the solution of the problem of educated unemployment. The guarantee of employment is the essence of any apprentice system and if industrial concerns and commercial houses would not accept it voluntarily they should be compelled to do so by legislation. It is a shortsighted policy on the part of the industrialists to say that there is no reason why they should pay for the training of apprentices when they can get men as workers straightaway. They do not seem to realize the fact that the workmen they get are illiterate and impervious to new methods, ideas and processes and are therefore a drag on them. The Provincial Government is inclined to the view that instead of waiting indefinitely for the realization of the implications of this shortsighted policy by the captains of industry, the problem should be tackled by means of legislation. There should be a law under which Government will have the power to compel any specified factory or concern to employ a certain number of apprentices, with or without remuneration, not exceeding, say, 1/30th of the total number of skilled workmen employed by it. Such a provision will have the effect of retirement of old workmen and their replacement by trained apprentices. A Committee should be appointed under the Act for the selection of the apprentices to ensure that the selection is above board and that favouritism or improper exercise of patronage does not occur. As regards the training of the apprentices, they should work in the factory during day time and should receive theoretical training from some technical person in the concern at night. This training should be arranged by the factory concerned, but Government should pay a subsidy at the rate of a certain sum per apprentice to enable the factory to pay to the instructor for the extra work put on him. The period of apprenticeship should depend upon the industry to which the candidates may be attached. The system should apply not only to industrial concerns, such as textile mills, electric supply companies, but also to commercial houses, such as offices of companies and firms.

#### **Assam.\***

There is practically no Government organization in Assam having regular apprenticeship system, which is essentially necessary for industrial advancement and solution of the problem of middle-class unemployment. There is no doubt prejudice is still prevailing in the province among literate youths against manual work but this is vanishing gradually under the pressure of public opinion, intense economic depression all over the province

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\*Prepared by the Director of Industries.

and want of sufficient employment both under Government and private concerns. Many of the youths with high academic qualifications are eager to take up some sort of vocational training but the field for such training in this province is very limited. Even if it were found possible to get some of them trained in the industries they selected in bigger provinces there is hardly any scope for their employment in Assam after completion of their training.

2. As far as the textile industry is concerned, there is a great handicap in that there is not a single textile mill in the province. A good number of boys are coming out every year from the Government Technical Schools but they hardly find any facility for supplementing their theoretical training by practical training under working conditions. There are no large Engineering Companies in Assam with sufficient equipment to train up these boys with a view ultimately to absorb them after completion of their apprenticeship and as a result the training received in the technical schools does not help them much in all cases in earning their livelihood. The Assam Oil Company, Ltd., at Digboi and some of the Railway Workshops take in a small number of passed students under their existing apprenticeship schemes but these Companies also could absorb so far only very few of the boys trained in their workshops.

3. Under the Assam Oil Companies Engineering Pupil's Scheme recently started, a limited number of young men who have already received good theoretical Engineering training could be admitted for getting a course of practical training in the various Engineering operations connected with the winning and refining of oils but there also the Company does not give any guarantee for employment under it. As the Company has only a limited number of appointments suitable for these youths, a majority of them will be discharged after completion of their apprenticeship. They will have to go elsewhere seeking for employment in vain as there is no other field for them in this province.

4. There is hardly any other place in the province where boys from Assam can be sent. The main industry in Assam is tea but so far as is known, the tea gardens have no well-equipped workshops where the boys can receive practical training and most of these gardens have Europeans as higher Engineering Officers. For running their engines they have only Mistries on very low salaries with no prospects.

5. Under the circumstances until large scale industries develop in the province there would be neither field for training of the youths nor the possibility of the boys being employed and ultimately absorbed in such industries.

**Sind.**

There is no system of apprenticeships in the industrial concerns of this province ; as a matter of fact there are hardly any organized industries in Sind. The only important public body which has a definite system of apprenticeship is the Karachi Port Trust, which employs about 20 apprentices in its workshops. Most of these apprentices have been educated up to the High School stage and practical training is received by them in Mechanical Engineering with a view to employment as Marine Engineers. As regards the theoretical side of their training, the Karachi Port Trust has already taken a step forward by arranging evening tuition classes for its apprentices at the local N. E. D. Engineering College, Karachi. The Karachi Electric Supply Corporation also employ a few apprentices in their Power House. Apart from these instances apprenticeship is practically non-existent in this province.

2. The shortage of properly trained hands is due in the main to the absence of any system of apprenticeship, but an inadequate appreciation of trained men by employers and the consequent lack of encouragement are also responsible for the result.

3. The Government of Sind agree that there is considerable scope for properly trained young men in supervisory grades in the organized industries of the country, and for this purpose a course in a junior poly-technical school followed by a period of apprenticeship is essential. Industrialists should be induced to take an interest in these schools and offer advice and guidance for the improvement of education imparted therein so as to enable the products of these schools to qualify themselves more effectively for practical careers after the completion of their school education. The Industries Departments in consultation with businessmen and industrialists should plan suitable apprenticeship courses. The lead given by the Director of Industries, Bombay, with his scheme of five years' practical training of apprentices in Industrial concerns, might well be followed in other provinces. The Director of Industries in each province should look after these schemes and undertake the work of helping the apprentices in securing employment at the end of such apprenticeships courses.

4. Government might also consider the question of the payment of subsidies to particular industries for the training of apprentices, if such a course is found necessary. It would also be desirable if an additional encouragement by way of financial help to young men to undertake apprenticeship courses were to be given.

**Discussion.**

*Thursday, December 16th, 1937.*

The Chairman pointed out that this item of the agenda was divided into two sub-items—(1) the development of schemes of apprenticeship and (2) schemes for helping educated young men in starting small industries. He informed the Conference that some of the Provinces, notably Bombay, had already taken the matter of middle-class unemployment seriously in hand and he referred the Conference to their memoranda on the subject which contained valuable information. He anticipated that the representatives of those Provinces would now develop the subject further. He added that only a preliminary discussion was possible at this stage but this would be useful not only in emphasising the need for developing schemes of the nature contemplated but also to bring to light the difficulties likely to be encountered. He suggested that the Central Government as well as the Provincial Governments should consider the points of view which emerged during the course of the discussion and the matter might again be taken up at next year's Conference. He observed that the problem affected industries generally in that Indian industries were often in competition with those of other countries and one of the handicaps felt by this country was that Indian industries were in most cases dependent mainly upon uneducated and almost unintelligent labour. This was bound to be a handicap in competition with the industries of other countries which had advanced considerably in industrial development. Apart from this question, it would be for the benefit of the industries themselves to cast about and devise some scheme as a result of which they might be able to obtain a steady stream of labour capable of being trained to the level to which it had been trained in other countries.

The Chairman then dealt with the matter to which he had referred in his opening speech on the previous day, namely, the scheme in operation at the Bata Shoe Factory at Zlin, Czechoslovakia. It was his view that, if the different industries which were in a position to do so were to adopt some such scheme as that of Bata's the problem of unemployment as well as that of obtaining the class of labour required in particular trades would both have been tackled in the right way. He said that Bata's had a factory at Batanagar near Calcutta and he understood that the system which he would describe was about to be introduced to the extent found practicable at Batanagar.

Under the Bata system, young persons of ages varying from 14 to 18 years were recruited. Vacancies were advertised and there was considerable competition. Selections were made by a body which resembled the Indian Public Service Commission in its methods and the young men

selected joined one of Bata's hostels. These hostels supplied all the firm's skilled labour and they combined a system of training as well as of general education. The activities of the boys were regulated by a time-table both as regards class work and recreation. The boys were also informed what their earnings would be at the different stages and the monthly and annual budgets which they were expected to follow were worked out for them. The scheme was run on a co-operative basis and each boy was expected to save a specified amount. The person in charge of the various sections of the hostel saw that the young men observed the rules and also operated a system of checking how much work each apprentice had done per day. At the end of each week the work done by the boy was compared with his actual earnings. If it was found that any one was deficient in his programme steps were taken there and then to remedy the defect and by the end of the second or third month the boy got into the spirit of the thing and was able to turn out 90 to 100 per cent. of the expected results. He went from one class to another and after 3 or 4 years became a full worker. Not only was the system excellent in theory but the Chairman was able by a personal inspection to satisfy himself of the merits of the system in practice. The apprentices were healthy and cheerful and carried on everything in co-operation with each other. For example, to maintain discipline in the hostels a court composed of boys was set up to deal with any kind of minor delinquencies.

The result was that Bata's were able to utilize highly trained and educated labourers who gave them no trouble whatever. The scheme had been in operation for a number of years and labour unrest was unheard of as there was such complete co-operation between the employer and the employee.

The Chairman pointed out that he did not advocate the introduction *in toto* of such a system in India as the scheme must necessarily suit the conditions of industry in this country. But he urged that one of the lines to be pursued was to persuade those industries which had at present no system of recruitment—several like Tatas and the Railway Workshops had their own systems—to try out a similar scheme which would benefit not only the apprentices but also the industries themselves. When considerable progress has been made there might be scope for legislation to regulate such schemes.

The Chairman then suggested that the Conference might proceed to an exchange between the different Provinces and States of experiences with regard to any schemes that had been started. He added that suggestions might be put forward as to the manner in which the different industries could be induced to adopt such schemes, the difficulties likely to be encountered and how those difficulties could be surmounted.



The Hon'ble Mr. Giri (Madras) referred to the proposals to collect statistics of unemployment. He said that in Madras he had ordered that statistics should be collected in six districts during a special week or fortnight set aside for this purpose. It was found that minor officials were able to cope with the work involved and 11,000 unemployed registered. He estimated that in these six districts possibly another 15,000 unemployed failed to register. He considered the existing machinery adequate for the collection of such statistics. He proposed that employment exchanges should be opened in every district together with a provincial exchange at headquarters. He went on to stress that in an agricultural country like India cottage industries were essential. An agricultural colony was necessary for each district where an attempt could be made to train the educated unemployed in cottage industries. This however could not be done without subsidies. He was also of the opinion that Government should give to a group of 4 or 5 so trained an area of 4 or 5 acres of land to cultivate. Good marketing conditions, he said, were essential and he also advocated the opening of museums-cum-emporiums—the museum side of such establishment to display the samples which the emporiums can sell. He proposed a provincial museum at the headquarters of each province and also an All-India museum so that the producer and the consumer might be brought together without the assistance of the middleman. He favoured the scheme for apprenticeship and considered that All-India legislation was desirable rather than isolated legislation in the Provinces.

The Chairman at this stage suggested that the two sub items of this item should be taken up separately.

Mr. Advani (Bombay) described the system of apprenticeship as it existed in England. He said that some works there employed as many as 1,200 to 1,500 apprentices who usually attended continuation day and evening classes organized by the educational authorities. He pointed out that much improvement had resulted in other countries from the ideas and improvements thought out by the skilled workmen who had been brought up in the different trades. The Bombay scheme, he said, embraced the two main factory towns of Bombay and Ahmedabad. In these two centres, 79 industrial establishments were co-operating with the Government of Bombay. His idea was to train just sufficient boys for the number of posts available. Under this scheme 335 boys were introduced during the current year and it was hoped that a similar number would be introduced in the following year. Apprentices were paid Rs. 15 a month and were given evening instruction. Five years hence he estimated that about 1,400 boys were likely to be under training. The aim of the Bombay Government was not to produce super-

1938.]

*Apprenticeship Schemes.*

111

visors but skilled workers. In his view a skilled worker should be able to obtain from Rs. 60 to Rs. 200 a month. It was found that boys of 13 or 14 were not usually adequately educated to become successful apprentices and boys who had reached the matriculation standard were being admitted. Only about one-third of the factories in the two cities were at present co-operating and he gave instances of some of the difficulties which they were experiencing. Some firms did not give suitable wages to apprentices and others failed to provide a regulated course of training. In some cases the industrial concerns would not allow sufficient time off for the boys to attend evening classes and in general the amenities given to apprentices were not sufficiently good. To overcome these difficulties he felt that some form of compulsion was necessary and gave his support to the idea of an Apprenticeship Act. Both the industries concerned and the educational authorities should be compelled to provide the necessary facilities.

Mr. Dhar (Bihar) enquired whether it was proposed that the Act should lay down that industries must absorb a definite number of apprentices.

Mr. Advani (Bombay) was of the opinion that a number proportionate to the total number of skilled and unskilled employees should be definitely specified. Looking at the matter from the financial aspect he pointed to the obligations both of the industries concerned and of the State. As the finances of the Provincial Governments were somewhat limited he proposed that the Central Government should give financial assistance. In support of it he mentioned the case of the United States of America which under the Smith-Hughes Act had provided seven million dollars for this purpose. He thought that a fixed sum of money should likewise be made available by the Central Government for vocational education.

Mr. Stevens (Bengal) said that in Bengal the apprenticeship system was confined mainly to the mechanical and electrical engineering industries and was based on the voluntary co-operation of the firms concerned. The Bengal Government intended to widen the scope of the existing system but so far the idea of compulsion by legislation had not come under consideration.

The Hon'ble Mr. Clow asked what the position was in respect of the jute industry in Bengal.

Mr. Stevens said that this was one of the cases now under consideration by the Bengal Government.

The Hon'ble Mr. Clow observed that it was important that apprentices should work their way up. The Europeans imported to India for

supervisory posts were workmen who had been "through the mill" and they could only be satisfactorily replaced by Indians who had had similar advantages. Direct recruitment from the universities was the wrong way of going about the matter.

Mr. Nigam (United Provinces) said that the United Provinces expected to experience more such difficulties than other provinces and he accordingly supported the idea of legislation which would result in compelling industries to take and provide for apprentices.

The Hon'ble Rao Bahadur Sir Chhotu Ram (Punjab) said that the apprenticeship system had not made much progress so far in the Punjab, but that he agreed entirely with the remarks of the Hon'ble Mr. Giri.

Rai Bahadur Lala Ram Lal (Punjab) explained that the Punjab was not so fortunately circumstanced as other provinces in the matter of big industries. He explained in detail the measures which had been taken by the Punjab to train young men to take their place in such industries as were available and mentioned the Government Demonstration Weaving Factory at Shahdara and the Government institutions set up at various places in the Punjab. He also mentioned the MacLagan Engineering College at Moghalpura. The scheme of technical schools had recently been revised and stipends to boys were now regulated on profit-sharing scheme. He then suggested that apprenticeship training for the Punjab boys should be made possible in certain other provinces more fortunately situated than the Punjab. He stressed the desirability of central museums at the headquarters of provinces and in Delhi for the whole country.

Mr. Dhar (Bihar) said that in the matter of collection of unemployment statistics it was his experience that persons were often shy of advertising the fact that they were unemployed. He added that Bombay and Bengal were in a considerably stronger position than Bihar as, in his Province, such industries as existed were scattered all over the Province. In Bihar it was proposed to inaugurate half-time vocational schools in important industrial areas which would give general education up to the middle standard side by side with technical education. These vocational middle schools would also teach selected cottage industries in areas having prominent cottage industries. The opening of more senior technical schools to which boys of the middle standard would be admitted was also under consideration. These boys were sent to the different factories after they completed their school training. He agreed with the proposal for legislation made by the Hon'ble Mr. Giri.

Mr. Desai (Central Provinces and Berar) was of the opinion that unemployment statistics were usually unreliable and thought that some compulsory form of registration of unemployed persons was advis-

able. He made the point that the apprenticeship scheme would be likely to transfer the unemployment problem from the educated classes to the uneducated. It may even make the problem more acute as it was possible that one skilled worker might displace two unskilled workers. The Central Provinces and Berār had few industrial concerns and not a single concern had come forward to take apprentices. One big firm was able to get graduate apprentices on no pay and the question they naturally asked was why they should adopt a scheme under which they would be required to pay apprentices. He, therefore, approved of the idea of legislation on the lines proposed. He also supported the idea of a central museum run by the Central Government.

Mr. Mehta (Assam) stated that Assam possessed no large-scale industry. The Assam Oil Company were obliging to the extent of taking a few boys from the technical schools for training, but did not guarantee to absorb such apprentices after the period of training was over. The tea industry unfortunately offered no opportunities for an apprenticeship scheme. He was in favour of legislation on the lines proposed.

The Hon'ble Khan Abbas Khan (North-West Frontier Province) said that although his Province was a backward province in the matter of industry, two classes containing approximately 30 boys for training in carpentry and blacksmith work had been opened. He asked for financial assistance from the Central Government in order to develop the scheme further. He added that the Frontier Government were also entertaining apprentices in their Weaving and Dyeing Institute which was run on a very small scale and as regards the general scheme of apprenticeship he was entirely in favour of the scheme.

The Hon'ble Sir Ghulam Hussain Hidayatullah (Sind) said that there was no organized industry in Sind, and he requested Sind's former partner, Bombay, to reserve some vacancies in their industrial concerns for Sind boys.

The Hon'ble Mr. B. N. Das (Orissa) said that Orissa had no apprenticeship problem as they had few industries. He estimated general unemployment at 25 per cent. of the population and was of the opinion that an apprenticeship scheme would not even touch the fringe of the main problem. He considered that the Rs. 5 lakhs subvention for the handloom industry, with which the Conference was concerned, was of little use in tackling the whole question. Provinces, he said, could not afford to come to the help of the unemployed and the matter should be taken in hand by the Central Government. In his view, as he explained, the scheme of apprenticeship was more likely to help the millowners, than to contribute to a solution of the unemployment problem. He,

therefore, did not approve of the apprenticeship scheme. He was, however, in favour of the museum scheme suggested by the Hon'ble Mr. Giri. He mentioned in conclusion the case of Ceylon, which country, with a population of 5 millions only, had provided Rs. 30 lakhs for the purpose of fighting unemployment.

Mr. Rabalkar (Indore) referred to the main problem of unemployment. He said that his Government had appointed a Committee to go into the question of exploring avenues of employment for educated young men. He was of opinion that the problem was mainly an economic one and could be solved only with the co-operation of capitalists and by cottage industries. Every Indian should make it a point to use only those things which were manufactured in India and he pleaded for a change of mentality in this direction.

Mr. Kotibhaskar (Kashmir) was in favour of the apprenticeship scheme and also supported the proposal for legislation in this connection. He made the point that even if the present untrained labour was replaced by trained labour through the apprenticeship schemes it would lead to greater efficiency and industries would be in a better position to compete against foreign countries.

Lala Ramjidas Vaishya (Gwalior) stated that the apprenticeship scheme had been tried there and was viewed with favour by some of the industrial concerns.

Dr. Pagar (Baroda) informed the Conference that a State Minister had recently visited Japan to study the industrial conditions there. He went on to say that the dormitory scheme prevalent in Japan was about to be introduced in Baroda. In order to popularize the scheme the State had sanctioned a loan of Rs. 50,000 at a very low rate of interest to a textile mill in Baroda city.

Mr. Ramchendra Rao (Mysore) said that in Mysore a regular apprenticeship scheme was in existence in numerous industries. Advantage was also taken of large orders for heavy machinery, etc., given to firms in foreign countries. A condition was usually attached that a certain number of young men should be trained in the factories to which the work was given. He added that while much had been done much more was still possible.

Khan Fazle Mohd. Khan (Hyderabad) stated that in his view the question was three-sided and that all the sides should be developed together. The first side was the question of reorganization of general education. In regard to this Hyderabad had prepared a scheme under which only selected boys would be allowed to go up to a university. The remainder would be turned off at different stages along the various

vocational lines. Secondly, a new department of technical and vocational training had been established and the State had also invited Mr. Abbott to visit H. E. H. the Nizam's Dominions. Further, the State had also appointed an Advisory Council. The third side of the question he considered to be industrial development and for this purpose the State had provided an Industrial Trust Fund of rupees one crore.

The Chairman in summing up discussion observed that the Conference had heard the views of the various Provinces and States on this very interesting and very important question. Two or three matters had been more prominently stressed than others and the importance of these would be appreciated by all. One question that had been emphasized was that if schemes like the one that Bombay, for instance, was developing were feasible and desirable in regard to industries in other provinces also, there ought to be some means by which it might be ensured that apprentices who were trained in that manner were absorbed in the industries for which they were trained. As a necessary corollary members of the Conference had stressed the need for legislation for providing that mills should be prepared to take in apprentices and also for securing that the apprentices when they were fully trained, were absorbed in those mills. A large number of representatives agreed that such legislation was necessary. Before this could be considered even at the next Conference the Chairman thought it would be necessary in each Province to investigate the field more closely than had been done so far. Legislation would neither create the opportunities that were desired, nor by itself secure employment for the unemployed youth. In a matter like this legislation would be useful only to regulate the machinery and to bring in concerns that ought to come in. For instance, if there were 12 concerns in an industry, and 10 out of them were willing to join the scheme of apprenticeship, it would be desirable that no loophole should be left for those who were not willing to join. Legislation would be necessary to meet such a situation. Unless the matter had been fully discussed between the Industries Departments of the various Provinces and States on the one hand and, on the other hand, the groups of industries in those Provinces and States, which might be in a position to help with regard to the training of apprentices and the employment of those apprentices, it could not even be decided what should be the lines along which this question should proceed. Merely to pass an Act to provide that certain industries should take apprentices would not solve the problem at all. Industries could not be forced to do something which might not in itself be practicable. Obviously, therefore, the first step to be taken in all Provinces where there were possibilities of this description, was to investigate the field with the help of the Industries Departments on the one side and the suitable industries on the other. In such Provinces as

had already instituted some scheme of this description and also in the Provinces that might be in a position to start some such scheme during the course of the year, the working of the scheme should be carefully observed. The Chairman was confident that the discussion of the subject had been both useful and interesting. The problem would no doubt assume different aspects in different Provinces and States, and yet some general principles might be evolved which it might be desirable to secure eventually by legislation. One of the matters that would have to be investigated when the information referred to earlier had been collected would be as to which power would be competent to legislate in this matter, *i.e.*, the Centre or the Provinces and States. The Chairman was under the impression that there were provisions in the new Constitution under which, if an agreement were arrived at with regard to the kind of legislation desirable, it might be possible to have All-India legislation. But this was not a matter where legislation of any kind should be the first step.

In the Chairman's view the matter could not be carried very much further at the present Conference. Some memoranda had already been circulated and a record of the discussion at the Conference would also be available to the various Provinces and States. It was expected that during the course of the year the various Administrations would keep in touch with schemes which have been started in other places, consider the desirability and feasibility of starting schemes of a similar character as an experimental measure in their own territories and next year it might be possible to discuss the matter on the basis of more complete proposals. If a certain degree of uniformity emerges as a result of the discussions at the next Conference, legislative measures might be considered.

The Chairman then gave the members of the Conference an opportunity to add anything they might wish to add to their previous remarks.

Mr. Advani (Bombay) was of the opinion that legislation should be expedited. He thought that if enabling legislation of an All-India character was enacted it might be possible for the provinces to apply the Act to any industries they thought fit.

The Chairman pointed out that it might be found that the problem in each Province had certain peculiarities and was not common to the whole of India, in which case it might be desirable to adopt a common principle and then leave legislation to the Provinces. If, after further experience, it appeared desirable to have a general Act regulating the whole matter on an All-India basis, then legislation could be taken up in the Central Legislature, details being left to be worked out by the Provinces by way of Rules. It was quite clear, however, that whether

1938.]

*Apprenticeship Schemes.*

117

Central or Provincial legislation was decided upon, the administration thereof would have to be left to the Provinces.

Mr. Advani (Bombay) enquired whether the Government of India would take the initiative in the matter and ask the Provinces to send in their concrete proposals.

The Chairman said that if it was the general desire that the Government of India should enquire from the various Provinces, there was no objection to such a course.

**SCHEME FOR HELPING EDUCATED YOUNG MEN IN STARTING  
SMALL INDUSTRIES.**

**MEMORANDA.**

**Bengal.**

The Department of Industries, Bengal, has launched a scheme for relieving middle-class unemployment which provides facilities for training of middle-class young men in local and indigenous industries which can be carried on a small scale and the products of which generally have a good market all over the Province. The immediate object is to give the unemployed young men an opportunity to be trained in the more important industries and affording them a remunerative occupation.

2. Under the scheme, four Peripatetic Industrial Demonstration Parties in each of the following seven industries have been established for holding demonstration and training classes:—

- (1) Jute and wool weaving.
- (2) Umbrella making.
- (3) Metal casting and preparation of metallic wares.
- (4) Manufacture of cutlery and surgical articles.
- (5) Manufacture of general and glazed pottery articles.
- (6) Manufacture of boots and shoes.
- (7) Manufacture of washing soap.

3. One party in each of the aforesaid industries is retained in Calcutta at the Industrial Research Laboratory and the remaining three parties in each of the industries are deputed to work in suitable centres of the Province. The parties located at Calcutta and situated within the precincts of a regularly equipped laboratory have the facilities for carrying on research and advanced work the results of which are available for adoption by the parties working in the mofussil.



4. With a view to enlist the support and active co-operation of influential and public-spirited gentlemen of the districts, the formation of District Industrial Associations composed of official and non-official members has been arranged to act as Board of Referees or consultants regarding the work of the demonstration parties, the location of the same and the recruitment of suitable young men of the locality for training and to put forward suggestions for possible improvement of the existing small industries of the district and the establishment of new industries. The Association is also responsible for making the selection of the industries in which the demonstration parties are required and the selection of centres of demonstration.

5. The Chairman of the District Board is generally the Chairman of the District Industrial Association and the Industrial Deputy Collector is usually the Secretary. The Industrial Demonstration Parties are deputed to work in those districts in which District Industrial Associations have already been formed. Arrangements are made by the District Association for free accommodation for the holding of the demonstration classes as well as housing accommodation for the staff which generally consists of one Supervisor-Demonstrator and two or three assistants.

6. Applications for admission in training classes and all enquiries regarding facilities that exist in a particular district for industrial training of young men, should be made to the Secretary, District Industrial Association of the district concerned. All applications for admission in the training classes held in Calcutta are invited through press advertisements and students recruited by the Department direct. Candidates, who are *bona fide* permanent residents of Bengal, have passed the Matriculation Examination and possess sound health, are eligible for admission except in the cases of cutlery and pottery industries where I.Sc.-passed students will have preference. Preference is always given to applicants who are in a position to invest the necessary capital required for starting the industry after the training period is over. Training is imparted free of cost but the students will have to make their own arrangement for boarding and lodging. The training period generally covers 4 to 8 months according to the nature of the industry taught, viz. :—

Jute weaving, wool weaving, pottery manufacture, cutlery manufacture, metal casting and finishing—8 months.

Umbrella making, boot and shoe making—6 months.

Soap making—4 months.

7. No certificate of any kind is awarded to students except in very special cases but as soon as the training is over, the Department will

give any help required in the selection of machinery, etc., and their installation, to the students desirous of starting factories of their own. The Department has no provision to grant loans or bonus to students for the purchase of machinery, etc. No financial obligation or responsibility of any kind is undertaken by the Department to make an industrial enterprise a success, but in case of financial difficulties the students are eligible for applying for industrial loans under the State Aid to Industries Act.

8. As the scheme progressed it became increasingly apparent that without consequential development of marketing and financing organizations the young men trained in the industries could not make sufficient headway as to justify the expenditure incurred in training them up. About this time the Government of Bengal extended this scheme (selecting 4 out of the 7 industries) to reclaim certain political suspects in order to rehabilitate them to the normal life of the Province. The Detenu Training Scheme was launched in the first week of January 1936, embracing four of the seven industries in which training is being imparted under the Unemployment Relief Scheme. These four industries are—

(1) Umbrella making.

(2) } Making of articles of Ferrous and Non-Ferrous alloys (Brass  
& } and Cutlery).  
(3) }

(4) Articles of glazed pottery.

9. With the training of the first batch of detenus nearing completion Government realized that in order that the young men trained in these industries were able to put into practice the experience and training which they were receiving at the cost of the tax-payer, it was necessary to finance these young men in groups of four and also to set up a marketing organization which is now functioning in the name and style of "Central Buying and Selling Agency". This agency consists of a small depot, a marketing establishment and four trained inspectors each experienced in each of the four different industries mentioned above.

10. The Central Buying and Selling Agency assesses the annual raw material requirements of the factories started by groups of trained detenus and after "bulking" them purchases these raw materials at wholesale rates either locally or from abroad; the raw materials when delivered to the depot are distributed amongst the factories according to their requirements. This method of supplying raw materials to the factories is responsible for the removal of many defects with which small manufacturers are confronted. In the first instance, raw materials even when purchased in small quantities are available at wholesale rates and in the

second, standard qualities are ensured and in the third, the management of the Central Buying and Selling Agency being in touch with the market knows exactly when to place the order because, as is well known, market undergoes frequent fluctuations in price and any mistake in buying at inopportune moments may tell on the working of these factories very heavily. The other function of the Central Buying and Selling Agency is to market the finished products of these factories in bulk quantities and whenever possible by securing advance orders. It is well known that disposal of finished products is generally effected through wholesale dealers who work on very small commission and unless the turnover is big the actual income on the part of the traders is very little and therefore it does not pay them to handle small quantities at a time. Large buyers, according to the experience of this Department, do not also favour purchases of small quantities. The Central Buying and Selling Agency obviates all these defects and therefore the successful progress of the factories working under the guidance and control of the Central Buying and Selling Agency is almost entirely due to the efficient marketing organization set up. The first batch of 60 detenus who were financed by the Government of Bengal in November 1936 actually started manufacturing operations in groups of four towards the end of January 1937 and up to the time of writing over Rs. 1,45,000 worth of products have been produced and marketed. It is now contemplated to extend the facilities created for trained detenus to other young men who are being trained under the Unemployment Relief Scheme.

11. While marketing of the products of the young men trained under the Unemployment Relief Scheme will be carried on through the Central Buying and Selling Agency referred to above, financing of trained young men has been undertaken by the Industrial Credit Syndicate, Ltd.—a public limited Company registered under the Indian Companies Act. This Company is under an agreement with the Government of Bengal whereby they get a sum not exceeding Rs. 20,000 a year from the Provincial Government to meet their administrative expenses and a guarantee to the extent of half the losses which may be incurred as a result of financing small industrial undertakings to a maximum limit of the first paid up capital of Rs. 10 lakhs.

#### United Provinces.

The Government of the United Provinces have evolved the following schemes for helping educated young men in starting small industries :—

(1) *Establishment of an Industrial Credit Corporation.*—These existing facilities for industrial credit, particularly long-term credit, are inadequate in the case of small industrialists. It is proposed to assist in setting up a credit company with a share capital of Rs. 15 lakhs and empowered to

raise deposits if required, in order to make advances to small industrialists for the purchase of machinery and the purchase or construction of buildings required for industry, or to guarantee the purchase of machinery by small industrialists on the hire-purchase system. This corporation will be given special financial assistance by Government in the shape of subsidies for expenses of management for 5 years, for enabling it to give dividends at 4 per cent. for a period of 15 years, and for establishing a special reserve fund for bad debts.

(2) *Establishment of a marketing and financing company for the benefit of United Provinces industries.*—The Industrial Credit Corporation should, it is proposed, have a subsidiary marketing company which would be a joint stock limited liability private company, with a capital of Rs. 5 lakhs under-written by the proposed Industrial Credit Corporation, and receive a Government subsidy of about Rs. 25,000 per annum for 5 years.

(3) *Assistance to young men in industrial undertakings.*—Government have provided a sum of a lakh of rupees in the budget of 1937-38 for helping educated young men in industrial and commercial undertakings by giving them grants for purchasing machinery, tools, etc. It is proposed that suitable grants should be given to young men preferably those who have been trained in a particular industry to set up in that industry or in business or trade connected therewith. These grants would not however be restricted to these young men, but would also be given to those who are already in business or trade for the development and expansion of their activities.

(4) *The development of the cottage oil industry.*—A couple of small model oil pressing units worked by electric power suitable for educated young men will be started where those who propose to set up in this industry will work under supervision and guidance; after some time these factories will be sold or made over to such persons for being run by them as their own.

(5) *Training in industries subsidiary to agriculture.*—Educated young men are being trained in the handling of dairy products, canning and preservation of fruits and poultry farming. After training, they will be given grants to help them to set up on their own in these industries.

#### Punjab.

The Punjab Government have adopted the undermentioned measures in connection with relieving unemployment and with a view to helping educated young men in starting small industries:—

(1) An Employment Bureau has been set up in the Department of Industries to ascertain the extent of unemployment in the Province. The Bureau is designed to record statistics of unemployment amongst the

educated and technically qualified classes and to help to bring together employers and the unemployed.

The Punjab Government have recently appointed a Committee to examine the question of unemployment and to suggest measures for relieving it. The necessary questionnaire has been drafted and the Committee will examine the matter after replies have been received to the questionnaire.

(2) Pamphlets containing schemes of small-scale industries which could suitably be set up in the Province have been printed and distributed for the benefit of the educated unemployed and prospective industrialists in the Province.

(3) The Department of Industries provides a large number of experts to render technical assistance. The Textile Inspector advises on matters pertaining to handloom weaving, the Weaving Superintendent in connection with the installation of power looms and generally to solve the difficulties of power weavers, the Tanning Expert helps the tanning industry, the Dyeing Expert helps dyers and printers and the Industrial Chemist renders advice pertaining to chemical industries. These experts also render assistance in the erection of machinery and generally in the solution of practical difficulties of the industries.

(4) A large number of schools and parties have been established in the Punjab to give industrial and technical education to enable the trainees to set up small-scale industries. The scheme of studies of the Government Industrial Schools and Institutes has recently been revised with a view to train our boys in the production of articles of daily utility which can easily be manufactured in the Province and which are at present being imported from elsewhere.

The Industrial Research Laboratory provides training to a limited number of educated young men in chemical industries. It also undertakes the work of investigation and analysis on behalf of those engaged in industry.

(5) Every effort is made to supply available industrial intelligence to those who may be interested in the establishment of industries. And assistance is rendered in securing concessions by approaching the Railway Department, the local bodies and other departments besides acquiring sites for the establishment of factories. Instructions have recently been issued on the recommendations of the Joint Development Board to local bodies to tax handloom products at comparatively lower rates.

A serious beginning has been made in giving assistance in the marketing of goods of small-scale manufacturers. The Arts and Crafts Depot helps art and craft workers of the Province in the marketing of their goods

besides supplying up-to-date designs to meet the present-day requirements of the market. Out of the funds provided by the Government of India assistance is or will be given in the marketing of cotton handloom products and woollen goods.

(6) Under the State Aid to Industries Act assistance is rendered in the following forms :—

(a) Grant of loans.

(b) Grant, sale or lease of land, raw materials, water or any other property of the Government.

(c) Payment of subsidies.

(d) Supply of machinery on the hire-purchase system.

(e) Guarantee of a minimum return on the whole or part of capital of a joint stock company invested in an industry.

For the year 1937-38 a sum of Rs. 3 lakhs has been provided for assistance in the forms outlined above.

(7) Lectures and practical demonstrations are arranged on the occasion of fairs, etc., to show the use of up-to-date appliances and machinery.

(8) A well equipped library has been attached to the office of the Director of Industries at Lahore for the benefit of educated young men. In this library, besides a very large number of books on technical, economic and industrial subjects, a number of journals and magazines on industrial subjects are made available to the visitors. This library has proved popular amongst the educated young men who are interested in industrial and allied subjects.

#### Discussion.

*Thursday, December 16th, 1937.*

The Chairman called upon the members of the Conference for their views at the same time pointing out that this had apparently been dealt with in the discussion under apprenticeship scheme.

Mr. Green (Madras) suggested that it would have been useful if other Provinces, in addition to the Punjab, United Provinces and Bengal, had also been invited to send in memoranda. He proposed that this should now be done. He then went on to give a description of the work done in Madras in regard to the promotion of small-scale industrial operations and preparing students for small industries. The State Aid to Industries Act had not proved entirely successful in attaining the objects for which it was enacted and the Act had recently been modified to allow of a wider and more generous application. For example, the Act had

been amended so as to provide for the grant of aid to old and established industries also in suitable cases. The definition of cottage industries had also been liberalised. As the development of cottage and village industries is a matter of vital importance, the scope of the Act had been still further enlarged so as to permit of the grant of subsidies for any purpose in the case of cottage industries and of such assistance to village industries as may from time to time be found necessary.

The Hon'ble Mr. Patil (Bombay) described the demonstration parties which dealt with the different small industries which had already been organized. Further such parties to cover additional industries were also contemplated. Trade schools were to be started and as the Government of Bombay were of the opinion that 6 to 8 months' training given in Bengal was too short it was intended that hereditary artisans should receive one year's training and educated young men two years. Financial help after training would be essential as also assistance in marketing. He was of the opinion that the State Aid to Industries Rules were too circumscribed and these should be amended to allow of more liberal assistance. Sale depots were also to be established.

Mr. Dhar (Bihar) said that his Government had examined the Bengal Government scheme but on account of marketing difficulties and the different conditions in Bihar it was not possible to adopt the scheme as it stood. Instead of demonstration parties they had adopted a scheme of bringing boys to the centre where they received training. The boys earned while they were being trained and the scheme was partly self-supporting. The establishment of two similar institutions was at present under consideration. It was in marketing that the main difficulty was likely to be met. In the matter of small textile industries ten demonstration parties had already been organized and it was hoped to double this number. He found that the difficulty in working the State Aid to Industries Act was that artisans were generally unable to furnish the necessary security.

Mr. Desai (Central Provinces and Berar) said that his Province had so far no concrete scheme but in the meantime the training of boys was being carried on.

Mr. Mehta (Assam) said that at present the only scheme it was possible to develop in Assam was in connection with soap making. So far 16 to 18 small soap factories had been started. Training in the textile industries was also being given and it was considered that loans would be required to enable the trained students to start work. He also agreed that the State Aid to Industries Rules should be revised and liberalised.

Mr. Thadani (Sind) said that little progress had been made in Sind as few industries existed in the Province and there were no proper institutions for practical training. He would be glad if facilities were afforded by other and better placed Provinces for boys of the Sind Province. He added that the opening of a museum-cum-emporium was under consideration.

The Hon'ble Mr. B. N. Das (Orissa) informed the Conference that, as the finances of Orissa were limited, some help from the Central Government was necessary. He referred to the Village Industries Association which had been started by Mahatma Gandhi as a suitable model on which he proposed to work. To provide the necessary funds for this he had decided to close down certain uneconomic and unsatisfactory training centres. Amongst other things, training in the making of paper as a cottage industry had been introduced.

Mr. Rahalkar (Indore) stressed the need of State loans without interest or, at any rate, at a low rate of interest. In the Indore State there was no regular scheme of assistance, but individual cases were taken up and dealt with on their merits.

Mr. Kotibhaskar (Kashmir) said that it was not possible to make loans except on security, and it was therefore difficult to help the artisan who, in many cases, was unable to furnish such securities. The concern of the State, he said, should be the development of a marketing organization and through it the supply of raw materials and the marketing of the finished goods. A State marketing organization would safeguard the interests of such boys who were good artisans but had no aptitude for business.

Lala Ramjidas Vaishya (Gwalior) said that difficulty had been experienced in the recovery of loans which had been advanced under the previous system, and it had now been decided to discontinue loans to individuals and instead to finance small industries.

Dr. Pagar (Baroda) referred to the work that was being done in the Baroda State as a result of the provision of the Diamond Jubilee Trust Fund of Rs. 1 Crore by His Highness's Government for rural uplift. A substantial part of the income from this fund was utilized for establishing a Cottage Industries Institute at Baroda, where young men were trained in the various small industries—such as lacquer work, calico-printing, block making, tanning, etc. The students passing out of this Institute and also those starting small industries were provided with loans from Rs. 200 to Rs. 5,000 at a very low rate of interest with facilities to repay the same in small instalments.



Mr. Ramchendra Rao (Mysore) said that in Mysore there were no cut and dried schemes for helping individual cases, though for small loans made to individuals no security was demanded.

Mr. Ghulam Ali Mohammadi (Hyderabad) said that the two important points which should be dealt with by the authorities concerned were the proper training for boys and financial assistance to enable them to start in an industry.

The Chairman, in summing up the discussion, observed that, as suggested by the representative of Madras, such administrations as had not already sent in their memoranda with regard to this question would be asked to send them which, when received, would be circulated to other Governments. It was not possible to do anything more than to leave the question at that stage for the time being.

Mr. Ghosh (Bengal) raised the point regarding the rate of interest on advances which were granted as State aid to industries, and asked for the opinion of the Conference as to a reasonable rate.

The Chairman said that the attention of the Provincial Governments would be specially drawn to this matter when they were addressed on the subject under consideration.

### III.—PUBLICATION OF A HANDBOOK CONTAINING INFORMATION REGARDING INDUSTRIAL AND TECHNICAL INSTITUTIONS IN INDIA INCLUDING INDIAN STATES.

#### MEMORANDA.

##### Punjab.

All Provinces and States which have any industrial or technical institutions of their own, publish prospectuses or other similar publications to give information regarding their institutions. Such publications are not easily available nor can a person desirous of receiving education in any one of these institutions get a comparative idea until he spends a considerable amount of time and money to collect the necessary literature. Moreover, there is no unanimity as regards the manner of presenting the information in prospectuses and there may be cases in which a prospectus may not be issued in respect of certain institutions. Accordingly, it is necessary to compile annually for the convenience of all concerned a publication concerning the country. It should contain information on all necessary particulars, especially as regards the curricula of studies, minimum educational qualifications for admission, fees and whether students from other provinces are admitted, and if so, on payment of normal or enhanced fees.

##### Government of India.

A reference is invited to the minutes of the proceedings of the Third Conference of Departments of Industries held in Simla in May 1921 [Bulletins of Indian Industries and Labour No. 18], in which the question of publication by the Provincial Governments of information regarding technical and industrial institutions in the Provinces was discussed. The general conclusion of that Conference was that it would be a good thing if provinces published their own lists, bringing them up-to-date annually and distributing copies to others. It was agreed that uniformity of compilation was desirable in regard to the nature of information to be given, and the different heads under which information would be useful were accordingly indicated. It was also agreed that commercial, agricultural and veterinary institutions should be included in the scope of the lists. The particulars suggested for inclusion in the handbook proposed in the Punjab memorandum are all covered by the heads already decided upon.

##### Discussion.

*Thursday, December 16th, 1937.*

The Chairman enquired from the Punjab representatives whether they wished to press their proposal. They agreed that an exchange of Provincial handbooks would probably serve the necessary purpose and on this the proposal was withdrawn.

#### IV.—MINUTES OF THE THIRD MEETING OF THE IMPERIAL SERICULTURAL COMMITTEE.

Discussion.

*Thursday, December 16th, 1937.*

The minutes were unanimously adopted.

Mr. Desai (Central Provinces and Berar) raised the question that in view of the importance of *tasar* silk industry, the Central Provinces and Berar should be allowed to be represented on the Imperial Sericultural Committee.

Rai Bahadur Lala Ram Lal (Punjab) also raised the question of the eligibility of the Punjab for a share in the grant.

The Chairman pointed out that both these questions, if properly raised, could be considered at the meeting of the Committee concerned the next day.

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#### V.—MINUTES OF THE SECOND MEETING OF THE WOOLLEN INDUSTRY COMMITTEE.

Discussion.

*Thursday, December 16th, 1937.*

The minutes were unanimously adopted.

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## VI.—MATTERS ARISING OUT OF THE PROCEEDINGS OF THE THIRD SESSION OF THE INDUSTRIAL RESEARCH COUNCIL.

### UNDERTAKING OF AN INDUSTRIAL SURVEY OF THE COUNTRY BOTH IN RESPECT OF RAW MATERIALS AND MANUFACTURED GOODS.

#### MEMORANDUM.

##### Punjab.

It is recommended that a more vigorous programme for undertaking an industrial survey of the country both in respect of raw materials and manufactured goods be taken in hand. India is at present very deficient in information regarding the available raw materials, output of manufactured goods, markets and the like. This works to the detriment of the primary producer, the manufacturer and the prospective industrialist. It is impossible to carry out an effective programme of industrial development without complete surveys. The present programme followed by the Industrial Research Council is neither expeditious nor adequate enough to meet the requirements of the country. Accordingly, it is suggested that the matter of industrial surveys on an All-India basis may receive very early attention.

### DRAWING UP OF A REGULAR PROGRAMME OR PLAN FOR THE ESTABLISHMENT AND DEVELOPMENT OF INDUSTRIES OF NATIONAL OR ECONOMIC IMPORTANCE.

#### MEMORANDUM.

##### Punjab.

It is recommended that with a view to the development of industries a regular programme or plan be drawn up and that the Government of India and the Provincial Governments should take active steps to establish industries in the order of importance, national or economic, to the country.

2. The Industries Conference and the Industrial Research Council have now been in existence for some years but a plan of work has not yet been drawn up. Every well organized body must draw up a proper plan of the problems which it proposes to tackle. There can be no better body than the Industries Conference on which all the Provinces and the important Indian States are represented in the person of the Ministers of Industries and the Directors of Industries to draw up a plan for the establishment and development of industries of the country.

Although industries is a Provincial subject, nothing can be effectively done in this direction without co-ordination and co-operation of the various parts of country. If in pursuance of a properly drawn up programme even one key industry or an industry of national importance in, say, one or two years, is established or developed a real service will have been rendered to the country. It is recommended, therefore, that early steps be taken up for drawing up such a programme.

#### NEED OF ENCOURAGING INCEPTION OF 'KEY' INDUSTRIES IN INDIA.

##### MEMORANDUM.

##### Bengal.

A sound industrial progress of any country depends to a considerable extent on the successful operation of its 'key' industries. The term 'key industry' is generally used to denote an industry the products of which supply the very primary and essential raw materials of various other industries, and particularly those that are required for purposes of national defence. In every industrially progressive country the importance of 'key' industries is properly recognized and their establishment is encouraged with substantial State aid. The selection of industries as deserving special consideration of Government is made with particular care and vigilance, for almost every industry may demand special recognition on the plea that in some sense or other it is a basic industry. But up till now it does not appear that a well thought out plan of action has been devised in regard to the inception and stabilization of the 'key' industries in India.

2. It is needless to emphasize the gravity of dangers to which India is exposed by reason of her utter dependability on foreign sources of supply not only in meeting its war requirements but also in manufacturing the daily necessities of life. The Indian Industrial Commission in Chapter IV of their Report drew pointed attention to the "lengthy and ominous" list of industries which, though their products are essential alike in peace and war, are lacking in this country. The Indian Industrial Commission also pointed out that the country is very rich in natural resources and possesses considerable facilities and scope for most of the important prime materials required by the Indian industries being manufactured within the country.

3. The iron and steel, the non-ferrous metal industries, the commercial metallic salts, the heavy chemical industry, i.e., acids, that great group of alkalis constituting soda ash, caustic soda, cheap mineral acids, and the products of distillation of coal tar and wood comprise the most fundamental basic materials of various industries. Upon these depend the *future* of a number of organized industries of the country,

viz., jute, tea, coal, cotton, textile, paper, soap, glass, etc. During the last Great War when the sources of foreign supplies were cut off all the important industries were faced with a calamity the like of which were not witnessed before. The precarious position of the Indian industries, the shaky foundation on which they have been built up and utter futility of efforts made so far for developing those industries on sound lines without first establishing the 'key' industries became prominently manifest at that time. Had the war protracted a little longer there was no doubt that the whole industrial structure of the country in which millions and millions of pounds have been invested would have collapsed totally. It is now nearly two decades that the report of the Indian Industrial Commission has been published and during this period considerable expansion of Indian industries has taken place. But reliable information regarding the extent to which the Indian industries have been made independent of foreign supplies is not available. In order, therefore, to see that the tragedy of war time is not repeated in case the foreign supply is stopped for some reason or other, the consideration of ways and means for the establishment and stabilization of 'key' industries seems to be a matter of vital importance and as such this subject is recommended for careful consideration of the Conference. It is admitted that there are various difficulties in the way, but these have got to be surmounted if India is ever to attain self-sufficiency in her industrial requirements.

4. The following points are suggested for discussion at the Conference :—

(1) The desirability of preparing a schedule of 'key' industries deserving of special State recognition and encouragement.

(2) The desirability of conducting a thorough and well planned survey of India's natural resources with a view to ascertaining the kind and quality of the basic ingredients, the source and extent of their availability, the present method of their disposal, and if the supplies are adequate to meet the entire Indian demand. The survey may be conducted in collaboration with the Director of Geological Survey, the Inspector General of Forests and the officers of the Indian States.

(3) To consider the nature and extent of the difficulties and deficiencies which are retarding the establishment or growth of such industries and the means of overcoming them.

(4) The desirability of giving suitable publicity to the existence of such resources in the country as are not up till now being properly utilized so as to invite attention of the capitalists to the possibilities of such industries. The nature and extent of State help that may be given

to make such ventures successful may also be decided and published for general information.

(5) The preparation of a list of indispensable prime materials which cannot be held in India at present and has got to be imported and consideration of ways and means as to how best such supplies can be assured by suitable trade agreements and other means.

#### Discussion.

*Thursday, December 16th, 1937.*

#### A.—INDUSTRIAL SURVEYS.

Rai Bahadur Lala Ram Lal (Punjab) said the question of an economic and industrial survey had been under consideration for some years but there had so far been no substantial advance. He then dealt in detail with the reasons why such an industrial and economic survey was desirable. His main point was that when a person was intending to start a new industry the Provincial Industries Department should be in a position to supply him with information as to the position of that industry throughout the whole of India. The Punjab proposed to make such a survey district by district, but this he considered to be of little use unless all other Provinces carried out similar surveys. He said that he had to answer annually about 5,000 enquiries and in the absence of such material as would result from a comprehensive survey, he was in many cases unable to supply the answers. He suggested that the matter should be taken up by the Conference and that a special staff be appointed by the Central Government to take up work in a comprehensive manner.

The Chairman intervened to say that the question was discussed at the Conference last year when it was decided that the survey should be done by the Provinces themselves and the results co-ordinated by the Central Government.

Rai Bahadur Lala Ram Lal was of opinion that progress was much too slow and he asked that some means be adopted to accelerate it and that a country wide survey be taken in hand.

The Chairman then went on to make two points—

- (1) that the States had expressed their disapproval of any economic enquiry being conducted by a Central Agency, and
- (2) that in any case the Central Government could not afford to take up a survey on such a gigantic scale.

Mr. Advani (Bombay) was in favour of the proposal that each Province should carry out its own survey and that the Central Government should co-ordinate the results. He suggested that the Conference

should appreciate the necessity for a comprehensive survey and ask Provinces to take the matter up. He also pointed out that in addition to creating agencies to do the initial survey, a permanent staff would also be necessary, as the material collected would very quickly get out of date. He thought that if the opinion of the Conference was that the proposal was eminently desirable and a resolution to this effect was adopted, this might weigh with Provinces when the matter was referred to them.

The Chairman said that all the points which had been raised would be put to the Provinces. He suggested that the matter might again be put to the Provinces and they might be asked for their views as to what extent they were prepared to undertake a survey of this kind, over how many years, etc. The whole matter could then be placed before the Conference at its next meeting. It must, in any case, be understood that the work already in hand should not be interrupted because a new scheme was under consideration.

Mr. Gilmore was of the opinion that it would be advisable to proceed singly by industries at present. In due course, as experience was gained, the pace might be accelerated. It should be appreciated that most of the industries that it had been decided to survey were entirely unconnected with each other, and moreover it was essential that each of these surveys should be done by properly specialized expert staff.

The Hon'ble Sir Ghulam Hussain Hidayatullah (Sind) pointed out that it was impossible for the Provinces to bear the additional expense of a general survey. In his opinion, it was for the Central Government to provide funds and experts for this purpose.

The Chairman then put the question of approaching the Provinces in the manner indicated and the proposal was adopted unanimously.

#### B.—DRAWING UP OF A REGULAR PROGRAMME FOR THE ESTABLISHMENT AND DEVELOPMENT OF INDUSTRIES OF NATIONAL AND ECONOMIC IMPORTANCE.

Rai Bahadur Lala Ram Lal explained the Punjab point of view which was contained in their memorandum.

Mr. Advani (Bombay) proposed that a sub-committee of the present Conference should be appointed to go into the matter and make recommendations as to which main industries should be developed during the next few years and in which provinces. The idea underlying this suggestion was that different provinces should take up different main industries which were best suited to their areas from the different points of view.



The Chairman was in favour of first consulting the provinces and after obtaining the necessary material, the question could then be referred to a sub-committee, as proposed by Mr. Advani.

Mr. Dhar (Bihar) suggested that 'key' industries should be surveyed and developed province by province, each province taking up such 'key' industries for which it was particularly well placed.

### C.—INDUSTRIAL RESEARCH.

Rai Bahadur Lala Ram Lal (Punjab) referring to the Industrial Research Bureau said that the work was limited by lack of funds. He considered that further financial assistance would increase the utility of the Bureau considerably and he suggested that it should be treated with the same liberality as the Agricultural Research Council and also that the Bureau should avail itself of the advice and assistance of other suitable agencies and individuals.

The Chairman explained the difference between research work in agriculture and the research being done in industry and showed that agricultural research had reached a more advanced and better organized stage. He did not think it could be said that industry was being treated as a step-child by the Government of India.

Mr. Gilmore specified the subjects which were engaging the attention of the Research Branch at the Government Test House, and described how efforts were made to get in touch with experts in the country who were concerned with these subjects. He pointed out that the majority of these subjects dealt with matters which large industrial firms endeavoured to keep confidential, and that industrial concerns were therefore naturally not disposed to give much assistance or information regarding them. In this connection he instanced the dry cell manufacturing industry. He stated, however, that contact was made, wherever possible, with academic scientists attached to Universities where such could be found who concern themselves with the work on which the Research Branch was engaged. In particular he instanced the close connection of the Bureau with the work of Dr. Dubey of the Benares Hindu University. He mentioned that the Research Branch was engaged on work which University scientists in India did not interest themselves in to any considerable extent, and which in other countries was being done mainly by research workers employed by large factories.

Mr. Advani (Bombay) was of the opinion that the industrial research which was being done in this country was almost negligible. Therefore in addition to co-ordination, the Central Government should initiate

research work. It should be for the Industrial Research Bureau to initiate new schemes and distribute problems to be worked on in convenient places. To obtain any appreciable progress, the scope of the Industrial Research Bureau should be enlarged considerably and it should be organized on lines more or less analogous to those of the Council of Agricultural Research. He also thought that much larger funds than is the case at present should be made available by the Government of India for industrial research.

The Chairman pointed out that it was not intended that the Central Government should confine itself merely to co-ordination, and he said that the views expressed would be noted for the consideration of the Government of India.

Mr. Guha (Ceylon) thanked the Government of India for the opportunity which was given to him to attend the Conference. He briefly explained the position in Ceylon where a Department of Industries had been in existence for about three years. The Ceylon Government, he said, did not favour action on co-operative lines due to the low standard of education which prevailed there. He briefly explained the position in Ceylon where the initiation of industrial policy was only of recent origin.

The Hon'ble Rao Bahadur Sir Chhotu Ram (Punjab) then proposed a vote of thanks to the Chair, which was duly seconded.

In reply, the Chairman observed that the matters the Conference had been discussing were important, though time was short. The exchange of views on all the subjects had been extremely valuable and interesting and he expressed the hope that the deliberations at the session would result in valuable decisions being taken. He expressed thanks to the Punjab Government for their kindness and hospitality and to all members of the Conference for their valuable co-operation with him in his capacity as Chairman throughout the proceedings of the Conference.

6

378

BULLETINS OF INDIAN INDUSTRIES & LABOUR

No. 67

PROCEEDINGS  
OF THE  
TENTH INDUSTRIES CONFERENCE

*(Held at Bombay on the 23rd and 24th January 1939)*

MARCH 1939



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## CONTENTS.

	PAGE.
Agenda .. .. .	1
Representatives who attended the Conference .. .. .	2
Chairman's speech .. .. .	6
His Excellency the Viceroy's speech .. .. .	7
<b>I.—Middle-class unemployment—</b>	
<b>THE DEVELOPMENT OF SCHEMES OF APPRENTICESHIP—</b>	
Madras .. .. .	12
Bombay .. .. .	21
Punjab .. .. .	23
Bihar .. .. .	33
Orissa .. .. .	35
Sind .. .. .	37
Mysore .. .. .	38
DISCUSSION .. .. .	40
<b>II.—Consideration of the Report of the Committee appointed to investigate the question of amplification of Inland Trade Statistics—</b>	
Mysore .. .. .	48
DISCUSSION .. .. .	48
<b>III.—Matters arising out of the proceedings of the Third Session of the Industrial Research Council—</b>	
<b>A.—UNDERTAKING OF AN INDUSTRIAL SURVEY OF THE COUNTRY BOTH IN RESPECT OF RAW MATERIALS AND MANUFACTURED GOODS—</b>	
Madras .. .. .	57
Bombay .. .. .	60
Bengal .. .. .	61
United Provinces .. .. .	62
Punjab .. .. .	63
Bihar .. .. .	64
Central Provinces and Berar .. .. .	64
Assam .. .. .	65
North-West Frontier Province .. .. .	65
Sind .. .. .	65
Orissa .. .. .	66
Mysore .. .. .	67

**B.—DRAWING UP OF A REGULAR PROGRAMME OR PLAN FOR THE ESTABLISHMENT AND DEVELOPMENT OF INDUSTRIES OF NATIONAL OR ECONOMIC IMPORTANCE—**

Madras .. .. .	68
Bombay .. .. .	69
Bengal .. .. .	70
United Provinces .. .. .	70
Punjab .. .. .	71
Bihar .. .. .	78
Central Provinces and Berar .. .. .	78
Assam .. .. .	78
North-West Frontier Province .. .. .	78
Sind .. .. .	78
Orissa .. .. .	79
Mysore .. .. .	80

**C.—THE NEED OF ENCOURAGING INCEPTION OF 'KEY' INDUSTRIES IN INDIA—**

Madras .. .. .	93
Bombay .. .. .	97
Bengal .. .. .	104
United Provinces .. .. .	104
Punjab .. .. .	104
Bihar .. .. .	106
Central Provinces and Berar .. .. .	106
Assam .. .. .	107
North-West Frontier Province .. .. .	107
Sind .. .. .	107
Orissa .. .. .	108

**DISCUSSION—**

Drawing up of a regular plan or programme for the establishment and development of industries of national or economic importance and of the "Key" industries .. .. .	109
--	-----

Industrial surveys .. .. .	113
----------------------------	-----

**IV.—Matters arising out of the proceedings of the fourth session of the Industrial Research Council—**

DISCUSSION .. .. .	115
--------------------	-----

**V.—Handloom weaving—**

**REPORTS ON THE OPERATION OF THE SCHEMES—**

Madras .. .. .	119
Bombay .. .. .	122
Bengal .. .. .	128

	PAGE.
<b>V.—Handloom weaving—<i>contd.</i></b>	
<b>REPORT ON THE OPERATION OF THE SCHEMES—<i>contd.</i></b>	
United Provinces .. .. .	140
Punjab .. .. .	145
Bihar .. .. .	148
Central Provinces and Berar .. .. .	153
Assam .. .. .	156
North-West Frontier Province .. .. .	158
Sind .. .. .	159
Orissa .. .. .	160
Delhi .. .. .	161
Mysore .. .. .	164
<b>DISCUSSION—</b>	
Progress of schemes .. .. .	167
Additional grants .. .. .	172
<b>VI.—Utilization of the services of the Indian Trade Commissioners with special reference to collection of information in regard to the running of small industries in Japan and European countries, and other matters .. .. .</b>	<b>174</b>
DISCUSSION .. .. .	177
<b>VII.—Holding of an annual All-India Industrial Fair .. .. .</b>	<b>181</b>
DISCUSSION .. .. .	183
<b>VIII.—(a) The need for occasional conferences of experts and actual workmen engaged in the sericultural industry in the different Provinces and States .. .. .</b>	<b>186</b>
DISCUSSION .. .. .	187
<b>(b) Minutes of the fourth meeting of the Imperial Sericultural Committee .. .. .</b>	<b>187</b>
DISCUSSION .. .. .	187
<b>IX.—Minutes of the third meeting of the Woollen Industry Committee .. .. .</b>	<b>188</b>
DISCUSSION .. .. .	188

## APPENDIX.

Statement showing the action taken by the Government of India on the various recommendations of the Ninth Industries Conference held at Lahore on the 15th and 16th December 1937 .. 189

BULLETINS  
OF  
INDIAN INDUSTRIES AND LABOUR

No. 67.]

1939

[March

PROCEEDINGS OF THE TENTH INDUSTRIES  
CONFERENCE.

*Held at Bombay on the 23rd and 24th January 1939.*

**AGENDA.**

**I. Middle-class unemployment.**

The development of schemes of apprenticeship.

**II. Consideration of the Report of the Committee appointed to investigate the question of amplification of Inland Trade Statistics.**

**III. Matters arising out of the proceedings of the third session of the Industrial Research Council—**

(a) Drawing up of a regular plan or programme for the establishment and development of industries of national or economic importance and of the key industries.

(b) Industrial surveys.

**IV. Matters arising out of the proceedings of the fourth session of the Industrial Research Council.**

**V. Handloom weaving.**

Progress of the schemes for the development of the handloom industry in the various provinces and the allotments for 1939-40.

**VI. Utilization of the services of the Indian Trade Commissioners with special reference to collection of information in regard to the running of small industries in Japan and European countries, and other matters.**

**VII. Holding of an annual All-India Industrial Fair.**

M317CD

VIII. (a) Need for occasional conferences of experts and actual workers engaged in the sericultural industry in the different Provinces and States.

(b) Minutes of the fourth meeting of the Imperial Sericultural Committee.

IX. Minutes of the third meeting of the Woollen Industry Committee.

PRESENT :

*Government of India.*

The Honourable Sir Muhammad Zafrulla Khan, K.C.S.I., Bar.-at-Law, Member of the Governor General's Executive Council.  
—*Chairman.*

Department of Commerce.

Mr. H. Dow, C.S.I., C.I.E., I.C.S., Secretary to the Government of India.

Mr. Y. N. Sukthankar, I.C.S., Deputy Secretary to the Government of India.

Mr. H. Ronson, I.C.S., Under Secretary to the Government of India.

Indian Stores Department.

Mr. E. F. G. Gilmore, B.Sc. (Hons.), M. I. Mech. E., Director, Industrial Research Bureau.

Department of Commercial Intelligence and Statistics.

Dr. J. Matthai, C.I.E., I.E.S., Director General.

Department of Education, Health and Lands.

Mr. J. Sargent, M.A., Educational Commissioner with the Government of India.

Railway Department (Railway Board).

\*Mr. G. E. Berkley, Chief Traffic Manager, G. I. P. Railway.

*Provincial Governments.*

*Madras.*

Mr. V. Ramakrishna, I.C.S., Officiating Director of Industries.

*Bombay.*

The Honourable Mr. L. M. Patil, B.A., LL.B., Minister for Local Self-Government.

\*Attended on the 23rd January 1939.



1939.]

*Proceedings of the Tenth Industries Conference.*

3

*Bombay—contd.*

- Mr. V. S. Bhide, I.C.S., Secretary to the Government of Bombay, General Department.
- Mr. B. M. Gupte, M.A., LL.B., Parliamentary Secretary to the Hon'ble Minister.
- Mr. P. B. Advani, M.Sc., Tech., M.I.E. (Ind.), J. P., Director of Industries.
- Mr. M. D. Bhansali, I.C.S., Registrar of Co-operative Societies.

*Bengal.*

- \*The Honourable Nawab Khawaja Habibullah Bahadur of Dacca, Minister-in-charge, Department of Industries.
- Mr. S. C. Mitter, B.Sc. (Eng.) (London), A. M. I. E. (Ind.), Director of Industries.
- Mr. C. C. Ghosh, B.A., F. R. E. S., Deputy Director of Sericulture.
- The Honourable Mr. M. B. Mullick, Minister-in-charge of Co-operative Credit and Rural Indebtedness Department.
- Khan Bahadur A. M. Arshad Ali, Registrar of Co-operative Societies.

*United Provinces.*

- The Honourable Dr. K. N. Katju, M.A., LL.D., Minister-in-charge of Industries.
- Mr. J. Nigam, I.C.S., Director of Industries and Commerce.
- Mr. B. K. Ghosal, M.A., Assistant Director of Industries.

*Punjab.*

- The Honourable Rao Bahadur Chaudhri Sir Chhotu Ram, Minister for Development.
- Mr. S. K. Kirpalani, I.C.S., Secretary to the Government of the Punjab, Electricity and Industries Department.
- Rai Bahadur Lala Ram Lal, M.B.E., Director of Industries.

*Bihar.*

- The Honourable Dr. Saiyid Mahmud, Minister-in-charge of Industries.
- Mr. S. M. Dhar, I.C.S., Secretary to the Government of Bihar, Development Department.
- Rao Bahadur K. S. Rao, L.T.M., A.T.I., Textile Expert.

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\*Attended on the 23rd January 1939.

*Central Provinces and Berar.*

Mr. C. C. Desai, I.C.S., Director of Industries.

Mr. M. B. Mande, L.T.M., A. T. L., Textile Expert.

*Assam.*

Mr. S. L. Mehta, I.C.S., Director of Industries.

*North-West Frontier Province.*

The Honourable Khan Mohd. Abbas Khan, Minister for Industries.

*Sind.*

Mr. A. B. Thadani, D.I.C., M.Sc., Assistant Director of Industries.

*Orissa.*

\*The Honourable Mr. N. Kanungo, Minister-in-charge of Industries.

Mr. S. N. Mozumdar, I.C.S., Director of Development.

## INDIAN STATES.

*Hyderabad.*

Mr. R. M. Crofton, I.C.S., Member-in-charge of Commerce and Industries.

Mr. Ahmad Mohiuddin, B.A. (Econ.), Director of Commerce and Industries Department.

Dr. Khaja Habib Hasan, M.Sc., Ph.D., D.Sc., Chief Chemist.

*Mysore.*

Mr. M. S. Ramchendra Rao, B.A., Director of Industries and Commerce.

*Baroda.*

Dr. C. A. Mehta, M.A., LL.B., Ph.D. (London), Director of Industries and Labour.

Mr. A. C. Mukherjee, M.A., Director of Statistics.

*Gwalior.*

Sardar K. D. Mahadik.

Lala Ramjidas Vaishya, F.R.A.S., M.R.A.S., Secretary, Commerce Department.

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\*Attended on the 23rd January 1939.

1939.] *Proceedings of the Tenth Industries Conference.*

5

*Indore.*

Muntazim Bahadur Captain Harish Chandra Dhanda, B.A. (Hons.)  
(Oxon), Bar.-at-law, Commissioner of Customs, Commerce  
and Industry.

*Travancore.*

Mr. N. K. Padmanabha Pillay, F.R.S.A., Principal, Institute of  
Textile Technology, the University of Travancore.

Mr. C. Kumara Das, Director of Industries.

*Ceylon.*

The Honourable Mr. G. C. S. Corea, Minister of Labour, Industry  
and Commerce.

Mr. J. C. W. Rock, C.C.S., Director of Commerce and Industry.

*Monday, January 23rd, 1939.*

### CHAIRMAN'S SPEECH.

In requesting His Excellency the Viceroy to inaugurate the Conference, the Honourable Sir Muhammad Zafrulla Khan, Member for Commerce and Labour and Chairman of the Conference, said :—

“ Before I request Your Excellency to inaugurate this Tenth Industries Conference, may I be permitted in very few words to express our great satisfaction that, in spite of so many urgent claims upon Your Excellency's time. Your Excellency has been able to consent to honour us with your presence here this morning. It is little more than a year ago since the decision of Your Excellency's Government was taken to set up a Department of Communications which had the effect of bringing together again those two partners—Commerce and Industries—who have never, I think, been altogether happy during their few years of separation. Their problems indeed are as closely related to each other as those of the different forms of transport and communications, and there is as much justification for their problems to be dealt with by one Department of Your Excellency's Government. I have personal reasons for gratification at the change inasmuch as it becomes my privilege, instead of that of one of my colleagues, in association with the Honourable Ministers from the Provinces, to welcome Your Excellency here this morning.

“ Our agenda is an important one and Your Excellency will not have failed to notice that it concerns itself not only with large scale industries, but also with the smaller and cottage industries, which, perhaps, ought to be described as the greater industries, if due regard were had to the large number of people who are employed in them. These are the most widely spread industries of India, and each Province is equally interested in these industries, and it is for this reason that co-operation and co-ordination between Provinces are so essentially necessary in dealing with the problems of these industries. We are sure that Your Excellency, with the solicitude for the humble and the poor of this country that has found expression in so many ways, will approve of the important place of such matters in our discussion.

“ With these few words and assuring Your Excellency of our appreciation of the honour done to us this morning and of the

encouragement that all of us shall receive from your presence here today, I would request Your Excellency to open the Conference."

### HIS EXCELLENCY THE VICEROY'S SPEECH.

GENTLEMEN,—It was with real pleasure that I found myself able to accept the invitation of the Hon'ble Commerce Member to inaugurate this morning the Tenth Industries Conference. It was perhaps inevitable, having regard to my previous connection with India as Chairman of the Royal Commission on Agriculture, that hopes should be raised that the period of my Viceroyalty would be specially associated with the attempt to solve some of India's more pressing agricultural problems. I earnestly desire that these hopes should be fulfilled, for there is no doubt in my mind that the happiness and content of this great land must continue to be broad based upon the prosperity and welfare of the cultivating classes. But, human nature being what it is, there may have been misgivings lest my preoccupation with agricultural matters should result in less than a due appreciation of the importance of the development of Indian industries. It was partly in the hope that I might be able to dispel any such misgivings that I welcomed the opportunity to open your proceedings today.

There is no doubt in my mind that conditions today in the world at large make it more necessary than ever before that India should attain a certain balance in her agricultural and industrial economy. The goal of self-sufficiency which is being pursued by many foreign countries is not one that is in my judgment suitable for India, but the falling off in the demand for India's raw products which is one of its symptoms imposes on us, precisely in the interests of the agricultural classes, the duty of making a fuller use of those raw products ourselves.

I understand that it is now customary to hold these annual Conferences, which formerly were held either at Delhi or Simla, at a different provincial centre each year. I am sure this is a wise departure. It gives the representatives of different provinces and States some opportunity to study on the spot industrial problems other than their own, and it enables them and the representatives of the Central Government to make personal contacts outside the Conference chamber which cannot but be of great value. And I must commend your choice of the actual meeting place in this city, the University Senate Hall, which I hope is symptomatic of the closer co-operation in which it is desirable that Industry and the University should work. I am happy, too, to see so

many representatives of the Indian States taking part in your Conference. It is a recognition of the close interaction, in the industrial as in many other spheres of public activity, of the problems and interests of British India and of the Indian States. The solution of common problems cannot but be facilitated by increased opportunities for formal consultation and co-operative effort.

The Industries Conference is now an annual institution, but I notice that although this is the Tenth Industries Conference, it is over eighteen years ago since the first of the series was held at Simla, in April 1920. In view of the somewhat different scope and composition of that Conference from the Conference which we are inaugurating today, it is perhaps desirable to indicate briefly the circumstances which have brought about the change. Twenty years ago, the Indian Industrial Commission, appointed during, and to a great extent owing to, the stress of the Great War, had just issued its Report. Its ambitious proposals for a great advance in industrialisation depended on the acceptance of two principles. The first was that Government ought to take an active part in the industrial development of the country with the aim of making India more self-contained in men and material. The second was that it was impossible for Government to undertake that part unless they were provided with adequate administrative equipment and forearmed with reliable and technical advice. It was to the Central Government that the Commission assigned the main responsibility for further industrial advance, and to this end one of their main recommendations was the formation of an All-India Industrial Service of specialists and technical experts, who would largely have been seconded for service under provincial Directors of Industries, by whom, under the general control of local Governments, the actual administrative work would have been carried on.

But about the time when the Indian Industrial Commission made its Report, far-reaching constitutional changes were under contemplation, changes which had not been envisaged by the Commission, and which were to render substantial parts of their scheme impracticable. By the time the First Industries Conference met in 1920, it was already known that "Industries" was to be a provincial transferred subject, to be controlled and administered by ministers. The Conference, therefore, although it consisted entirely of officials, concerned itself mainly with the details of the organisation of the growing provincial departments of industries, and little was done in the way of co-ordination of effort. At the Conference held in April 1921, the new provincial Ministers for Industries were present for the first time. At this and at the next following Conference, there manifested itself a certain apprehension lest co-ordination and attempts at unified effort might mean interference: and though it was

primarily as a measure of retrenchment that these Conferences were abandoned in 1923, there is I think no doubt that a contributory cause was what I may for want of a better word refer to as the separatist tendency of individual provinces, who for the most part had ceased to attach any great importance to co-ordination in this field.

Fortunately this tendency, the strength of which I have no desire to exaggerate, did not last long and certainly does not persist today. For it was at the request of the Provincial Governments themselves that these annual Conferences were revived in 1933. Indeed, what I notice now-a-days is something very different from any apprehension that the Central Government may encroach upon the legitimate sphere of provincial activities. It is rather certain exasperation at the inability of the Central Government to exercise in certain directions powers which were long ago taken away from the Central Government and handed over to provincial ministers. This seems to me to be a perfectly natural outcome of the growing realisation that a real co-ordination of industrial effort between the provinces is essential if India as a whole is to advance or even to maintain the position that in certain industries she has already won. From time to time fissiparous tendencies show themselves, and though we can hardly hope to see complete identity of views established through the machinery of these conferences, it is none the less along the lines of such free and frank discussions of common problems as is here possible that a solution is to be sought.

What part, however, is there still left for the Central Government to play in the future industrial development of the country? An examination of what has already been done will perhaps shed some light on this. I have already indicated the circumstances in which it was not possible that the Central Government should put in operation the scheme drawn up by the Indian Industrial Commission. Looking back on that scheme, the part I am most inclined to regret was the abandonment of the scheme for an All-India Industrial Service. If that recommendation could have been given effect to, there would have been in existence today a central pool of industrial experts on which the provinces could have drawn to man their departments, and I feel sure that the existence of such a body of trained men would have been felt today by many provincial ministers to constitute a very material reserve of highly qualified expert advice of which they could if they so wished avail themselves. Nevertheless the Central Government has been enabled to play a rôle, different indeed from that envisaged by the Commission, but one which has exercised a notable influence on the development of Indian industries. By their control of Tariffs, and in pursuance of the policy of discriminating protection which was accepted as the result of the recommendations of

the Indian Fiscal Commission, many great industries—steel, cotton textiles, paper, sugar—have been built up. By their Stores Purchase policy, under which a definite preference is shown by Government, in their purchases undertaken to meet the needs of the public services, to articles of indigenous manufacture, Government have done much to assist many large and small Indian industries. The extent of these purchases is not perhaps as widely realised as it should be. During the ten years from 1928-29 to 1937-38 articles wholly or partially manufactured in India were purchased for Government to the extent of twenty-three crores of rupees. The Indian Stores Department exercises constant vigilance to prevent the purchase from abroad of articles which can equally well be obtained in India, and has succeeded in diverting to indigenous sources of supply many demands which can be met from Indian markets, but which might otherwise have been filled from elsewhere.

Again, the action taken on the recommendations of the Royal Commission on Agriculture has demonstrated in a striking way the advantages to the provinces of the co-ordination of research and guidance undertaken by the Central Government, and this example has been followed, though not perhaps to the full extent that some of you may have desired, in the industrial field. The co-ordination of provincial efforts which is effected by your Conference has been emphasised by the establishment of the Industrial Research Bureau, the Industrial Research Council and the Imperial Sericulture Committee, and by the grants given to the Handloom, Woollen and Sericulture Industries. Last year Government took the decision to place the Industrial Research Bureau on a permanent footing. Owing to the deterioration of the general financial position during the current year, my Government have felt compelled to re-examine that decision, but I am glad to be able to announce that it has been decided to maintain it. Similarly, I am glad to say that it has been provisionally decided to continue for another financial year (1939-40) the handloom grant which was due under the original scheme to expire next October.

In the legislative field, measures recently passed by the Central Legislature, such as the Companies Act and the Insurance Act, cannot but have a far-reaching effect of a beneficial nature on industrial development. And there are other measures on the anvil such as the Patents Bill, which proposes to penalise the pirating of designs; a Bill to facilitate the registration of Trade Marks in India; the revision of the Law of Merchandise Marks; and a Bill which will enable the Central Government to prescribe a uniform standard of weights. All these legislative activities will help to create an environment in which industry can flourish.

I have perhaps said enough to indicate that the Central Government has, within the limits of the constitution, played its due part in the



development of Indian industries. It will not have escaped your notice that when the scheme of government contemplated by the Government of India Act has been brought into full operation, the responsibility for the development of those industries where development under federal control is expedient in the public interest will remain with the federal government. Quite apart from this, however, there is a large and fruitful field for co-operation and discussion in industrial matters between provinces and States *inter se*, and between them and the Central Government.

I have studied your agenda with much interest. I am glad to see the important place occupied in it by the development of small and cottage industries. To my mind the supplementing not only of the earnings but of the healthy human interests, of the rural population is more bound up with the development of small subsidiary industries than with that of large scale industries. I notice that the Hon'ble Minister for Industries in Madras, whom I had hoped to have seen here today, laid stress on this point in a recent speech, and that he estimated that big industries could not feed more than ten million people in India. I am also glad to see that you propose to consider how the services of Indian Trade Commissioners abroad can best be utilised to diffuse the kind of information you require. There has, as you know, been a great expansion of this service during the last five years, and it is the desire of my Government that their services should be enlisted to the fullest possible extent in the expansion of Indian industry and trade.

It is no doubt possible that the discussion of certain items of your agenda may disclose marked divergences in the view-point of different provinces. But it is essential to the success of the free and democratic institutions which we are building up in India that there should be frank and cordial exchange of opinions with a view to reaching agreed solutions, and I do not know that there is any field in which this is more important than that of Industry. At a time when such free discussion of difficulties has drawn us back from the brink of a world war, but when the menace to freedom and democracy has by no means disappeared, it is on this note that I leave you to your deliberations.

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The Hon'ble Sir Muhammad Zafrulla Khan took the chair after His Excellency's departure.

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**I.—MIDDLE-CLASS UNEMPLOYMENT.****THE DEVELOPMENT OF SCHEMES OF APPRENTICESHIP.****MEMORANDA.**

**NOTE.**—The Governments of Bengal, the United Provinces, the Central Provinces and Berar and Assam have nothing to add to their memoranda submitted to the Ninth Industries Conference.

**Madras.**

There are no developments to record in regard to apprenticeship training in Madras since a memorandum on the subject was drawn up in 1937 and submitted to the Ninth Industries Conference. In paragraph 5 of that memorandum it was stated that the question of setting up a Technological Examination Board to control the conditions under which youths aspiring to the diplomas of the School of Technology and other Technological Institutions as school students or as outside candidates, are trained and examined for diplomas, was under the consideration of Government. Hitherto diplomas have been awarded to students who successfully complete the mechanical and electrical engineering courses at the Government School of Technology, Madras, but students who undergo somewhat similar courses of training at some of the aided industrial schools have not been able to obtain such diplomas. The managements of these institutions represented that they should be allowed either to grant diplomas similar in scope to the diplomas of the School of Technology or to train students for the final examination of that school. As practical training plays a large part in any well-thought out scheme of apprenticeship training, the conditions under which candidates to be admitted as outside candidates for these diplomas are trained both in theory and practice require to be carefully examined, and it was therefore considered that a Board to be called "The Technological Diploma Examination Board" should be set up to control the conditions under which young men aspiring to the diplomas of the School of Technology or other central technological institutions are trained and examined for diplomas. The Government have accepted the proposal that a Technological Diploma Board to be set up at Madras for this purpose. The Board which has recently been constituted consists of seven members—four non-officials (two for mechanical engineering, one for motor mechanism, and one for electrical engineering), and three officials, namely, the Director of Industries, the Principal, College of Engineering, and the Executive Engineer, Electrical and Mechanical Division. The Director of Industries is the Chairman of the Board and the Inspector of Industrial Schools, the Secretary. The Board has power to co-opt additional members to deal with any one set of examinations or applications for affiliation. It will meet four times a year to transact its business. The functions of the Board are briefly as follows:—

- (i) The Board will inspect the institutions which have applied for affiliation, examine the system of training imparted in them, scrutinize

1939.]

*Apprenticeship Schemes.*

13

the equipment, staff and the syllabus followed and verify the general educational standard of the students admitted, and decide whether a particular institution is fit to be affiliated to the Board for purposes of the diploma ;

(ii) After affiliation the Board will inspect the institutions periodically in order to ensure that the standard laid down is maintained ;

(iii) On inspection if the Board finds any institution lacking in any of the above requirements, it will advise the authorities as to the lines on which they should improve the instruction in order to qualify for affiliation, and inspect the institution again when the authorities intimate that the conditions laid down by it have been satisfied ;

(iv) The Board will issue affiliation certificates and maintain a list of affiliated institutions ;

(v) The Board will draw up a set of rules for the guidance of the affiliated institutions in the matter of syllabus, time-table, etc., and conduct of annual examinations, so that all the affiliated institutions may follow the definite syllabus and method of training laid down ;

(vi) The Board will arrange for the conduct of a common final examination in the theoretical and practical subjects for all the institutions affiliated to the Board for the examinations for diplomas. For this purpose, the Board will appoint examiners who are not members of the school staff, for various subjects, fix the centres for the examinations, appoint superintendents, approve or modify the question papers prepared by the examiners, fix the minimum percentage of marks required either in each subject or in the aggregate for a pass, receive the corrected answer papers with mark lists from the examiners, scrutinize them, draw up a final list of students eligible for the diploma and issue diplomas to successful candidates under its seal ; and

(vii) The Board will inspect and approve the workshops and factories willing to take in apprentices for training and prepare a list of firms from which apprentices could be admitted to the diploma courses at the several institutions, and, if necessary, lay down conditions regulating the practical training given in the workshops.

2. It was stated in the memorandum submitted to the Ninth Industries Conference that the training given in the School of Technology aims at turning out in the diploma course a superior type of supervisor, whilst the preparatory section of the school aims at preparing a boy for an artisan apprenticeship. There is at present no intermediate course, but there was a proposal for bridging the gap between the preparatory Trades School and the diploma course by introducing a certificate course for those who are not qualified

to take the diploma course. The Government have directed that the further proposals of the Director of Industries for the institution of the certificate course be examined by the Technological Examination Board. The Board has also been requested to examine the question of awarding certificates to illiterate and semi-literate mechanics with adequate practical experience in the working of machinery or in electrical engineering as it is considered desirable to provide for the grant of such official recognition to this class of industrial workers.

3. In Madras, the following commercial and industrial concerns appear to have regular apprenticeship schemes in force in their organizations: The Madras and Southern Mahratta Railway Co., Ltd., South Indian Railway Co., Ltd., Madras Port Trust, Madras Electric Supply Corporation, Limited and Madras Electric Tramways Co., Ltd., Government Public Works Department Workshops, Government Industrial Engineering Workshop, Corporation of Madras Electricity Department, Buckingham and Carnatic Co., Ltd., Messrs. Binny & Co. (Madras), Ltd., (Beach Engineering Works), Simpson & Co., Ltd., Greens Electrical Works, Rameen and Company, Union Co. Ltd., P. Orr & Sons, Ltd., General Electric Co., Ltd., and Crompton Engineering Co. (Madras), Ltd. A number of other concerns employ youths, but have no regular scheme of apprenticeship training of which the more important are the Western India Match Co., Ltd., Madras Telephone Co., Ltd., Messrs. Addison Co., Ltd., Massey & Co., Ltd., Volkart Brothers Ltd., South India Motor Co., Ltd., Saraswathi Foundry, Gopal Nayagar and Sons and Beehive Foundry Engineering Works.

4. Details of the schemes in force in the Madras Electric Supply Corporation Limited, Madras Port Trust, Messrs. Simpson & Co., Ltd., and the Government Industrial Engineering Workshop, Madras, are given below.

#### THE MADRAS ELECTRIC SUPPLY CORPORATION, LTD., MADRAS.

We give below particulars of the three types of apprenticeship courses, together with the agreements entered into by the apprentices:—

1. *Student Apprenticeship Course.*—Final year students of the Guindy Engineering College are allowed to study in order to obtain their practical experience and qualify for their Degree.

2. *Trade Apprentices.*—These are chosen from students of the Government School of Technology, Madras, who have completed their S. S. L. C. course and who are attending course of study in Electrical Engineering at the Government School of Technology.

3. *Boy Wiremen.*—These are selected principally from sons of employees who have not passed their S. S. L. C. examination, but who are attending the Government School of Technology.

1939.]

*Apprenticeship Schemes.*

15

We give below answers to the various questions contained in your letter under reply :—

(i) *Trades in which apprentices are entertained.*—Practical electrical engineering in connection with generation, transmission and supply of electrical energy to the public, also the engineering side of electric traction as applied to tramways.

(ii) *Approximate number of trained workmen in each trade employed in your works.*—The number of individual trades which go to make up the personnel of the two Companies is large and unless this information is of particular value, we propose to give only the total number of employees in each of the Companies, which, excluding the clerical staff, is 900 in the Madras Electric Supply Corporation, and, excluding the clerical and traffic sections, is 720, in the Madras Electric Tramways.

(iii) *Number of Apprentices in each trade, period of apprenticeship, amount of remuneration or allowance paid or premium charged.*—

Number on			
our rolls on	{ Student Apprentices . 7 (maximum 8)	1 year or 6 months course.	
14th Octo-	{ Trade Apprentices . 13	.. 4 years course.	
ber 1938.	{ Boy Wiremen . 12	.. 2 years course.	

Student Apprentices are required to pay a sum of Rs. 50 for one year's course or Rs. 25 for a six months course. This sum is used to pay the premium of the insurance which we take out covering accident or injury to these apprentices whilst in our employ.

Trade Apprentices and Boy Wiremen are treated as daily paid employees with the Company and are given a wage of As. 7 per day during the period of their course.

(iv) *Approximate number of apprentices retained as trained men after training.*—The vacancies for employees of the student apprentices type are very few, and only 2 have so far been absorbed by us.

With regard to trade apprentices and boy wiremen, these courses have only recently started and none of the apprentices have yet completed a full course.

(v) *Average age at which apprenticeship is commenced.*—Student apprentices and trade apprentices—18 years and over, and boy wiremen—from 16 years to 18 years.

(vi) *Average general education at which apprenticeship is commenced.*—Student apprentices—Final year students of the College of Engineering. Trade Apprentices—S. S. L. C. and above. Boy Wiremen—3rd Form to S. S. L. C.

(vii) *Whether apprentices attend any technical or other classes.*—Student apprentices continue their study in connection with the Degree for which practical experience is being obtained. Trade apprentices must be students of the Government School of Technology (Electrical Engineering Course). Boy wiremen must attend Government School of Technology classes in wiring, plumbing or mechanical drawing.

(viii) *Whether such attendance is in working hours or otherwise.*—Student apprentices individually study after working hours. Trade apprentices are permitted 2 days a week in which to attend their course. Boy wiremen attend evening classes.

(ix) *How many apprentices you are able to take for training each year.*—

Student apprentices . . . . 8 per annum.

Trade apprentices . . . . 5 per annum of the Electrical Engineering Course of the Government School of Technology, selected by the Principal.

Boy wiremen . . . . 5 per annum, selected by the Management.

(x) *What percentage of these you expect to complete their training.*—The majority of student apprentices complete their training : there have been one or two exceptions. Trade apprentices and Boy wiremen—We anticipate the full number to complete their training.

(xi) *Have you a fixed time each year at which apprentices are taken.*—Student apprentices are usually taken from the 1st of July. Trade apprentices and boy wiremen are taken from the 1st of January.

(xii) *Whether you contemplate any fresh scheme or alteration in the method of training apprentices.*—We are not in a position to deal with a greater number of apprentices than at present allowed for, and further the opportunities for obtaining posts in electrical engineering work are not numerous, and it may not be possible for all the persons who are trained by us to immediately secure posts on the termination of their courses.

**MESSRS. SIMPSON & Co., LTD., MADRAS.**

The system of apprenticeship adopted in our Works is as follows :—

When a boy is entertained with a view to undergoing apprenticeship, the first six months of his service is considered to be probationary. During this period, however, he is paid Rs. 5 per month. At the end of six months, his progress is reviewed and a decision is made as to whether it is in the boy's interest to continue to permit him to carry on with his apprenticeship.

At the end of the first year, his progress is reviewed and he is given an increase of Rs. 5 per month. At the end of the second year, he is given a further increase of Rs. 5 per month.

At the end of the third year, we consider his apprenticeship to be completed, and if he wishes to continue, his earning capacity is assessed and he is paid accordingly.

2. The trades in which apprentices are trained are as follows :—

(i) Machinemen, including Turning, Milling and Cylinderboring.

(ii) Carpentry (Body building).

(iii) Blacksmiths.

(iv) Electric welders.

(v) Gas welders.

(vi) Motor mechanics (Engineering).

3. The number of apprentices in each trade is approximately as follows :—

Machinemen	5
Carpentry	3
Blacksmith	1
Electric welder	1
Motor Mechanics	29

4. No premium is charged.

5. Wages paid are as indicated in the earlier part of this letter, i.e., Rs. 5 per month for the first year, Rs. 10 per month for the second year and Rs. 15 per month for the third year.

6. The approximate number of apprentices retained as trained men after training is 50 per cent.

7. The average age at which apprenticeship is commenced is about 18.

8. Average general education, up to Standard IV.

9. Certain apprentices attend technical classes at the School of Technology, but this is not compulsory. Such attendance is in some cases during working hours, and the boys are allowed permission to leave the Works.

10. We are able to take about 18 apprentices each year, for training. We expect 60 per cent. to complete their training.

11. We have no fixed time each year at which apprentices are taken.

1939.]

*Apprenticeship Schemes.*

17

12. We do not contemplate any further scheme of alteration in the matter of training apprentices, but have to advise that the Madras Motor Vehicles and Allied Merchants Association, of which this Company is a member, have a scheme under consideration.

13. At the moment, we are not desirous of having the assistance of the Department of Industries in the matter of selection of apprentices.

## MADRAS, PORT TRUST, MADRAS.

The particulars called for in paragraph 2 of your letter are given below seriatim :-

- (i) (a) Carpentry and Patternmaking.  
 (b) Brass Foundry.  
 (c) Blacksmithy.  
 (d) Machine Shop Practice.  
 (e) Locomotive Running Shed and Wagon Shop.  
 (f) Plumbing.  
 (g) Fitting.  
 (h) Drawing office.  
 (i) Material testing (chains, ropes, etc.).  
 (j) Plating (steel-work construction, repairs to ship, etc.).  
 (k) Electrical.
- (ii) (a) Patternmakers . . . . . 2  
 (b) Carpenters . . . . . 16  
 (c) Turners . . . . . 13  
 (d) Machinemen . . . . . 7  
 (e) Boilersmiths . . . . . 4  
 (f) Blacksmiths . . . . . 10  
 (g) Hammermen . . . . . 10  
 (h) Rivetters . . . . . 33  
 (i) Painters . . . . . 8  
 (j) Moulders (Brass Foundry) . . . . . 2  
 (k) Welders (Electric and Gas) . . . . . 2  
 (l) Coppersmiths and Tinkers . . . . . 3  
 (m) Bricklayers . . . . . 2  
 (n) Chuckler . . . . . 1  
 (o) Maistries . . . . . 5  
 (p) Brass Foundry Furnace-man . . . . . 1  
 (q) Fitters . . . . . 81  
 (r) Electric Fitters . . . . . 9  
 (s) Electricians . . . . . 19
- (iii) (a) Please see rule 5 of the attached Regulations. Number in each trade varies as our method is to draft "A" class from shop to shop for general experience during period of apprenticeship.  
 (b) Five years.  
 (c) Please see rule 9 of the attached Regulations. No premium charged.
- (iv) Average number for the past five years has been 6 per year.
- (v) { Please see rule 4 of the attached Regulations.  
 & (vi) }

- (vii) "A" Class Apprentices—Compulsory—Will be required to attend the Government School of Technology, Madras, in Mechanical or Electrical Engineering course.
- "B" Class Apprentices—Optional—But encouraged to attend technical classes in the Government School of Technology, Madras.
- (viii) Apprentices are given "offs" to attend classes in the Government School of Technology, Madras, which are held once in a week during working hours.
- (ix) Depends on number completing their apprenticeship each year. Average number for the past five years has been 6 per year.
- (x) Hundred per cent.
- (xi) Yea. In June each year, so that apprentices can join up at new course in the Government School of Technology, Madras.
- (xii) No alteration in the existing method of recruitment or any fresh scheme is found necessary.
- (xiii) No assistance in the selection of apprentices is considered necessary.

#### MADRAS PORT TRUST.

##### REGULATIONS FOR THE RECRUITMENT OF APPRENTICES FOR THE ENGINEERING DEPARTMENT.

1. Applications for apprenticeship on Form "A" will be considered annually appointments being made in June.
2. These applications will be made on official Form "A", which will be handed to the applicant if considered suitable after an interview by the Trust's Mechanical and Electrical Engineer and/or any other officer deputed to interview candidates on behalf of the Port Engineer.
3. A medical certificate from a duly qualified medical practitioner, not below the rank of an Assistant Surgeon, must be furnished, showing that the applicant is medically fit to perform the work of an apprentice, such certificates should give remarks as to eyesight, hearing, smell, etc.
4. There will be two classes of apprentices, "A" and "B". "A" class apprentices will be boys who have not completed their nineteenth year and who have passed the S. S. L. C. or its equivalent. "B" class apprentices will be boys who have not completed their sixteenth year and who have passed the 1st Form or its equivalent. All other qualifications being equal, preference will be given to sons of Port Trust servants. No transfers will be made from one class to another.
5. The number of apprentices in "A" class will be 8, and the number in "B" class 22. (This number may be amended on a recommendation being made by the Head of the Department concerned and with the Chairman's sanction).
6. (a) "A" class apprentices will be required to attend technical classes during their apprenticeship (See Form B). Their progress and the results of their studies will be duly noted in the records.  
(b) "B" class apprentices will not be required to attend classes, but will be encouraged to do so.
7. Parents or guardians must be prepared to maintain the boy and accept responsibility for his general behaviour during his apprenticeship (See Form 'C').
8. Apprentices of both classes will be subject to the rules in force for artisans in the employment of the Trust and they must conform with all such existing regulations. Failure to do so may incur dismissal.



1939.]

*Apprenticeship Schemes.*

19

9. The rates of pay for apprentices will be as stated below :—

	Rate per day.	
	A. Class	B. Class
	Rs. A. P.	Rs. A. P.
1st year	0 10 0	0 8 0
2nd year	0 12 0	0 10 0
3rd year	0 14 0	0 12 0
4th year	1 2 0	0 14 0
5th year	1 8 0	1 2 0

Annual increments will only be granted after apprentices have made up for their lost attendance and after they have satisfied the Mechanical and Electrical Engineer by practical tests that they have made good progress during the preceding year.

10. No guarantee can be given that an apprentice will be retained in the service on the completion of his apprenticeship, but preference will be given to such apprentices as have given satisfaction, when vacancies occur. On completion of their apprenticeship if retained in service, they will be posted to the monthly or daily paid establishment in the Workshops, and will be granted such leave and Provident Fund benefits as are admissible to these establishments. They may also be appointed to the Civil Division, should suitable vacancies occur.

11. A Certificate will be granted on completion of apprenticeship.

#### RULES FOR THE EMPLOYMENT OF APPRENTICES IN THE INDUSTRIAL ENGINEERING WORKSHOP, MADRAS.

Six apprentices will be admitted each year in July for training in the Industrial Engineering Workshop, Madras, without wages, subject to the condition that they will have no claim to be absorbed as wage-earning apprentices after a period of one year to the prejudice of persons already entertained. Paid apprentices' vacancies will be filled up from the ranks of the unpaid apprentices.

2. The period of apprenticeship in the workshop will be five years.

3. The selection of apprentices will be made by the Director of Industries, Madras.

4. No one under the age of 15 will be admitted as an apprentice.

5. Every candidate for apprenticeship should produce, to the satisfaction of the Director, testimonials of his educational qualifications, character and respectability and a medical certificate from a registered medical practitioner that he is of good physique. The minimum educational qualification shall be the Secondary School Leaving Certificate.

6. Every selected candidate will be required to deposit a security of Rs. 10. He will be required to work in the workshop for the full period of his apprenticeship and to obey all orders and rules in force in the workshop or that may be issued from time to time.

7. The deposit of Rs. 10 will be returned to the apprentice one month after the termination of the full period of his apprenticeship but the whole amount or a portion thereof will be liable to be forfeited at the discretion of the Assistant Industrial Engineer in charge of the workshop, if the apprentice absents himself without leave or resigns his apprenticeship before the completion of the full period or causes any damage or injury to the machinery, stores, etc., in the workshop and fails to make good the loss. Should the repair of such damage cost more than the security deposited by the apprentice, he will further be liable to make good the excess.

8. (a) *Dress.*—Apprentices while at work should wear khaki shorts and short sleeved shirts and should wear their hair short, provided there is no objection on religious grounds, as the wearing of loose dress or long hair while working at the machines is dangerous.

(b) All apprentices should attend the Government School of Technology, Madras, regularly. If the attendance of any apprentice at the School is poor and his progress unsatisfactory, his increment will be withheld in the first instance and he will be dismissed if he fails to improve.

(c) *Attendance.*—The hours of work in the workshop are 8 A.M. to 12 noon and 1 P.M. to 5 P.M. on week days and from 8 A.M. to 1 P.M. on Saturdays. The apprentices will put in an attendance of at least 80 per cent. of its working days on pain of being debarred from sitting for the written annual examination. They will be paid wages for the days they attend the School of Technology subject to their putting in the prescribed percentage of attendance in the workshop and producing a certificate of attendance signed by the Principal who will also send to the Assistant Industrial Engineer every month attendance cards of apprentices who actually attend the school.

9. *Wages.*—The scale of wages per working day for an apprentice will be—

During the first year.	Unpaid probationers.
	AS.
“ second “	4
“ third “	5
“ fourth “	6
“ fifth “	8

The grant of increments of wages in the third and succeeding year or years will depend entirely on the proved capacity and increased capabilities of the apprentice as judged by the Assistant Industrial Engineer in-charge of the workshop subject to their putting in the attendance prescribed in paragraph 8 (c). Apprentices who are considered not to have shown sufficient improvement may, at the discretion of the Assistant Industrial Engineer, be given either no increment or a smaller increment than that laid down in the above scale.

10. The course of training in the workshop will be approximately as shown below:—

	Months.
(a) Carpentry	9
(b) Smithy	9
(c) Foundry	9
(d) Machine shop	15
(e) Fitting shop and oil-engine repairs	15

The apprentices will also be trained in workshop office routine in the course of their training. Every apprentice at the end of each course and before transfer to the next course will be given a trial to find out what knowledge he has gained and whether he has utilized his time satisfactorily. If he passes his trial, he will be transferred to the next course. If he fails, he will be allowed to stay a month more in the same section and will then be tried again. If he is still found unfit, he will be dismissed. No wages will be paid for this additional month of training.

11. During the last six months, the apprentice will be required to design and carry out a small job by himself such as the manufacture of a hand drilling machine, a hand pump, etc., to the satisfaction of the Assistant Industrial Engineer.

On the satisfactory completion of the apprenticeship, a final certificate of completion of apprenticeship will be issued in the prescribed form.

12. Leave will be granted without wages for illness, on production of a medical certificate from a registered medical practitioner, or for other strong reasons. Leave without wages for a period of 15 days every year during the summer vacation of the School of Technology will also be granted in convenient batches, but the period of training of

1939.]

*Apprenticeship Schemes.*

21

the apprentice thus taking leave will be extended by a corresponding period. No extension of apprenticeship will be necessary in the case of leave granted on medical certificate or for other reasons, if the period of leave does not exceed one month and if the Assistant Industrial Engineer in-charge of the workshop is satisfied with the efficiency of the apprentice; but if the period of leave exceeds one month, the period of apprenticeship will either be extended by the entire period of absence or by the period of excess over one month only, as the Assistant Industrial Engineer directs.

13. The Director may, on the recommendation of the Assistant Industrial Engineer terminate an apprenticeship at any time and may discharge an apprentice if his work or conduct is unsatisfactory and may decide what portion of his deposit shall be forfeited to Government.

**Bombay.****NOTE ON BOMBAY APPRENTICE SCHEME, 1938.\***

A memorandum on the organisation of the Bombay Apprentice Scheme was submitted to the Ninth Industries Conference in 1937 and it was published in the proceedings of that Conference. A reference to it is invited.

Under this scheme admissions were given for the first time in July 1937. The apprentices admitted last year completed their first year's training and sat for their sessional examination in May last on the completion of which they were allowed to take a short holiday before commencing their second year. Although there has been gradual wastage throughout the year the number remaining on the roll at the end of the year was still higher than that anticipated. Many of the apprentices, it was noticed, had been able to increase their monthly earnings appreciably due to their ability to substitute for absent skilled workers from time to time. It is manifest that those who have resolved to continue their training under the scheme are happy and contented. They fully appreciate the fact that they are qualifying for definite skilled jobs in which they can earn a fairly decent livelihood for themselves instead of pursuing the will-o'-the-wisp of the traditional academic type of education which they would otherwise have done had the Apprentice Scheme been not initiated. The scheme has, therefore, been the means for the diversion of a large number of boys from the traditional academic high schools to a form of "bread-and-butter" education which was their crying need.

2. The number of apprentices admitted this year under the scheme is about 250 which is less than the number admitted last year. This falling off is mainly due to some of the firms co-operating in the scheme being unable to accommodate as many apprentices in the mills this year as last year. It is satisfactory to note, however, that there has not been as much unrest among the new recruits this year as last year.

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\*Prepared by the Director of Industries.

3. The total number of boys under training in this second year of the scheme in the two cities of Bombay and Ahmedabad is at present about 450. These boys are apprenticed to 44 textile mills and 20 engineering concerns in the City of Bombay and 31 textile mills in Ahmedabad. The boys are bound to attend evening classes twice a week in technical subjects at the V.J. Technical Institute, Bombay and R. C. Technical Institute, Ahmedabad.

4. The negotiations conducted by this Department with the textile mills in Sholapur City have led to the acceptance of the Apprentice Scheme by five mills in that city who have agreed to admit among themselves 50 apprentices each year under the scheme. Subject to financial provision being made in the next year's budget, the Apprentice Scheme will be introduced at Sholapur with effect from July, 1939. It is gratifying to state that the Sholapur Municipality has generously come forward to bear half the cost of new buildings, laboratories, etc., required in connection with the Apprentice Scheme, which implies a keen sense of civil responsibility and far-sightedness on the part of the City Fathers, an example worthy of emulation by other municipalities in this country.

5. It is felt that the traditional method of selecting apprentices, namely, by means of a written test followed by a personal interview does not ensure the selection of the right type of boys for apprenticeships, particularly since their earlier education does not develop in them any definite bias for, or interest in, industrial work. It is felt, therefore, that it will be a step in the right direction to establish a Vocational Bureau on modern scientific lines to assist and guide young men in the right choice and selection of careers. The existence of such a bureau, it is felt, will make for more intelligent selection of apprentices and the elimination of misfits and wastage due to wrong choice of vocation.

6. Experience gained under the Bombay Apprentice Scheme though brief leaves no room for doubt that this form of vocational education has certain attractive and desirable features which the full-time technical schools lack. No other form of technical education can, for instance, solve the difficult question of bringing education into industry and industry into education as satisfactorily and effectively as a sound system of apprenticeship can do. On the other hand, the apathy and short-sighted policy of some industrial establishments which do not co-operate with such a scheme are likely to jeopardise the sustained growth and stability of organised and systematic apprenticeship especially in India where it is comparatively new. It is felt, therefore, that mandatory legislation by which alone all suitable industrial

establishments will be obliged to accept apprentices under prescribed conditions, regarding wages and training facilities, etc., is absolutely essential if an apprenticeship system such as the Bombay Scheme represents is to fulfil its purpose and continue to gain in strength from year to year.

### Punjab.

The Punjab has paid special attention to the matter of providing sound vocational and practical training to meet the requirements of industries, and the following measures have in particular been taken in this behalf:—

(1) A number of trade schools and institutes have been opened in order to meet the demand for skilled labour, both superior and inferior. A statement showing the names of the institutions with crafts and trades taught therein is appended.

(2) A Government Demonstration Weaving Factory has been opened at Shahdara to train weavers and educated persons in power-loom weaving, as apprentices. The apprentices are given monthly scholarships.

(3) In the case of big loans or in cases where a minimum return is guaranteed on the capital invested in an industry under the Punjab State Aid to Industries Act, a clause is included in the agreement to provide that a certain number of apprentices to be nominated by the Industries Department will be trained as apprentices.

(4) Workshops are being attached to be run on commercial lines to some of the trade schools where training as apprentices would be given and the apprentices will receive wages according to outturn.

Apart from the institutions and activities of the Industries Department, Punjab, referred to above, the Workshop of the North Western Railway, the Ferozepore Arsenal, the Rawalpindi Arsenal, the Chaklala Heavy Motor Transport Repair Department, and the P. W. D. Central Workshop, Amritsar, have apprenticeship systems to make good "waste" in skilled labour according to their own system of apprenticeship.

Private factories have their own system of apprentices to fill vacancies occurring from time to time. They have generally no system by which educated persons in general could receive training as apprentices. The fact is that when trade thrives, employers do not need to be asked to take apprentices because they need their labour, or foresee the need of it, but when trade declines, employers do not wish to be

forced to engage apprentices. The alternative is to pass legislation, but it is highly undesirable to legislate for this purpose, for it is urged, to a certain extent correctly, that Government has not given the assistance, to the extent which lay in its power, to help industries, *e.g.*, through its policy of purchases. Government is the biggest individual consumer of most of the articles, and the present purchase policy is stated not to be directly aimed at the establishment of new industries. It is suggested that in the case of industries which have been granted protection or which receive substantial orders from the Indian Stores Department or from a Provincial Stores Purchase department, it should be made a necessary condition that a percentage of boys to be nominated by the Department of Industries would be taken in as apprentices. At present most of the big manufacturing concerns are averse to admitting apprentices.

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**STATEMENT SHOWING THE NAMES OF INSTITUTIONS UNDER THE INDUSTRIES DEPARTMENT WITH CRAFTS, ETC., TAUGHT THEREIN MINIMUM EDUCATIONAL QUALIFICATIONS FOR ADMISSION AND THE DATES OF ADMISSION.**

1939.]

Serial No.	Name of Institution.	Crafts or trades taught.	Length of course.	Minimum educational requirements for admission.	Dates of admission.
1	2	3	4	5	6
1	Government Institute of Dyeing and Calico Printing, Shahdara.	<i>Dyeing and Calico Printing—</i> 1. Foreman Dyers Class . . . . . 2. Artisan Dyeing Class . . . . . 3. Calico Printing Class . . . . .	2½ years 1½ „ 1½ „	(1) Matriculation of the Punjab University or equivalent qualifications. (2) and (3) Artisans, e.g., Calico Printers, Dyers, Weavers and other connected with the dyeing or weaving industry or other boys having knowledge of 3 R's.	About the middle of June.
2	Government Central Weaving Institute, Amritsar.	<i>Handloom Weaving—</i> 1. Higher Class . . . . . 2. Artisan Class . . . . .	2 years 1 year	1. Matriculation of the Punjab University or equivalent qualifications. 2. Weavers . . . . .	1st October.
3	Government Hosiery Institute, Ludhiana.	<i>Hosiery—</i> 1. A Class . . . . . 2. B Class . . . . . 3. Workmaster's Class . . . . .	2 years 1 year 1 „	1. Matriculation of the Punjab University or equivalent qualifications. 2. Artisans and others . . . . . 3. Direct admission to this class is not made. Four best students from among those who have passed the B Class examination are admitted to this class for further intensive training.	Last week of August.

Apprenticeship Schemes.

Serial No.	Name of Institutions.	Crafts or trades taught.	Length of course.	Minimum educational requirements for admission.	Dates of admission.
1	2	3	4	5	6
4	Mayo School of Arts, Lahore.	1. Cabinet work 2. Iron work 3. Copper-smithy, silver-smithy, and allied crafts. 4. Modelling in Clay and plaster casting. 5. Lacquer work 6. Trade painting and Decorating 7. Fine Arts 8. Goldsmithy, Jewellery and Enamelling.	3 years      No fixed duration  2 years	The minimum qualifications for admission is the Industrial Schools Final Examination Certificate or the Vernacular Final Examination. Preference is given to students who have some knowledge of English.	1st April.
5	Government Demonstration Weaving Factory, Shahdara.	<i>Powerloom Weaving</i> — 1. Class A  2. Class B  3. Class C	2 years	Graduates or under graduates or those who have passed the higher class Examination of the Government Central Weaving Institute, Amritsar.  Matrics  Weavers	No regular session. Apprentices are admitted whenever there are vacancies.



6	<p>Government Wood-working Institute, Jullundur.</p>	<p>Theoretical and practical training in woodwork by modern methods including the use of the latest power driven machinery. Two courses are provided—</p>	<p>(1) Main course . . . . . 4 years</p>	<p>Vernacular or Anglo-Vernacular Middle Examination pass. Preference is given to Matriculates who took Drawing in the Matriculation or School Leaving Certificate Examination, and possess some knowledge of woodwork such as is given in manual training centres of the Education Department or to those who are hereditary woodworkers. Students who have passed the Final Examination of Industrial Schools, Type I or Type II with woodwork as their craft will be admitted direct to second or third year classes according to their individual capacity.</p>	<p>1st April to 31st May.</p>
		<p>(2) Special Artisan Course in Machine work and Machine Shop Practice.</p>	<p>1 year</p>	<p>Persons already in the woodworking trade who desire to improve their general trade knowledge are eligible for admission.</p>	
7	<p>Government Metal Works Institute, Ambala City.</p>	<p>Theoretical and practical training in metal work by modern methods, including the use of power machines and mechanical drawing. The practical course aims at the production of pumps, internal combustion engines and other allied objects and covers training in pattern making, forging and welding, fitting, turning, machining, erection, finishing and reconditioning and repairing of automobiles.</p>	<p>4 years</p>	<p>Vernacular Final Pass, Preference given to Anglo-Vernacular Middle passed, or industrial Final Examination passed students with metal work as their craft subject and to matriculates or applicants with higher educational qualifications.</p>	<p>1st April to 31st May.</p>

Serial No.	Name of Institution.	Crafts or trades taught.	Length of course.	Minimum educational requirements for admission.	Dates of admission.
1	2	3	4	5	6
8	Government Metal Works Institute, Sialkot.	Theoretical and practical training in metal work by modern methods, including the use of power machines and mechanical drawing. The practical course aims at the production of small machines for operation by hand or power and other allied objects and covers training in pattern making, moulding and casting, brass and iron forging, and welding, fitting, turning machining erection and finishing.	4 years.	Vernacular Final Pass, Preference given to Anglo-Vernacular Middle passed, or industrial Final Examination passed students with metal work as their craft subject and to matriculates or applicants with higher educational qualifications.	1st April to 31st May..
9	Government Tanning Institute, Jullundur City.	<p><i>Tanning—</i></p> <p>Class A . . . . .</p> <p>Artisan Class . . . . .</p>	2 years	Matriculation of the Punjab University or equivalent qualifications.	1st week of June..
10	Government Technical School, Lahore.	<p>1. Electro-Mechanism . . . . .</p> <p>2. Die Press Sheet Metal work . . . . .</p>	4 years	<p>Admission is made on the results of an entrance examination, which is open to students who have passed the Vernacular Final or the Anglo-Vernacular Industrial Final Examination.</p> <p>Vernacular Final or the Industrial Final Examination.</p>	About the 1st week of June..
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11	Government Industrial School, Ambala Cantonment.	1. Brass casting and utensil making	3 years	Primary passed boys are eligible. Preference is, however, given to Middle passed boys. Middle passed boys are admitted	1st April.
		2. Carpentry	2 "		
		3. Smithy	2 "		
12	Government Industrial School, Amritsar.	Tailoring and cutting	3 years	Matriculates or literate hereditary tailors are eligible for admission.	Admission throughout the year whenever there is a vacancy.
13	Government Industrial School, Ferozepore.	Urban cottage industries in wood and metal.	3 "	Vernacular Middle pass	1st April.
14	Government Industrial School, Gujrat.	1. Carpentry	2 "	Lower Middle pass	1st April to 31st May.
		2. Smithy	2 "		
		3. Weaving	3 "		
15	Government Industrial School, Gujranwala.	1. Heavy metal work as applied to tool making.	3 years	Vernacular Final Examination Pass. Preference given to Industrial Final Examination passed boys with metal work as their craft. Vernacular Final Examination pass	1st April to 31st May.
		2. Carpentry	2 "		
16	Government Industrial School, Hoshiarpur.	1. Weaving (art silk and mixture weaving).	3 years	Literate persons are eligible for admission but preference is given to literate hereditary or professional weavers. Lower Middle pass	1st April and 1st October every year. 1st April to 31st May.
		2. Carpentry	2 "		

Serial No.	Name of Institution.	Crafts or trades taught.	Length of course.	Minimum educational requirements for admission.	Dates of admission.
1	2	3	4	5	6
17	Government Industrial School, Jhelum.	Woodwork specialising in camp requisites and portable furniture.	3 years	Vernacular Final Examination pass	1st April to 31st May.
18	Government Industrial School, Jhang.	1. Carpentry . . . . . 2. Lock making . . . . .	4 years 4 "	IVth Primary class pass Vth Primary class pass	} 1st April to 31st May.
19	Government Industrial School, Kasur.	1. Leather work . . . . . 2. Carpentry . . . . . 3. Smithy . . . . .	3 years 2 " 2 "	} Vernacular or Anglo-Vernacular Middle pass.	
20	Government Industrial School, Kulu.	Wool spinning and wool weaving	1½ years		Must possess knowledge of the local methods of weaving. Literate weavers are given preference.
21	Government Industrial School, Ludhiana.	1. Hosiery Machine Building . . . . . 2. Carpentry . . . . . 3. Smithy . . . . .	3 years 2 " 2 "	Vernacular Final Certificate. Students have first to spend one year in the preparatory class. Vernacular or Anglo-Vernacular Middle pass Ditto	} 1st April to 31st May.
22	Government Industrial School, Lyallpur.	1. Agricultural implement making . . . . . 2. Carpentry . . . . .	3 years 2 "	Lower Middle pass Ditto	
23	Government Industrial School, Rewari.	1. Weaving (Fine cotton weaving such as <i>sahris</i> , <i>turbans</i> and <i>dupattas</i> ).	2½ years	Hereditary or professional weavers are admitted. Literate non-weavers can also be admitted if there are vacancies.	April and October every year.

24	Government Industrial School, Multan.	2. Leather work . . . . .	2 "	Primary passed boys are eligible for admission.	1st April to 31st May.
		1. Silk weaving . . . . .	3 years	Lower Middle pass. Literate hereditary and professional weavers are also admitted.	} April and October every year.
		2. Carpet weaving . . . . .	3 "	Lower Middle pass. Literate hereditary and professional carpet weavers are also admitted.	
		3. Carpentry . . . . .	2 "	} Lower Middle pass . . . . .	} 1st April to 31st May.
4. Smithy . . . . .	2 "				
25	Government Industrial School, Rawalpindi.	1. Carpentry . . . . .	4 years	Primary pass . . . . .	} 1st April to 31st May.
		2. Smithy . . . . .	4 "	Ditto . . . . .	
		3. Basketry . . . . .	3 "	Middle pass . . . . .	
26	Government Industrial School, Roh-tak.	1. Cotton weaving . . . . .	2 "	Vernacular Final Examination pass. Hereditary weavers are given preference.	April and October every year.
		2. Carpentry . . . . .	2 "	} Vernacular or Anglo-Vernacular Middle pass.	} 1st April to 31st May.
		3. Smithy . . . . .	2 "		
		1. Wool spinning and weaving . . . . .	3 years	} Literate boys are eligible for admission. Preference is, however, given to those who have passed the Vernacular Final Examination.	} 1st April to 31st May.
2. Iron work . . . . .	3 "				
3. Tanning . . . . .	1 year				
27	Government Industrial School, Muzaffargarh.	4. Leather work . . . . .	2 years		

Serial No.	Name of Institutions.	Crafts or trades taught.	Length of course.	Minimum educational requirements for admission.	Dates of admission.
1	2	3	4	5	6
28	Government Industrial School, Panipat.	1. Wool spinning and wool weaving	3 years	Vernacular Final Examination pass. Preference is given to hereditary weavers. Literate adult weavers are eligible for admission even without the Vernacular Final Certificate.	1st April to 31st May.
		2. Woodwork and Cabinet making	2 "	Lower Middle pass	
29	Government Industrial School, Dera Ghazi Khan.	1. Carpentry.	4 "	Primary pass	1st April to 31st May.
		2. Blacksmithy. } along with general education,			
		3. Lacquer Turning.			
30	Government Industrial School, Montgomery.	1. Carpentry.	4 "	Primary pass	1st April to 31st May.
		2. Blacksmithy. } along with general education,			
31	Government Industrial School, Saragodha.	1. Carpentry.	4 "	Primary pass	1st April to 31st May.
		2. Blacksmithy. } along with general education.			
32	Government Industrial School, Hissar.	1. Wool spinning and weaving	18 months	Literate hereditary weavers or their boys are given preference.	April and October every year.
		2. Carpet weaving	18 "		

**Bihar.**

It has been admitted that the present system of education is defective and to a certain extent is responsible for the increase in the number of the educated unemployed. The Employment Bureau started by Government has been considering in consultation with Employment Board as to how to remedy the present unsatisfactory condition, and has come to the conclusion that the state of affairs can be partially remedied if an apprentice scheme for the training of young men is put into effect. The apprentice scheme inaugurated by Bombay will not suit Bihar, as industries here with a few exceptions are scattered. An apprentice scheme (copy attached) is therefore receiving its attention.

Another scheme for the absorption of Matriculates, I.A.'s and I.Sc.'s, B.A.'s and B.Sc.'s, M.A.'s and M.Sc.'s, in the industries of the province is also receiving the attention of the Bureau.

It is hoped that the industrialists in Bihar will co-operate but in case they fail to respond, it will be necessary to prescribe some sort of legislation compelling them to accept a certain number of apprentices according to their requirements.

*Apprentice scheme.*

The problem of unemployment among the educated middle class of the province has become acute and an attempt to solve the problem is being made by the Government of Bihar who have sanctioned the establishment of an Employment Bureau which has been functioning for the last three years. In the province of Bihar, there are only four technical institutions for imparting training to mechanical apprentices and the artisans. The average output of these institutions is approximately 290 whereas there are 31,391 posts in industries in the province requiring young men of the above qualifications. Assuming that there will be 4 per cent. annual vacancies the total vacancies are likely to be 1,375. The Tata Iron and Steel Company and the Jamalpur Railway Workshop have got their own institutions for the training of apprentices. There is however considerable scope for the training of more young men. For want of adequate facilities for such training, many boys after passing the Middle English Examination run to High English schools and then to colleges for higher education but at the end they find themselves unable to obtain an employment. If they had pursued a vocational training in industrial and technical lines, they would have greater chance of earning a living for themselves and their family. A re-organisation in the system of education appears necessary.

The Employment Bureau has been considering in consultation with the members of the Employment Board as to how to remedy the present

unsatisfactory conditions and has come to the conclusion that this state of affairs cannot be remedied unless an apprentice scheme for the training of young men is put into effect.

The proposed apprentice scheme involves the acceptance by the industrial establishments in this province of boys who have passed the Middle English Examination, for training for a period of 5 years. It has been realised that in the present progressive state of industries, practical knowledge only without an adequate grounding in the scientific principles on modern lines, is defective. As such it is proposed that the boys should attend technical classes in the evening during the whole period of their training so that both the theoretical and practical training are carried on simultaneously. Industries in Bihar, except the Iron and Steel industry and other subsidiary industries at Jamshedpur and the Railway workshop at Jamalpur being scattered throughout the province, the establishment of evening classes is faced with difficulties and the cost of the employment of new staff for running these evening classes is likely to be prohibitive. It is therefore proposed that wherever the industries are scattered, no new staff is to be appointed but an allowance may be given to the staff already employed there to impart theoretical training.

In order to attract really deserving candidates, it is also proposed that the industrialists should pay Rs. 10 a month as wages according to ability and after a few months training when they have made themselves useful in the factory concerned they should be given higher wages. As far as possible, these boys after training should be absorbed as skilled workers into the industrial establishments concerned.

To start with the scheme is proposed to be put into operation in the following industries :—

- (1) Tata Iron and Steel Company and the subsidiary Industries at Jamshedpur.
- (2) Indian Copper Corporation, Ghatsila.
- (3) Kumardhobi Fire Clay, Engineering and Silica Works.
- (4) Rohtas Industries, Limited.
- (5) Reliance Fire Brick and Pottery Works.
- (6) Associated Cement Works, Khelari.
- (7) Japla Cement Works.
- (8) Jute Mills at Katihar.



1939.]

*Apprenticeship Schemes.*

35

*Number of boys under training.*

The number of boys proposed to be put under training during five years is as follows :—

	1938-39.	1939-40.	1940-41.	1941-42.	1942-43.
Jamshedpur	40	40 new 30 from previous year.	40 new 60 from previous year.	40 new 90 from previous year.	40 new 120 from previous year.
Ghatsila	10	10	10	20	10
	..	7	14	21	28
Kumardhobi	10	10	10	10	10
	..	7	14	21	28
Barakar	10	10	10	10	10
	..	7	14	21	28
Khelari	10	..	..	..	10
Japla	10	..	..	..	10
	..	..	..	..	28
Jute mills, Katihar	10	..	..	..	10
	..	..	..	..	28
Rohtas Industries	15	15	15	15	15
	..	10	20	30	40

*Course of training.*

The courses of training proposed are mechanical engineering, electrical engineering, Chemical engineering and laboratory works. No fee should be charged from the candidates selected for apprenticeship.

The training of apprentices will be carried on under the guidance of the Employment Board constituted by Government.

*Orissa.*

Industries must be brought into closer relationship with any scheme of apprentice education. There are two reasons for this. One is that it should be ascertained what an industrialist requires of an apprentice by way of preliminary basic education. He is in the best position to state this with accuracy and authority. The second reason is that it should be known what the demand for recruits is and limit the training strictly to that number. As Mr. Abbott says in his report it will be a great misfortune if a body of men after receiving a technical training find no opportunity of using the knowledge. Recently the Government of Orissa have been in communication with a number of manufacturing concerns interested in paper and ceramics. The former pointed out in unmistakable terms that the chances of employment were so limited that it would be unwise to give training to any number

over and above that which can be absorbed in the existing industries. Similarly with the ceramics, except that one of the concerns demanded an undertaking that the trained men would not develop a rival concern within certain geographic limits of its works.

The obstacles to the development of any scheme of apprenticeship enumerated by the Government of India are now in the process of dissolution. The lack of tradition and a back-ground of industries is bound to be felt at the initial stages, but is now a diminishing factor. It is now time that the subject of proper training received attention.

For a close association with industries a Committee of the type advocated by Mr. Abbott will be most suitable. But its first function in Orissa should be to survey the field to ascertain the numerical extent of the requirements of the existing industries of the province. Thereafter, it should determine how far the existing facilities of training can be modified and new ways undertaken to suit requirements. The industries should then be asked to undertake at least in the beginning, to confine their recruitment to apprenticeship to such men as are trained at these institutions. Admission to such institution will have to be strictly controlled so that the unsuitable type do not rush them for the bait of secured apprenticeship at the conclusion of their training.

The above remarks relate to the general subject. Mr. Abbott does not contemplate establishment of a vocational school at any centre of industry with a population of less than 50,000. In Orissa, there are no centres of industry and the number of industries is also very few. But whatever there is, and adding commerce to it, an advisory committee may, in the first instance, examine the subject in the light of the report.

There can be no question that the system of apprenticeship for skilled labour is necessary, and the principal point in a scheme of training of apprentices should be that their number should be such as could be normally absorbed by the industry.

Whether legislation is necessary to work a system of apprenticeship depends on the practical difficulties of the problem of which the Government of Orissa are not aware, for the reason that Orissa is not an industrial province. It will, therefore, be difficult to give an opinion on the subject except to say that if employers are not willing to work a well planned scheme of apprenticeship voluntarily they should be made to do so by legislation. In Orissa there are altogether only 86 factories of which 65 are rice mills and they work only during a very limited

period in the year. The number of employees is less than 3,500 and perhaps only about  $\frac{1}{4}$ th of these are skilled labourers. It will thus be seen that there is hardly any scope for any scheme of apprenticeship in Orissa.

An attempt was, however, made in the early part of this year to give practical training under factory condition to the class of students who take Industrial Diploma Course from the Orissa School of Engineering. This is a five years course, two years of which are spent in acquainting the students with the appearance, structure and properties of materials commonly used in engineering and teaching them the use and the handling of tools and machinery. The remaining three years are spent in specialising in one of the shops mentioned below :—

1. Carpentry, cabinet-making and painting shop.
2. Pattern making and moulding shop.
3. Smithy and fitting shop.
4. Machine shop.
5. Motor shop.
6. Electric shop.

The Government of Orissa addressed five of the principal rice mills in the province to take certain boys for practical training as apprentices and even added that the mills did not have to guarantee to employ the apprentices upon termination of their training. Except one of the mills which refused to take any apprentice, no other mill even replied to the letter. Government would not, therefore, be surprised if difficulties are felt in other provinces where there is scope of working an apprentice scheme and it would indicate that a certain amount of compulsion is perhaps necessary. As for Orissa, the Provincial Government do not think that there is much scope for an apprentice scheme in these rice mills which function only for three or four months in a year and entertain very few skilled labourers.

#### Sind.

No further progress has been made in this Province.

2. The extremely limited number of large-scale industries places Sind at a very great disadvantage in the matter, and the separation of Sind from Bombay has still further accentuated the difficulties as the well-organized factories of Bombay are now closed to the youths of Sind. In the circumstances it would seem necessary to obtain facilities for apprenticeships from the Provinces which are better situated industrially and to that end to secure assistance from the Central Government.

3. There are concerns such as the Port Trust, Airways, Cement factories, Electric Supply Companies, which could accommodate a limited number of apprentices but it is doubtful if they would agree voluntarily to any scheme in this behalf. It would probably be necessary to have recourse to legislation as suggested by certain administrations at the ninth Industries Conference.

#### Mysore.\*

Although no apprenticeship scheme as such is in force in the Mysore State, facilities have been made available for the training of young men in the various industrial and other establishments both State owned and private to a certain extent.

2. During the last 10 years 72 persons were trained at the Mysore Iron and Steel Works of whom 28 were Graduates and 44 were Engineering Students. All these were absorbed in the Works. A dozen or more Graduates from the Mysore and other recognized Universities are permitted to undergo practical training in the several sections of the works every year. A number of boys belonging to the workmen class who are dependents of the employees are taken as unpaid apprentices to begin with and after training are absorbed as regular workmen, i.e., as Firemen, Machinemen, Carpenters, Foundrymen and Smiths.

3. At the Government Electric Factory 9 Graduates and 13 Engineering School Students were trained during the last 5 years of whom 2 Graduates and 10 Engineering School students were absorbed. Arrangements have been made to take 5 Graduates and 10 Engineering School students for training this year. Graduate students get stipends at Re. 1 per day during the first half year and at Rs. 1/8/- per day during the second half year. Engineering School students get stipends at 8 annas per day during the first half year and at 12 annas per day during the second half year. On completion of the training these will be absorbed according to their merits and according to the requirements of the Factory.

4. 53 Apprentices are under training at the Government Central Industrial Workshop, Bangalore. Two students of the Engineering School also are receiving practical training.

5. Four Graduates, two in each at the Government Soap Factory and the Government Porcelain Factory were trained. Two of them have been absorbed, one in each of the two factories and the other who received training at the Government Soap Factory has started a private enterprise of his own.

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\* Circulated in Bombay.

6. At the Government Silk Weaving Factory facilities were extended to two students of the Government Weaving Institute and 2 students from outside the State for undergoing practical training.

7. The Sericultural Department affords facilities in all the Government Silk Farms in the State for the training in Sericulture of educated young men and sons of sericulturists. The course of training extends over a period of one year and covers all the branches of the industry. No fee is charged for the training and scholarships are granted wherever necessary by Government and local bodies such as District Boards. From the year 1926-27, 350 persons of whom 18 Graduates were trained in the industry. A number of them have taken up the industry and the rest have been employed in the Sericultural Department.

8. Students that complete their training at the Government Weaving Institute are taken as apprentices in the several local textile mills. From 1932, 51 students have received such training and many of them have started their own business on a small scale with power and hand-looms. Whenever necessary financial assistance in the shape of loans is being given to such trained students to carry on the business.

9. A scheme of apprenticeship training for Harijan boys has been sanctioned by Government according to which 40 persons get training every year in batches of 20 each in Textile Mills and other industrial concerns under the following conditions :—

- (a) The Harijan Sevak Associations will provide lodging and boarding to local Harijan Youngmen during the period of their training.
- (b) An apprenticeship stipend of Rs. 4 will be awarded to each person during a maximum training period of 6 months and will be stopped if at any stage during that period he is able to earn a wage in the concern in which he is undergoing training.
- (c) The number of persons to be trained will be limited to 20 at a time.
- (d) Government will meet the cost of the apprenticeship stipend and any extra expenditure that may become necessary over and above Rs. 4 per stipend will be met by the Association.

10. The Government of Mysore realise the importance of formulating a scheme of apprenticeship training in industry and trade with a view to attacking the problem of middle-class unemployment and supply of

trained and intelligent workers for the large number of industrial concerns already established in the State. A questionnaire has been issued to all the important concerns in the State to elicit information on several points connected with the scheme, the more important of which are enumerated below :—

- (i) Requirements of trained labour and technical men (either annual or periodical).
- (ii) Arrangements in force for recruiting trained people.
- (iii) Whether the concerns are agreeable to take selected number of candidates and, give them training for a stated period and absorb them as and when vacancies occur. (Candidates to be selected according to their present or potential demand.)
- (iv) If they are agreeable to afford training, terms and conditions under which they could undertake to do so with other particulars regarding the duration of training, facilities that would be made available, etc.

11. The subject will be pursued soon after the required information is received from the Industrial Concerns in the State.

12. It is hoped that it may be possible to bring into force a suitable scheme of apprenticeship on a voluntary basis and without resorting to legislative action.

#### Discussion.

*Monday, January 23rd, 1939.*

The Chairman mentioned that this matter was discussed in the last Conference at Lahore and the different schemes being tried out by some of the provinces were explained. The question arose whether legislation was necessary for the development of the schemes and the Provinces had been addressed in the matter. So far as the Central Government was concerned, that Government was itself in control of such enterprises as appertained to the Centre and it was therefore unnecessary for the Central Government for its own purposes to institute any legislation. With regard to the Provinces, however, there had been some divergence of views as to whether legislation should be undertaken or not. Bombay said that it was necessary, Bihar and Orissa thought that it might be necessary, while the Punjab thought that this step should be taken only in the last resort. He first asked Bombay to develop their point of view.

Mr. Advani (Bombay) said that the apprenticeship scheme was started in Bombay about two years ago on a voluntary co-operative basis. Details were given in the Memorandum submitted. About three years ago industrial concerns and workshops were addressed as

to how many apprentices they would be prepared to take. In the two cities selected—Bombay and Ahmedabad—in the first year about 333 apprentices were taken on but in the second year the response was not so good and only 250 apprentices were taken on. Altogether less than half the number of all possible industrial establishments had made offers in this connection and it had been found that the manner in which the training was given varied from factory to factory. If full advantage was to be obtained, a much larger number of industrial establishments, if possible all, should come into the scheme. At the same time it was understood that Government would provide the necessary evening technical classes. Other matters which required control were wages to apprentices, time-off for classes, etc., and it was therefore necessary to consider seriously the introduction of legislation. As conditions did not vary greatly from Province to Province it seemed to be for the Central Government to undertake the necessary legislation.

Mr. Ramakrishna (Madras) said that the Government of Madras had not fully considered the question of legislation. Personally he was in favour of legislation, although voluntary co-operation was achieving some results.

Mr. Mitter (Bengal) said that in Bengal a technical education Advisory Committee had been set up. The Government of Bengal were reluctant to support legislation as they found that at present the voluntary system was working well. But if later it was found that legislation was necessary he was of opinion that Central legislation should be undertaken.

The Honourable Dr. Katju (United Provinces) stated that the United Provinces Government was in favour of legislation. It was found that persuasion was not really effective, but if the sanction provided by legislation existed, he was of opinion that persuasion would then produce the necessary results.

The Chairman referred to page 12 of the Punjab Memorandum and enquired as to which Government was referred to by the Punjab, the Central Government or the Provincial Government?

Rai Bahadur Lala Ram Lal (Punjab) said that in the Punjab it was intended to set up a stores purchasing organization and one of the conditions included in the tenders would be that a successful tenderer should give training to a certain number of apprentices. The same system, he suggested, should be adopted by the Chief Controller of Stores at the Central Government. He mentioned that he had written to various firms in Calcutta asking them to take boys for practical training, but had not been successful.

Mr. Dhar (Bihar) said that the problem in Bihar was somewhat different from that of other Provinces. In Bihar, industries are scattered over the Province. The object, he said, was to increase the efficiency of skilled labour and the method employed was to take educated boys and train them in practical conditions. His impression was that legislation, if enacted, would be brought into force only in particular areas, or be applied to particular industries at the option of the Provincial Governments. If this was so, the Bihar Government was in favour of the legislation proposal.

Mr. Desai (Central Provinces and Berar) said that the Government of the Central Provinces and Berar had approached industrial concerns on the question of the training of apprentices, but there were no signs of co-operation and therefore no progress had been possible. There were only two big industries in the Central Provinces and Berar which absorbed some apprentices, viz., the Empress Mill at Nagpur and Potteries at Jubbulpore. These made their own selection, but not on the lines contemplated by Government. He was therefore in favour of legislation, which should be Central legislation, for the purpose of regulating the taking on and training of apprentices. It should, however, be left to the Provinces to give partial or full effect to the legislation.

The Chairman said that it seemed that the experience of the Central Provinces and Berar had been more discouraging than that of other Provinces. He enquired whether it was necessary to insist upon the selection of apprentices by Government. Could not some machinery be set up so that industries themselves could make the necessary selection?

Mr. Mehta (Assam) had nothing to add to the remarks made last year, as there was little scope for the training of apprentices in Assam.

The Honourable Khan Mohd. Abbas Khan (N.-W. F. P.) mentioned that the N.-W. F. P. had no large scale industries and were therefore not yet in a position to train apprentices.

Mr. Thadani (Sind) said that the position was the same as last year and that Sind was hoping for assistance in this matter from other and more fortunate Provinces.

The Honourable Mr. Kanungo (Orissa) was in favour of Central legislation to provide for the training of apprentices. The number of apprentices to be taken by each industrial establishment should, in his opinion, be in accordance with the absorbing capacity of such industry. Selection of apprentices should be made by Government and the industries concerned jointly.

The Chairman invited Mr. Sargent, Educational Commissioner with the Government of India, to address the Conference.



Mr. Sargent said that the question was one which was exercising industrialists and educationists in England. The matter had been under consideration for some time. It was realised that there was a dearth of well educated and intelligent boys in industry, but so far the educationists had been on the defensive and had been charged by industrialists with providing a system which took little account of the needs of the industries. As to the method of producing future leaders among the skilled workers, he was of opinion that there were two ways of doing this. One was that the industries could choose their own material from among their workers and provide facilities for broadening their outlook. The other was to give a sound general education first and then provide the necessary practical experience. His view was that the second method was to be preferred. He said that unless the educational system provided for a training which had in mind the needs of industry and commerce, the intellectual cream would be turned away more and more from industries. The best boys were now able to obtain secondary schools scholarships and as the secondary school course generally led to clerical, academical and professional pursuits, under the present system the better brains were diverted from industry. In England there was a strong movement on foot to provide for the needs of industries and to counteract the over-academic tendencies of the present educational system. To push forward industrial training it was considered that the preliminary training given in schools was a vital consideration and the Spear report recently published was in favour of the establishment of technical high schools.

Mr. Pillay (Travancore) said that his Government had started an institution to provide training on technical lines and had also arranged with some of the interests concerned to admit students for practical training. There were however not sufficient big factories in Travancore for training purposes and they would have to depend upon some of the institutions in British India. Certain firms came forward and promised to take a portion of their students every year to give practical training. He thought that it was rather difficult for those firms to take a stipulated number of students every year, as they considered that that might interfere with their work. The Travancore Government had, under their University, started training some candidates in textile chemistry and textile technology. In addition to the theoretical training given to the students, Travancore had a commercial section attached to the Technological Institute, where the students were given some preliminary training under factory conditions. Any legislation decided on in British India must be extended to Indian States, so that the latter could send their boys for training in British India. The Travancore Government allowed students from British India to come to their Institute for training.

Captain Dhanda (Indore) mentioned that in Indore the unemployment problem was not very serious. As regards the question of training apprentices, he thought an element of compulsion was probably unnecessary, but if in future it was found necessary legislation would probably be undertaken.

Lala Ramjidas Vaishya (Gwalior) stated that to secure the training of apprentices no compulsion would be necessary.

Dr. Mehta (Baroda) said that an apprenticeship scheme for the textile mills was under consideration and he was of the opinion that voluntary co-operation alone would not fully serve the object in view. Legislation would be desirable and it should be on an All-India basis in order to prevent an outcry from local industries affected by the scheme.

Mr. Ramchendra Rao (Mysore) said that no apprenticeship scheme as such had so far been developed in Mysore. In co-operation with particular industries some apprentices, however, were provided for. As co-operation was forthcoming Mysore would probably not agree to legislation.

Mr. Crofton (Hyderabad) said that if the proposed legislation was undertaken the selection of apprentices by the industries themselves should be adequately provided for.

The Honourable Mr. Corea (Ceylon) after expressing the appreciation of his Government for the invitation extended to them to take part in deliberations of the Conference, said that they had a scheme of voluntary apprenticeship. Their experience was that it was most unsatisfactory. They therefore strongly supported the plea for a compulsory scheme.

Certain difficulties were specially put forward by persons interested in industries as regards legislation for a compulsory scheme. One difficulty, which was also voiced in the Conference, with regard to the selection of apprentices could be easily met by adopting a system of a panel of students selected by the Department of Industries and submitted to the industries interested in the employment of apprentices. When framing legislation, the feasibility of making grants only to such industries as agreed to take a certain number of apprentices, might also be considered. One vital consideration in framing a compulsory scheme should be the necessity to ensure that the apprentices who were taken up by industries for training should be compulsorily absorbed in those industries. It would be no use having a compulsory scheme of apprenticeship if after receiving the necessary training the candidates were not sure of securing employment. That could only be ensured by compulsion. The Ceylon Government were examining a scheme for

assisting apprentices. They were discussing the possibility of the industries concerned accepting the nominees of Government for training on the understanding that the apprentices in question would receive Government assistance in the form of a scholarship or a stipend.

Mr. Advani (Bombay) said that all that was required at present was an enabling measure which the Provinces could bring into operation at will.

Mr. Dhar (Bihar) was also of this view.

The Chairman expressed doubt as to whether sufficient experience had been gained in order to formulate useful legislation. He enquired whether it was possible, at this stage, to supply the kind of apprentices suitable for industrial concerns as it did not seem desirable to force the industries to take unsuitable material.

The Honourable Dr. Katju (United Provinces) stated that it should be regarded as a national obligation for industries to train young men. He was of the opinion that it was probably not feasible to include a condition to this effect in tenders. Many suitable young men, who had studied on the science side at the Universities, were passing out annually and if encouraged would probably do well after receiving industrial training. He was of the view that the Provinces in which industries had not so far been developed to any great extent, should be given facilities for the training of their young men in bigger industrial provinces.

The Honourable Mr. Patil (Bombay) said that the apprehensions, if any, regarding the shortage of supply of the right type of candidates for training in apprenticeship were without any foundations. On the contrary the number of employable persons was legion. Admission rules could be framed so as to eliminate unsuitable candidates. There could not be any doubt as to the real advantage which skilled labour could bring to industrial production. As, however, the industrialists, on the whole, were conservative and did not readily respond to persuasion, he was of the opinion that legislation was necessary in order to obtain the object in view.

The Chairman remarked that an obvious preliminary seemed to be to consult the industries concerned. It was apparently for the Government of India to ask the provinces to furnish lists of industries in which they would be likely to desire a scheme of apprenticeship. It would then be for the Conference to consider the replies received and decide whether any concrete difficulties existed.

Mr. Advani (Bombay) said that in his experience the enlightened industrialists were all in favour of the scheme. But this was no reason

why the non-co-operating industrialists should gain at their expense. In his opinion, the principle of legislation should be accepted and the industries concerned consulted only in the matter of detail.

The Chairman enquired whether the framing of a skeleton piece of legislation before consultation was necessary, or whether it would not be sufficient if it were indicated that legislation along certain lines would be undertaken.

The Honourable Dr. Katju (United Provinces) suggested that the Indian Companies Act might be amended to provide that any established industries, or industries which would be established in future, should train a certain number of apprentices.

Mr. Advani (Bombay) was of the opinion that it was not necessary to legislate that every apprentice would be taken into an industry after training. The only provision which was necessary was that a certain number should be taken by each industrial establishment. The idea of legislation to this effect was not a new one and in the United States of America, Canada, and France, and in England, such legislation had been passed. In England, however, it was now unnecessary, as the industrialists themselves had come to realise the value of the scheme.

The Honourable Dr. Katju (United Provinces) said that he was not very hopeful of an encouraging response from industries themselves in favour of legislation.

The Honourable Rao Bahadur Chaudhri Sir Chhotu Ram (Punjab) drew attention to the fact that the last sentence of the Punjab Government's memorandum, page 12, should not be construed to mean that the Punjab Government was not in favour of legislation. In fact, the Punjab Government was in favour of such legislation.

The Chairman then proposed that the Government of India should ask the provinces to supply a list of the various industries in which they wish to apply the scheme. This would enable the Government of India to ascertain the views of the industries concerned and a report would then be submitted to the Conference.

The Honourable Dr. Saiyid Mahmud (Bihar) said that this would probably take about two years and India was not prepared to wait such a long time.

The Chairman then said that if his previous proposal was not approved, the alternative seemed to be to set up a Committee which would report to the Conference after consulting the industries concerned.

The Honourable Dr. Katju (United Provinces) stated that what was required was merely brief enabling legislation which would cover industries whether they existed now or were developed later. He was keen

1939.]

*Apprenticeship Schemes.*

47

that the United Provinces should be able to train young men in other provinces so that industries could be established in the United Provinces.

Mr. Advani (Bombay) said that if legislation on broad lines was passed, it could then be left to the Provinces to apply such legislation either by industries or regionally. Before enforcing the legislation the industries concerned would be consulted.

The Chairman suggested that as regards general legislation it was possible to have too thin a skeleton. In any case the subject was a concurrent one and provinces could then legislate. Only to obtain uniformity among the provinces was central legislation necessary.

Mr. Advani (Bombay) stressed the need for such uniformity in the matter of "time off" during working days for apprentices, the type of Industrial establishment to be covered and other general considerations.

The Chairman then said that it appeared to be the view of the Conference that legislation was desirable and that the Government of India should frame such legislation. The matter should then be taken up in consultation with the provinces.

This was agreed to generally.

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## II.—CONSIDERATION OF THE REPORT OF THE COMMITTEE APPOINTED TO INVESTIGATE THE QUESTION OF AMPLIFICATION OF INLAND TRADE STATISTICS.

Mysore.\*

### MEMORANDUM.

The amplification of the accounts of the inland trade statistics is a very necessary and desirable change with a view to getting a more complete picture of the trade of India. It may, however, be mentioned that only the list of commodities as furnished in the present returns of the inland (Rail and River-borne) trade of India need be expanded so as to correspond more or less with those included in the old inland (Rail and River-borne) trade returns and that it is unnecessary to revert to the old territorial blocks.

2. It is estimated that the cost of collecting such detailed statistics will be Rs. 2 lakhs. If the idea of reviving territorial blocks is given up as suggested above, it may be possible to reduce the cost to a considerable extent. Whatever the extra cost may be it will not be possible for the Mysore Government to bear any portion of it.

### Discussion.

*Monday, January 23rd, 1939.*

The Chairman reviewed the work of the Committee which had been appointed in this connection and gave a summary of its report. Mr. Dhar (Bihar) stated that it would be advantageous, from a Provincial point of view, if the statistics in question were collected by the Provinces. The staff might be maintained by the Government of India but should be under the control of the Provincial Governments.

Dr. Matthai stated that the question of first reporting the primary statistics to the Provincial Governments before submitting them for consolidation to the Government of India had been considered. This method, however, was not regarded with favour on account of the delay which would be involved in the publication of the statistics. Under the original system, the Provincial Governments themselves published these statistics. This, however, was not contemplated and, in order to prevent delay, direct submission to the Central Government was necessary.

In asking for the views of the Provinces, the Chairman observed that the Finance Department were of the view that at present no financial assistance was possible from Central Revenues.

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\* Circulated in Bombay.

Mr. Ramakrishna (Madras) said that the Committee's proposals appeared to be suitable. He had, however, no instructions from his Government and it was therefore not possible for him to commit the Madras Government on the question of providing funds for this purpose. He referred to a mistake in the report as to the population of Madras. The figure should be 44·2 million, having been reduced by the transfer of certain portions to Orissa. As regards the allocation of liability, he was of the view that railway mileage within the province was a more equitable basis than population.

The Honourable Mr. Patil (Bombay) approved of the Committee's proposals. He said that inland trade statistics were essential in order to know what the position was in each province with regard to the demand and supply of various goods and commodities. This knowledge would help to regulate the trade in the best interest of each province.

Mr. Mitter (Bengal) said that the Bengal Government had not come to any decision as regards the provision of funds for this purpose. He was of the view that instead of the six different blocks into which Bengal had been sub-divided, the number should be increased to 18 or 20, if the results obtained were to have any value. The Bengal Government was not likely to contribute unless the scheme was extended in that way.

The Honourable Dr. Katju (United Provinces) was of the opinion that the report was sound as far as it went. He considered, however, that the principle of allocation of expenses should be revised. In any case, the Central Government should be able to provide the small sum of Rs. 4 lakhs required. He considered that the principle of allocation of cost, which was in operation under the original scheme, was more equitable, and the United Provinces Government was not in favour of allocation on a population basis. He said that as far as the United Provinces Government was concerned, it was desirable that certain other items should be specified, such as bangles, boots and shoes, oils, oil cakes, etc.

The Honourable Rao Bahadur Chaudhri Sir Chhotu Ram (Punjab) was also of the opinion that the Central Government should bear the entire cost. But if this was found impossible the Punjab Government was prepared to bear its share. He considered the population basis to be sound. Alternately, he suggested that the number of blocks in each province might be used as a basis.

The Honourable Dr. Saiyid Mahmud (Bihar) suggested that if the Central Government spent less on Waziristan and more on industries, they could easily provide the small sum required.

Mr. Dhar (Bihar) said that the traffic between the various blocks within the provinces was of great interest to Provincial Governments.

Mr. Desai (Central Provinces and Berar) said that the report of the Committee had not yet been considered by the Central Provinces and Berar Government in detail due to lack of time. From 1923-32, the Central Provinces and Berar Government published their own statistics and the question of reviving the publication of such statistics was under consideration. His Government fully supported the proposals of the Committee but expected that the Central Government would bear the expense. If however the Central Government could not wholly finance the scheme, the proposed system of allocation, although it had not yet been fully considered by his Government, seemed satisfactory.

Mr. Mehta (Assam) said that his Government was unable to contribute to the cost of the proposals but was in favour of the collection of the proposed statistics. He enquired as to whether it would be possible to ensure that goods included under the term "Indian goods" would be really Indian produce.

The Honourable Khan Mohd. Abbas Khan (N. W. F. P.) was in favour of the collection of statistics, but said that his Government would be unable to contribute to the expenditure.

Mr. Thadani (Sind) did not think that his Government would be prepared to share the cost of the scheme but was in favour of the collection of the statistics.

Mr. Mozumdar (Orissa) said that it would be useful if statistics could be separately recorded for the British Indian and State areas in Orissa. As regards the allocation of contributions, his Government had not yet considered this question, but, on principle, he agreed that the provinces should contribute to the expenditure.

Dr. Matthai referred to the basis of allocation of the expenditure. He pointed out that an alternative basis that they could have considered, was that on which the old system was based, namely, that when a railway ran into a Province which contained a major port, half the subsidy would be paid by the province containing the major port and the other half by other provinces according to railway mileage. If this basis were adopted, the result would be that the province which would have to face the largest contribution would be Sind, *i.e.*, about Rs. 22,000. A situation which resulted in that kind of anomaly was not therefore likely to be accepted by the Conference. If, however, the population basis, which the Committee considered to be the best basis, was not considered



1939.]

*Inland Trade Statistics.*

51

suitable, an alternative basis would be to allocate the expenditure according to the actual length of railway line within each province. On this basis the contributions of various provinces would be as follows :—

	Rs.
Assam .. .. .	7,200
Bengal .. .. .	21,000
Bihar .. .. .	18,600
Orissa .. .. .	5,400
U. P. .. .. .	32,300
Punjab .. .. .	29,900
N. W. F. P. .. .. .	2,400
Sind .. .. .	7,200
C. P. .. .. .	16,800
Bombay .. .. .	29,900
Madras .. .. .	29,300

Although the Committee had not considered it, he thought it to be a fair basis for consideration.

As regards the criticism concerning the absence from the list of certain commodities, he pointed out that Provincial Governments and commercial interests had been addressed in the matter, with the result that about 400 commodities had been suggested. As it would have been too expensive to deal with all these commodities, the lists had necessarily to be cut down. Items, which were considered unimportant, and items the railway returns for which recorded in railway maunds would give no intelligible value of the trade involved, *e.g.*, machinery, had been omitted, and the list had been reduced to 160 commodities.

In the matter of the increased number of blocks required by Bengal, the suggestions received from the Bengal Government and the Bengal commercial interests had been considered and the recommendation of the Committee represented the greatest measure of agreement.

Mr. Dhar (Bihar) suggested that the statistics in question would be of little use unless at the same time Frontier trade statistics were also published.

Dr. Matthal said that this question was not included in the terms of reference.

Mr. Dhar (Bihar) however was of the opinion that this was a vital matter.

Dr. Matthal went on to explain how the statistics were collected and consolidated by the Railways for each block and supplied to the Central Government. Regarding the suggestion that the primary returns furnished by the railways should relate not merely to the territorial blocks

that they had suggested, but also to smaller areas, he pointed out that that would mean that the subsidy paid to the railways would have to be increased very considerably. A larger number of blocks would increase the amount of subsidy to the railways for services rendered in collecting the figures.

Regarding the request from Orissa, that statistics should be given separately for State areas, Dr. Matthai said that the difficulties in the way of obtaining separate figures were very considerable.

Mr. Crofton (Hyderabad) said that in Hyderabad there were two naturally defined blocks—the north and the south blocks. He thought it would be of great value to have information regarding the trade between these two blocks.

Mr. Mukherjee (Baroda) also referred to the difficulty in deciding between Indian and foreign goods. He suggested that forms should be filled either by the consignor or the consignee giving the country of origin of all goods transported by rail. He also suggested that small sample areas should be chosen and comprehensive figures of both road and rail traffic should be obtained in order that a detailed check on the consumption of goods could be secured.

Dr. Matthai agreed that the difficulty in obtaining the information as to whether goods recorded as Indian goods were really made in India, was a real one. The point, however, was discussed in the report of the Committee. He regarded the suggestion that a sample survey should be carried out in certain areas, as a good one. This however was not included in the Committee's terms of reference.

The Chairman summed up the position as follows:—

- (1) That it was considered that an extension of the collection of these statistics on the basis of the articles and the regions set out in the schedule would be very welcome, subject to some criticisms with regard to the articles and the criticism from Bengal as to the number of regions.
- (2) That the Provinces would be in favour of the collection of these statistics if the Government of India were willing to bear the extra cost, but that in the view of some provinces, even if that were not possible, they were anxious that the proposal should be proceeded with on the basis recommended by the Committee, and if the Government of India could not bear the whole cost, some contributions would be forthcoming from the Provinces.
- (3) With regard to the basis of allocation, those provinces which would have to pay more on a population basis were opposed

1939.]

*Inland Trade Statistics.*

53

to it and adhered to the present basis, while those provinces which had to pay more on a different basis supported the population basis.

- (4) So far as the Government of India were concerned, situated as they were at present with the necessity of having to cut down a good many of their own activities, there could be no question of the Central Government assisting in the financing of the scheme until the financial position was easier.
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### III.—MATTERS ARISING OUT OF THE PROCEEDINGS OF THE THIRD SESSION OF THE INDUSTRIAL RESEARCH COUNCIL.

LETTER FROM THE DEPUTY SECRETARY TO THE GOVERNMENT OF INDIA, DEPARTMENT OF COMMERCE, TO ALL THE PROVINCIAL GOVERNMENTS, No. 141-S. (7)/38, DATED THE 5TH OCTOBER 1938.

I am directed to invite attention to the proceedings of the Ninth Industries Conference in regard to Item VI, which dealt with a number of subjects arising out of the proceedings of the Third Session of the Industrial Research Council. It was agreed by the Conference that the points raised in the memoranda on certain of these subjects and in the discussions thereon should be brought to the notice of the Provinces with a view to arranging for co-ordinated action regarding them to be considered by the next Industries Conference. The particular subjects were as follows :—

- (1) Undertaking of an Industrial Survey of the country, both in respect of raw materials and manufactured goods.
- (2) Drawing up of a regular Programme or Plan for the establishment and development of Industries of National or Economic Importance.
- (3) The need of encouraging inception of "Key" Industries in India.

2. *Undertaking of an Industrial Survey of the country, both in respect of raw materials and manufactured goods.*—In the case of this subject, the memorandum for discussion recommended the drawing up of a more vigorous programme of industrial surveys to cover both raw materials and manufactured products. It stated that information was deficient as regards the availability of raw materials, industrial production, markets, and other matters, and further that the present procedure of the Industrial Research Council in connection with this subject is neither expeditious nor adequate. Comprehensive surveys on an All-India basis were proposed.

In the course of the discussion it was pointed out that it had been decided by the Eighth Industries Conference that industrial surveys should be conducted in the Provinces and States concerned by means of their own organizations, the work being co-ordinated by the Central Government. Moreover, it was made clear that the Government of India could not alone undertake industrial surveys on the comprehensive scale proposed.

It was agreed, however, that the matter should be put before the Provinces for consideration in the light of the points raised in the discussion of this subject at the Industries Conference, and I am, therefore, to request that the Government of India may kindly be informed (a) as to the extent to which your Government would be prepared to undertake a comprehensive industrial survey of the kind proposed, (b) what industries should specially be covered by such a survey, and (c) the period, in years, within which it could be arranged for the work to be completed.

In this connection I am to add that the Conference agreed that the arrangements already made, in accordance with the recommendations of the Third Session of the Industrial Research Council, to carry out industrial surveys of the oil-seed crushing, tanning, and pottery and ceramics industries, in the order named, should not be interrupted as a result of this wider proposal being brought forward for consideration.

3. *Drawing up of a regular Programme or Plan for the establishment and development of Industries of National or Economic Importance.*—The memorandum discussed in connection with this subject recommended that a programme or plan of development of industries should be drawn up, and that active steps should then be taken to establish industries in their national or economic order of importance. The memorandum emphasised the importance of co-operation and co-ordination in this connection, and proposed that early steps be taken to draw up a programme.

In the discussion it was suggested that Provinces should develop different main industries best suited to local conditions. It was also proposed that a Sub-Committee of the Conference be appointed to deal with the matter.

The Conference agreed that the Provinces should be addressed to obtain their views and proposals, and I am therefore to request that the Government of India may kindly be informed (a) of the views and plans of your Government in connection with this subject and also (b) of the action which it intends to take or which may have been taken as regards the establishment or development of specified major industries.

A reference is invited, in this connection, to the concluding portion of this Department's letter No. 141-S. (5)/37, dated the 20th November 1937 [Not printed] concerning this subject of the agenda of the Ninth Industries Conference, wherein attention was drawn to the necessity of a proper survey of industries, as a preliminary to any programme of development of industries such as that under consideration or the inception of "Key" industries.

4. *The need of encouraging inception of "Key" Industries in India.*—

A "Key" industry was described in the memorandum concerning this subject as denoting generally an industry the products of which supply the primary and essential raw materials for other industries, and particularly for those industries required for purposes of national defence. The memorandum proposed that the following steps be taken to develop such industries :—

- (i) Preparation of a schedule of "Key" industries.
- (ii) A survey of natural resources, for which purpose the Geological Survey, Forestry Service, and other services would collaborate.
- (iii) Difficulties and deficiencies retarding the establishment or growth of such industries, and means for over-coming them to be considered.
- (iv) Publicity to be given to available resources and facilities State-aid, etc.
- (v) Preparation of a list of indispensable prime materials not available in India at present, and consideration of the means required to assure supplies by suitable trade agreements and other means.

In the discussion it was proposed that "Key" industries should be surveyed by each Province and developed where they would be most suitably located. The concluding portion of this Department's letter No. 141-S. (5)/37, dated the 20th November 1937 [Not printed] applies also in this case with equal cogency.

The Conference agreed that Provinces should be consulted as regards their views and proposals, and I am to request, therefore, that the Government of India may kindly be informed :—

- (a) What industries of importance are in active operation or in existence in the region administered by your Government.
- (b) What additional industries should, it is considered, be started and fostered in this region in view of the local conditions.
- (c) What industries are considered to be "Key" industries with respect to each of the main industries under (a) and (b) above.

5. I am to request that these matters may kindly be given due consideration by the Provincial Government, if this has not been already done, and that the reply embodying their views and plans together with all other information may kindly be communicated to the Government of India in the form of a separate memorandum on each subject [printed below] at an early date.

**A.—UNDERTAKING OF AN INDUSTRIAL SURVEY OF THE COUNTRY,  
BOTH IN RESPECT OF RAW MATERIALS AND MANUFACTURED  
GOODS.**

**MEMORANDA.**

**Madras\*.**

There will be general agreement with the view expressed that our knowledge of the resources of the country in raw materials is inadequate and that without a more accurate and fuller knowledge of such resources, it will be somewhat difficult to draw up and implement an effective programme of industrial development. In Madras, our knowledge of the mineral wealth of the Province is meagre and in considering the possibilities of developing industries, one is constantly faced with the difficulty presented by this lack of accurate knowledge of the geological and mineral resources of the Province. As the problem of broadening the economic basis of the Province postulates in some degree the discovery of new economic assets, if the position is to be improved by the introduction of new industries, it is very desirable that a survey of its natural resources should be carried out.

2. In pursuance of the recommendations of the Third Session of the Industrial Research Council that industrial surveys of the oil-seed crushing, tanning, and pottery and ceramic industries should be carried out in the order named, an industrial survey of the oil-seed crushing industry has been initiated in Madras, Government having sanctioned the employment of a special staff, for a period of one year for the purpose. From the information already available, it seems probable that the survey will disclose that the total capacity of the oil mills is in excess of the demand with the result that the crushing capacity of the mills is not fully utilized. On the completion of the survey, a question which might suitably be taken up is that of the possibility of developing an export trade with Europe in vegetable oils, especially of groundnut oil, though the conclusion arrived at will probably be that no appreciable expansion of Indian groundnut oil exports can take place unless facilities are provided for exporting the oil in bulk from this country. In the absence of such facilities, it has not been possible for vegetable oils of Indian manufacture, including groundnut oil, to derive the benefit of the preference of 15 per cent. which it enjoys in the United Kingdom. In order to enable groundnut oil to be shipped in bulk, it would no doubt be necessary to have not only deep tank facilities on ships, but also storage tanks of sufficient capacity at the shipping ports, but the whole question calls for examination. The selection by the Industrial Research Council of tanning as the second industry to be surveyed is to be welcomed as the

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\* Prepared by the Director of Industries.

tanning industry in India is of great importance. The hides and skins and leather industry is one of the most important industries in the Province of Madras, judged by the test of production and export trade, the total exports of leather in the year 1937-38 amounting in value to Rs. 620 lakhs, whilst the value of the leather consumed in the Province must be very considerable. A peculiarity of the industry is that most of the tanneries are concentrated in a few districts and there are several districts where there are practically no tanneries in existence though hides and skins are exported from them to other tanning centres in the Province. Advantage of the survey, if one is initiated say in 1940-41, may be taken to study the distribution of tanneries in relation to the supply of raw materials, as at present, raw hides and skins have often to be transported a considerable distance. The nearer a tannery is to the place where the hides and skins become available and are cured, the less will be the defects, such as, stains, which manifest themselves at different stages of the tanning process. Tanning was one of the earliest industries, other than agriculture, that developed in India and tanning and leather working were originally village industries. The village tanners, who are largely uninfluenced by modern practice, must account for a considerable production in the aggregate, and there should be a great scope for improvement in the methods adopted in the country tanneries throughout the Province and probably throughout India also. The information which could be gathered through the conduct of such a survey as is proposed, as to the quantity and value of leather tanned and sold in the villages, would be very useful in indicating the scope which exists for improving the tanning carried on in the villages by introducing improved methods of tanning on a cottage basis. Similarly, in the case of other industries, the information gathered as the result of a survey would be of great value in the adoption of suitable measures for improving and developing them.

3. In regard to manufactured goods, a stage has been reached in the industrial development of India when the need for a census of industrial production in the different provinces, and preferably the States also, has become manifest. In their report on a scheme for an economic census of India, the Statistical Experts, Dr. A. L. Bowley and Mr. D. H. Robertson, have stated that they have discussed the proposal for a census of production with chambers of commerce and with individuals in Calcutta, Bombay and elsewhere, and that the general consensus of opinion was in favour of a census, so long as it was general and compulsory and identification of individual firms was rendered impossible in the report on it. The cost of a census for the whole of India should not be prohibitive considering the great gain in statistical knowledge that would result from such an undertaking. While the establishment of large scale



industries should be encouraged not only for the direct employment which they provide, but also because they will render and greatly facilitate the development of new, medium and small scale industries, the finished products of the former functioning as raw materials in the processes employed by the medium and small scale industries, it is generally recognised that no scheme for the economic reconstruction of a great agricultural country like India can be complete without adequate provision for the introduction and development of cottage industries and handicraft units. The development of factory industry may be in some cases and to some extent at the expense of cottage industry, and there is at present no satisfactory method of bringing the two in statistical relation to each other.

4. It is true that in the case of cotton textiles, for example, an estimate of the relative consumption of yarn by the mills and handlooms can be arrived at from the figures of production of yarn and of woven goods supplied by the mills taken in conjunction with the figures of imports and exports of yarn, but no exact estimates are possible as the returns from the mills are now on a voluntary basis. An estimate of the yarn left over for consumption by the handloom weavers which affords an indication of whether the industry is maintaining its position or losing ground in the face of mill competition, is subject to two limitations (i) the figures supplied by the mills are at present on a voluntary basis, and there is no guarantee that they are accurate, and (ii) the yarn equivalent shown is also an estimate. By the institution of a census of production supported by legislation, there is every possibility of obtaining exact figures in respect of both these items.

5. As another instance of the kind of use to which the results of the census could be put, may be cited the construction of a general index of industrial production for the whole of India and for the different provinces, which it is at present impossible to construct with any degree of accuracy in the absence of information in regard to the weightage to be given to the different industries.

6. The census of production should be imposed, as in Great Britain, by an Act of the Central Legislature, which makes communication of the facts demanded compulsory. The actual conduct of the census could be entrusted to the Director-General of Commercial Intelligence and Statistics. The questionnaire should be prepared by the Director-General in consultation with Directors of Industries and trade representatives and might, in general, be on the model of that in use in Great Britain with necessary modifications to suit conditions in this country.

7. The following facts could usefully be elicited by a census of industrial production in India as already pointed out by the experts

M217CD

Dr. Bowley and Mr. Robertson : (i) the aggregate value of the sales and the aggregate cost of materials for each factory. The difference between the two termed the 'net output' will represent the contribution to the national income of the factory. The aggregate of the contributions of the different factories will measure the total contribution of the particular industry, in so far as the industry is carried on in factories. In computing the net output, allowance should, however, be made for depreciation of plant, and changes in value of stocks of materials and finished goods, (ii) details of the amounts and values of the different commodities produced, of the materials bought and of the power used. It is very important here that the classification of the products should agree with that adopted in the trade publications, (iii) details of the number of employees divided as salaried and wage earners, male and female, classified according to ages. In order to obtain some idea of the seasonal variations, the details may be obtained once each month over a period of one year, say for the last week of each month, and (iv) the total wage bill for the year with some suitable sub-divisions. Where the wages are paid through the intervention of a contractor, efforts should be made to determine how much the contractor retains.

8. The census of industrial production in India, at least in its first-taking, may meet with some opposition and present unforeseen difficulties. But the difficulties should gradually be overcome when the census is repeated periodically. The factory inspection staff in the provinces, suitably strengthened if necessary, would seem to be the agency best fitted to enforce the supply of information.

#### Bombay.\*

There can be no doubt that the information at present available in regard to the availability of raw materials, industrial production, markets and other relevant matters affecting industries, is very deficient. There is, therefore, no difficulty in agreeing that comprehensive surveys of technical nature should be undertaken industry by industry on an All-India basis as soon as practicable. In any comprehensive technical surveys of industries undertaken, Bombay will render such assistance as is practicable.

2. In the Province of Bombay Government appointed some six months back a Committee called Economic and Industrial Survey Committee under the Chairmanship of Sir Purshotamdas Thakurdas with the Director of Industries as an *ex-officio* member, to conduct an industrial survey of the whole Province. The Committee is expected to complete its labours before the end of March 1939.

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\* Prepared by the Director of Industries.

3. It would obviously be desirable to postpone consideration of the points raised in paragraph 2 of the Government of India letter dated 5th October 1938 by the Government of Bombay till the Bombay Survey Committee's report is available to it.

#### Bengal.

The Government of Bengal are in process of appointing an Industrial Survey Committee with the following terms of reference, and that they propose to await the report of this Committee before drawing up a programme of industrial development. The enquiry is expected to take one year. Whatever industrial survey of the province, whether in respect of raw materials or of manufactured goods, is requisite for the investigations of the above Committee will be undertaken by this Government.

#### *Terms of Reference of Industrial Survey Committee.*

(i) To examine the position of the existing large and medium sized industries in the province showing (a) which industries have reached a stage of full development and (b) which of them still hold out possibilities of further expansion and (c) in which directions there are still possibilities for the establishment and development of such new industries with a fair prospect of success.

(ii) To enquire into the difficulties and problems that confront the existing important large and medium-sized industries of the province and suggest measures for the improvement of their conditions.

(iii) To examine the location of existing industries and industrial resources of the various divisions of the province and suggest names for securing the utmost diversification and the best geographical distribution of industrial activities throughout the province.

(iv) To advise what industries subsidiary to large scale industries have a fair prospect of success in this province and how far and by what methods such industries can be developed within the province.

(v) To advise on the measures which the Government can undertake to promote and develop large scale and medium-sized industries within the province, and, in particular, to draw up a plan for the establishment and development of Industries of National or economic importance including "key" industries.

(vi) (A) To examine the present position and working of small and cottage industries including those which are in the nature of a hereditary calling of any class or caste, with special reference to :

(a) sources and terms of supply of raw materials ;

(b) credit and financial facilities ;

(c) marketing ;

(d) improvement of productive technique.

Recommendations should be made as to how (a) may be improved and facilities as to (b), (c) and (d) may be provided.

(B) Recommendations should also be made about such of the cottage industries as are in a moribund condition with a view to effect their rehabilitation.

(C) To advise as to the possibility of starting new cottage and small industries in the villages.

(vi) To enquire and assess the results achieved by the various measures instituted by the Industries Department for the last 17 years and advise how far these measures have been actually effective in developing industries and how far they hold out material prospects for such development, and which of the measures should be discarded as of little or no practical value and what new steps should be taken to further the object in view.

(vii) And finally to make such other recommendations as pertain to state policy with regard to industrial development within the province.

#### United Provinces.

The Government of the United Provinces have already undertaken a survey of the industries which need development. Three different types of surveys have been approved :—

I. *Survey of small scale and village industries.*—For this purpose the following industries have been selected and 8 surveyors have been entrusted with the work. The principal object is to ascertain (1) markets for the goods that can be made, and (2) organization of the supply—

1. Hosiery.
2. Apiculture.
3. *Tat patties, Bans* and mats.
4. Toys.
5. Ornamental pottery.
6. Glass.
7. Iron articles.
8. Village tanning and leather working.
9. Baskets, cane furniture, *Mondhas, Chicks*, etc.
10. Ghee, oils and soaps.
11. Village carpentry.

1939.]

*Industrial Survey.*

63

12. Stone carving.
13. Lace and Gota-making.

II. *An intensive survey of industries already organized on a commercial scale.*—The following industries have been selected for this purpose :—

1. Leather including leather tanning and leather working.
2. Oils including paints and varnishes.
3. Metal working as a whole, including Brass, Copper Bronze, Aluminium and other hollow-ware, cutlery, locks, fittings such as bolts and hinges, and other articles of ironware as well as the artistic metal-ware of Moradabad.

Three surveyors possessing technical knowledge have been appointed and it is proposed to publish monographs on these industries.

III. *Territorial survey.*—This will be taken up from June 1939 when the first two surveys are expected to have been finished. An industrial survey of each revenue district will be undertaken.

It is felt that if other provinces do the same, a report on an All-India basis can be compiled.

**Punjab.**

In response to the public demand the Punjab Government have already sanctioned a comprehensive industrial survey of the province, district-wise and industry-wise, in respect of raw materials and manufactured goods. The undermentioned staff has been specially sanctioned for the purpose :—

	@ Rs.
Head Survey Officer .. .. .	500 p. m.
Industrial Economist .. .. .	250—10—300 p. m.
5 Industrial Investigators each .. .. .	100 p. m.
5 Assistant Investigators each .. .. .	50 p. m.
One Typist .. .. .	35 p. m.

2. In addition, an additional post of Superintendent of Industries has been created, so that the province will be divided into five Revenue Divisions for purposes of the survey, each Division being in the charge of a Superintendent of Industries. It is also proposed to attach one Assistant Superintendent of Industries to each of the five Superintendents of Industries from 1st April 1939.

3. The necessary staff has been recruited and the work of survey has been taken in hand. The survey would be carried out by the Department of Industries on the advice of an Advisory Committee, of which the Hon'ble Minister of Development, who is incharge of Industries, will be Chairman, and the Director of Industries, Secretary. On this Committee are also represented the Chambers of Commerce, University Professors of Economics, Scientists and prominent industrialists.

4. The staff for the present is sanctioned for a period of three years, within which period it is hoped to complete the survey.

5. All industries, both major and minor, will be covered by the survey. The results of the surveys will be published in the form of district reports, as well as in the form of monographs by industries.

6. The provincial surveys of oilseed crushing, tanning and pottery and ceramic industries recommended by the Third Session of the Industrial Research Council will receive precedence in the programme of industrial surveys in this province. These surveys will be conducted under the technical supervision of the Oil Demonstrator, the Tanning Expert and the Industrial Chemist of the Industries Department, respectively.

#### **Bihar.**

The Government of Bihar are in favour of such a comprehensive industrial survey and are anxious that this should be taken up as early as possible. The survey in respect of cottage and small industries may be done by the Provinces and States themselves, but that in respect of "Key" industries and other large industries of national importance should be conducted on an All-India basis. In respect of the latter, the Provinces and States should supply the local staff and collect the internal *data*, while the Central Government should supply the expert staff, co-ordinate the surveys done by the Provinces and States, compile the All-India *data*, including imports and exports, and make recommendations based on the survey for the development of such industries. For this purpose all the important and "Key" industries, should be selected and the work taken up in a more intensive scale, so that it may be completed within a short time.

2. It is suggested that the opinion of the All-India Planning Commission, which has been recently constituted, may be invited on the question and the work taken up in co-operation with Commission on receipt of their recommendation.

#### **Central Provinces and Berar.**

Provision has been made in the budget for 1938-39 for undertaking an industrial survey of the Province. In this survey it is proposed to collect information on the following :—

(a) Raw materials and sources of power and water supply available in this province and particularly in individual districts.

(b) Labour in urban and rural areas in various parts of the Province, its language, efficiency, habits, wages, etc.

(c) *Industries*.—Rural and small industries, urban cottage industries, urban small scale industries and big industries.

1939.]

*Industrial Survey.*

65

(d) Various raw materials imported into the Province from beyond its borders.

(e) The various finished articles imported into the Province, their quality, composition and value.

(f) Maps showing the distribution of raw materials, railways, roads, power supply and industries.

(g) Statistics of raw materials and finished goods imported and exported.

(h) Requirements of Government departments, public bodies, etc.

It will be a general survey embracing all the industries and raw materials of the Province. The survey of the oil industry proposed by the Industrial Research Council will be merged in this general survey.

**Assam.**

Before any plan or programme of work for establishment and development of any industries is framed this Government consider that a comprehensive industrial survey is necessary, but in view of the peculiar financial position of the Province this question has not hitherto been seriously considered. Now the present new Government have taken steps to re-examine the question. The information asked for in the concluding portion of paragraph 4 of the Government of India's letter dated the 5th October 1938 cannot be supplied now without a comprehensive survey.

**North-West Frontier Province.**

This Province being practically undeveloped in an industrial sense, it would not require an extended survey or to gain an idea of the material resources available and the possibilities of the development of such industries as exist and for the inception of others which could profitably be started. A brief industrial survey has recently been completed by an Industrial Inspector of the Co-operative Department appointed to survey the existing cottage and small scale industries in the Province, to study the economic condition of the various industries, examine the sources of raw material the uses to which they could be put, the main industries and the industrial centres, the availability of trained labour and skilled experts and the chief markets for the products. It is anticipated that this survey will for some time to come provide a sufficient basis on which the Provincial Government can model its industrial policy. The report is awaited.

**Sind.**

The Government of Sind are alive to the necessity and importance of an industrial survey of this Province and are considering the best means of carrying out such a survey. It is proposed that the Industries Department should organize the survey work with special reference to all

industries that have possibilities in Sind, viz., Oil, Glass, Pottery, Tanning, Paper and Wool and Cotton weaving. It is expected that the work would be completed in about two years.

2. The survey would not cover any Minerals. This Government are of the opinion that the Government of India should undertake this kind of survey for all the Provinces, as they have a Geological Department which would be the best agency for carrying out such a survey.

#### Orissa.

In Orissa there are only a few industries which are more or less known. Among the industries that exist now, or that can be developed to which importance can be given, are paddy-husking, pottery, oilseed-crushing, textile, fish-curing, *gur*-making, paper-making and tanning. The industries in a smaller scale are bell-metal and brass, coir and horn. The surveys should not only deal with the finished articles but also with raw materials. A complete survey of the above would, it is presumed, cover a period of two years.

2. In respect of the industrial survey, the point which must first be determined is whether the Industries Department should have direct dealings with large scale industries. The general policy all over India has so far been that their activities should be confined to the smaller industries in which are included mainly the cottage industries.

3. Paper, sugar, cement and other articles of large scale industries involve highly complicated processes and it will be presumptuous on the part of any Industries Department to offer any advice or help to them. Even if it were attempted, no one person will be able to offer advice and assistance to such a variety of manufactures. Each industry will require one expert and, obviously, he will not be the best man, for were he so he himself would be absorbed in the industry. For instance, a paper mill, which is in course of being established in Orissa, has sought of Government the assistance, only in a low rate of royalty on the raw material. Help, however, can be given to such industries in surveying the extent to which raw materials are available within the province. But it will, perhaps, be found that generally the information is not unknown to the capitalists. There is, however, no objection to a detailed survey of this province for raw materials of the type of minerals and chemicals and the best agency to conduct such a survey will be a Geologist and an Industrial Chemist. The Industrial Chemist may thereafter be retained in the department permanently for industrial research. The work of such a survey will also include collection of materials already available in many sources such as reports of the Geological Survey Department of the Government of India.



1939.]

*Industrial Survey.*

67

4. In respect of the cottage industries some information is already available. But surveys will elicit further information, which will be of value for the work of developing the industries. It is not, however, contemplated that a territorial survey will be of much use. What is more necessary is an industry-wise survey. That is, particular industries should be surveyed in the minutest detail to ascertain all the facts concerning each process of manufacture, so that it can be determined to which points development should be directed. Thus, one survey may be of textile silk and cotton; another survey may be of Bell-metal; a third of horn articles; a fourth on coir and so on. The agency for these surveys, however, should not be any one person. Textile should be tackled by a man who is trained in textile weaving. Similarly with coir. Bell-metal should be under a man with a certain amount of technical knowledge. The value of such a survey will depend entirely on the person employed.

5. A scheme for the survey of possible cottage industries in the Province on the lines noted above, is, however, under consideration.

*Mysore.\**

(See Memorandum under "Key Industries".)

**B.—DRAWING UP OF A REGULAR PROGRAMME OF PLAN FOR THE ESTABLISHMENT AND DEVELOPMENT OF INDUSTRIES OF NATIONAL OR ECONOMIC IMPORTANCE.**

**MEMORANDA.**

**Madras.\***

A good deal has been heard recently as to the desirability of drawing up a definite programme or plan for the development of industries of fundamental and basic importance on an All-India basis, after conducting enquiries as to what industries of economic importance offer scope for development in the various provinces. The Government of the U. S. S. R. realised at an early stage that the best method of utilising the vast natural resources of the country was by a process of industrialisation, and starting from practically nothing, the U. S. S. R. has succeeded in establishing a number of powerful industries some of which are believed to be second to none in the world. In particular, a noteworthy advance has been made in the development of heavy industry as an essential pre-requisite to the building up of other branches of the national economy. Industry has, in fact, been the basis of the economic life of the Soviet State since the fulfilment of the first Five Year Plan. Conditions in the U. S. S. R. and India are admittedly not strictly comparable, but the achievements of the U. S. S. R. in the domain of industry, and also incidentally in the sphere of agriculture, in the past twenty years afford at least a striking indication of what can be done by an orderly system of planning. It is inevitable perhaps that in the planning of industry on an All-India basis, some provinces will fare much better than others and there may be a tendency for industrial development to be concentrated in a few provinces which command superior resources in raw material and command the largest markets. It is desirable that, as far as possible, industrial development in India should be spread over as wide an area of the country as possible instead of being concentrated in a few large urban areas in some of the provinces, in order not only to distribute employment as far as possible over different parts of the country, but also to avoid the evils which result from the concentration of large conglomerations of industries in a few limited areas.

2. In drawing up a programme or plan for the development of industries, preference should be given to those industries which utilize indigenous raw materials and for the finished products of which there is a sufficient demand within the country, although in certain cases it will no doubt be found desirable in the national interest to provide for the development of large scale industries even if some of the raw materials required are not available in this country. It will first be necessary to

\* Prepared by the Director of Industries.

determine what industries of national and economic importance should be taken up for development. It will then be for decision whether the necessary specialist or specialists should be recruited on short term contracts to investigate the possibilities of, or directly to establish, the particular industries in the several provinces. Various experts have been brought out to India in recent years to conduct special *ad hoc* enquiries, for example the Statistical Experts—Messrs. Bowley and Robertson—and the Educational Experts—Messrs. Abbot and Wood—and there seems no reason why experts should not be brought out to investigate the possibilities of industries, such as the fertiliser industry and the manufacture of certain heavy chemicals. There are some industries which cannot be developed without the assistance of experts who have specialised in them, and the U. S. S. R. has not hesitated to avail itself of such assistance. The present is a very favourable time for recruiting foreign technical experts on reasonable terms, for there must be many German and Austrian Jews and Sudeten Social Democrats, who would be only too glad to come out to India on a short term contract on terms which in more normal times it would not be possible to recruit technical experts of standing. It is no doubt true that a comprehensive survey of the natural resources of the country is a necessary preliminary to drawing up a plan of industrial development for the country as a whole, but it should be possible to draw up a programme of some sort in the light of our existing knowledge and for the development of some basic industries, at least, to be taken up without delay with the assistance of foreign technical experts recruited on short-term contracts. It is possible that in extreme cases it may be necessary to enlist the co-operation of foreign manufacturers for the purpose of starting highly specialised industries, but this should be done only if it is found after enquiry that it would not be possible to establish these industries even with the aid of foreign technical experts unless the co-operation of established manufacturers was secured. The industries which offer scope for development in Madras are referred to in a separate note.

#### Bombay.\*

It is agreed on all hands that India is industrially very backward. We depend to a very large extent on imported articles. These are accepted facts and it is unnecessary to support the statements with any statistics. It is also universally accepted that every possible step should be taken to develop the industries of the country to such an extent that the great gap which exists at present between agriculture and industries may be reduced substantially. At present the bulk of the population derives its subsistence from agriculture. A small minority gets its

\* Prepared by the Director of Industries.

livelihood from industries. Our economy is, therefore, ill-balanced. So far industries have been started in India without any plan. Further, largely secondary industries have been started, practically all of which depend for their means of production and raw materials in the shape of chemicals, etc., on foreign countries. If, therefore, our industries are to develop rapidly it is essential that everything should be done first to establish Key or Basic Industries. In order that the basic industries should be established in those parts of the country where from economic and other points of view they will be best situated and in order that industrial development may take place in an orderly and progressive manner, definite planning is essential.

2. In this Province the Government of Bombay have at present under their consideration the question of giving encouragement to the establishment of : (1) Paper and Pulp Industry utilizing the bamboo resources of the Province, (2) Artificial Silk Industry utilizing linters, short staple and waste cotton and wood pulp, (3) Motor Car Industry, and (4) Aluminium (from bauxite) Industry.

### **Bengal.**

(See Memorandum under "Industrial Survey".)

### **United Provinces.**

The United Provinces Government have appointed a special committee known as the Large Scale Industries Committee to advise Government as to what large scale industries can be established or developed in the United Provinces with a fair prospect of success and what steps should be taken by Government to encourage the same. The first meeting of this Committee was held on the 15th August 1938 and a preliminary discussion on a number of schemes prepared by the Industries Department and some industrialists was taken up. A special sub-committee will closely examine all the schemes. They will then be put up for final consideration before the Large Scale Industries Committee when final decision will be taken to advise the Government as to the manner in which they can be encouraged and fostered. In general the Committee was of opinion that the following industries have a good field in the province and should be encouraged:—

1. Manufacture of heavy chemicals like Caustic Soda, Soda ash and Acids.
2. Electrical goods such as electric bulbs, switches, motors, transformers, electric fans, etc.
3. Artificial silk.
4. Glass furnace—posts and blocks.

The following industries were considered for establishment on an All-India basis :—

1. Manufacture of cars and automobiles.
2. Machinery.

A special Committee appointed by the United Provinces and Bihar Governments is going into the question of producing power and industrial alcohol from molasses.

#### **Punjab.**

The matter of the drawing up of a regular plan of work or programme to further industrial development with particular reference to the development of "key" industries has engaged the attention of the Punjab Government for some time past and they have been of the view that the plan or programme should be drawn up on an All-India basis. Accordingly the Punjab Government suggested the appointment of a small committee for the purpose as an item for discussion by the Eighth Industries Conference, but the Government of India stated that they did not consider that the Industries Conference could in the course of its brief session deal with a subject of this kind and that a sub-committee of it would not be competent to deal with a subject having so many ramifications. The question was again raised by the Punjab Government last year and this time it was taken up for consideration at the Ninth Industries Conference.

2. The Punjab Government attach very great importance to the subject, as it is of vital interest to the economic welfare of the country. The Punjab is eminently fitted for the establishment of a number of industries of national importance and they are considering seriously the establishment of a number of State owned or semi-State owned factories in the province.

3. A statement showing the existing (1) factory and (2) cottage and small scale industries in the Punjab is appended. The Department of Industries, Punjab, has devoted particular attention to the systematic development of industries best suited to the local conditions with a view to planned economy in their establishment and encouragement. The principal industries of the Punjab which are carried on both factory and cottage lines and which have received the special attention of the Department are as under :—

#### (I) *Textiles*—

- (i) Spinning and weaving.
- (ii) Dyeing and calico printing.
- (iii) Carpet weaving.
- (iv) Hosiery.

(II) *Leather Working Trades*—

- (i) Tanning.
- (ii) Leather manufactures.

(III) *Metal Working Trades*—

- (i) Brass, copper and bronze utensils.
- (ii) Cutlery, surgical and veterinary instruments.
- (iii) Agricultural implements.
- (iv) Parts of machinery and small machines, engines, etc.

(IV) *Wood Working Trades*—

Cabinet work and joinery.

(V) *Vegetable Oil Milling*.(VI) *Chemical Industries*—

- (i) Chemicals and acids.
- (ii) Soaps.
- (iii) Glue.

(VII) *Miscellaneous Industries*—

- (i) Sports goods.
- (ii) Glass.
- (iii) Artware industries.
- (iv) Pottery.

4. State aid has been extended in such forms as financial assistance, training in modern methods of work, use of improved tools, appliances and machinery, supply of trained workers and provision of training in up-to-date manipulative methods in Government institutions, technical advice and guidance through the experts of the Department, marketing, supply of designs and other miscellaneous concessions such as reduction in terminal tax, sites for establishment of factories, etc.

(1) *Financial assistance*.—Loans to the extent of Rs. 11,50,000 have been advanced up-to-date and Rs. 4,00,000 have been provided in the current year and Rs. 6,00,000 for the next year for assistance in the following forms :—

- (a) Grant of loans.
- (b) Grant, sale or lease of Government land, raw materials, water or any other property of Government.
- (c) Payment of subsidy for conduct of research.
- (d) Supply of machinery on hire-purchase system.
- (e) Guarantee of a minimum return on the whole or part of the capital of a joint stock company invested in an industry.

(2) *Industrial and technical education and provision of trained workers for existing industries.*—A steady increase in the number of industrial schools and technical institutions and peripatetic training parties for the education of industrial workers in up-to-date methods of work and in the use of improved tools, appliances and machinery has been maintained. Originally the industrial schools imparted training in such existing crafts as carpentry, smithy, weaving, carpet weaving, lacquer turning, etc. In 1933, the old scheme of studies was replaced by trade training under semi-commercial conditions to prepare trainees to enter modern industries as it was only in the field of modern industries that scope existed for further expansion.

(3) *Industrial research.*—An Industrial Research Laboratory has been established for research in chemical industries.

(4) *Industrial Research Fund.*—An Industrial Research Fund with a capital of Rs. 1,50,000 has been established during the current year and a sum of Rs. 1,00,000 is proposed to be added during 1939-40.

(5) *Technical Advice.*—Technical advice in the solution of the practical difficulties of existing industries and in the establishment of new industries by the supply of estimates and other technical data is rendered by the technical experts of the Department. Industrial and commercial intelligence is also supplied.

(6) Such assistance as is possible is rendered in marketing to cottage workers. The Arts and Crafts Depot helps in marketing by the supply of up-to-date designs. This work is in addition to the organizations to help cotton and wool handloom weavers.

5. It would be desirable, however, that there should be co-ordination in the plans of development of major industries in different parts of India, with a view to avoidance of waste and unnecessary competition. The matter, accordingly, requires further consideration and discussion by the various provinces and States.

## EXISTING INDUSTRIES IN THE PUNJAB.

Perennial. Nature of industry.	(a) Factory Industries.		No. of factories in 1937.
<i>Textiles—</i>			
Cotton spinning and weaving .. .. .	..	..	11
Silk mills .. .. .	..	..	5
Hosiery .. .. .	..	..	50
Woolen mills .. .. .	..	..	6
Wool presses .. .. .	..	..	1
Ribbons and laces .. .. .	..	..	1
Embroidery, bleaching, dyeing and finishing .. .. .	..	..	1
Bandages, lint, absorbent cotton .. .. .	..	..	1
Cotton Miscellaneous .. .. .	..	..	1
Manufacture of cloth .. .. .	..	..	12

(a) *Factory Industries—contd.*

	No. of industries in 1937.
<i>Engineering—</i>	
Coaching building and motor car repairing .. ..	3
Electrical engineering .. ..	3
Electrical generating and transforming stations .. ..	4
Engineering (general) .. ..	16
Railway workshops .. ..	1
Metal goods and nickle plating .. ..	2
Manufacture and repair of hosiery machines .. ..	1
Manufacture of ginning machines, water pumps, etc. ..	1
Manufacture of surgical instruments .. ..	7
Manufacture of soda water machinery and pressed articles of iron .. ..	3
Manufacture of despatch boxes combined with surgical instruments .. ..	1
	<hr/>
	42
<i>Mineral and Metals—</i>	
Foundries .. ..	45
Petroleum refineries .. ..	2
Metal works .. ..	17
Fire brick and fire clays .. ..	1
	<hr/>
	65
<i>Food, Drink and Tobacco—</i>	
Breweries and distilleries .. ..	4
Ice and aerated water .. ..	20
Flour mills .. ..	21
Rice mills .. ..	38
Sugar mills .. ..	..
Tobacco .. ..	2
	<hr/>
	85
<i>Chemicals, Dyes, etc.—</i>	
Chemicals .. ..	5
Dyeing and bleaching .. ..	1
Gas works .. ..	3
Match factories .. ..	2
Oil mills .. ..	16
Turpentine and rosin .. ..	1
Soap works .. ..	1
Manufacture of vegetable ghee .. ..	1
	<hr/>
	30
<i>Paper and printing—</i>	
Printing .. ..	28
Paper pulp .. ..	1
Miscellaneous .. ..	1
	<hr/>
	30



1939.]

## Industrial Planning.

75

## (a) Factory Industries—conold.

Processes relating to wood, stone and glass—		No. of Factories in 1937.	
Carpentry .. .. .	.. .. .	1	
Sports works .. .. .	.. .. .	4	
Cement, lime and potteries .. .. .	.. .. .	5	
Glass works .. .. .	.. .. .	3	
Saw mills .. .. .	.. .. .	1	
Cement pipes .. .. .	.. .. .	1	
Stationery and drawing materials .. .. .	.. .. .	2	16
<b>Processes connected with skins and hides—</b>			
Tanneries .. .. .	.. .. .	2	2
<b>Miscellaneous—</b>			
Rubber works .. .. .	.. .. .	3	3
<b>Total perennial</b> .. .. .			<b>362</b>
<b>Seasonal—</b>			
Sugar mills .. .. .	.. .. .	7	
Tea plantations .. .. .	.. .. .	10	
Cotton ginning and baling .. .. .	.. .. .	371	388
<b>Total perennial and seasonal</b> .. .. .			<b>750</b>
In addition to the above there are the following Government and Local Fund factories:—			
<b>Perennial—</b>			
Clothing .. .. .	.. .. .	1	
Cotton mills .. .. .	.. .. .	1	
Electrical generating and transforming stations .. .. .	.. .. .	8	
Engineering (general) .. .. .	.. .. .	3	
Forage presses .. .. .	.. .. .	NH	
Gas works .. .. .	.. .. .	NH	
Ordnance factories .. .. .	.. .. .	6	
Printing presses .. .. .	.. .. .	5	
Railway workshops .. .. .	.. .. .	7	
Saw mills .. .. .	.. .. .	2	
Water pumping stations .. .. .	.. .. .	1	
Sugar mills .. .. .	.. .. .	NH	
Dairy farms .. .. .	.. .. .	2	
Grain crushing and cleaning .. .. .	.. .. .	2	
Repair workshops for agricultural implements .. .. .	.. .. .	2	40
<b>Seasonal—</b>			
Forage presses .. .. .	.. .. .	7	
Cotton ginning .. .. .	.. .. .	1	8
<b>Total perennial and seasonal</b> .. .. .			<b>48</b>
<b>GRAND TOTAL</b> .. .. .			<b>798</b>

## (b) Cottage and small scale industries.

*Textiles—*

- \**(i)* Spinning of cotton and wool.
- \**(ii)* Handloom weaving: cotton, silk, wool, artificial silk and mixtures.
- \**(iii)* Cotton durries.
  - (iv)* Cotton and silk waist hands.
  - (v)* Cotton newar.
  - (vi)* Silk lace and embroidery.
  - (vii)* Gold and silver lace.
  - (viii)* Embroidery in gold and silver thread.
- \**(ix)* Pile carpets—wool and jute.
- \**(x)* Woollen blankets.
  - (xi)* Woollen floor rugs.
- \**(xii)* Dyeing and calico printing.
- \**(xiii)* Hosiery.
  - (xiv)* Silk reeling.

*Fibrous industries—*

- (i)* Hemp and cotton strings and ropes.
- \**(ii)* Munj ban.
- (iii)* Date palm basketry.
- (iv)* Matting.
- (v)* Hand fans.

*Metal industries—*

- \**(i)* Brass, copper, bronze and aluminium ware.
- \**(ii)* Iron safes.
  - (iii)* Locks.
- \**(iv)* Spare parts of machinery.
- \**(v)* Light engineering work.
  - (vi)* Tinsmithy.
- \**(vii)* Steel trunks.
- \**(viii)* Cutlery.
- \**(ix)* Surgical and veterinary instruments.
  - (x)* Iron and iron sheet furniture.
  - (xi)* Sheet metal work.
  - (xii)* Tubs, buckets, etc.
- \**(xiii)* Agricultural implements.
  - (xiv)* Swords.

*Wood industries—*

- \**(i)* Cabinet work.
  - (ii)* Turnery and lacquer work.
  - (iii)* Wood carving.
- \**(iv)* Carts, tongas and carriages.
  - (v)* Combs.
  - (vi)* Wooden parts of agricultural implements and trade tools.
  - (vii)* Boat building.
  - (viii)* Picture frames.
  - (ix)* Handlooms and accessories.
  - (x)* Bamboo basketry.
- \**(xi)* Cane work and walking canes and sticks.
  - (xii)* Reed stools.

1939.]

*Industrial Planning.*

77 :

*Stone—*

- (i) Stone slates.
- (ii) Stone carving.

*Glass—*

- (i) Bangles.
- (ii) Spangles.
- (iii) Bottles, phials, etc.

*Ceramics—*

- \* (i) Household pottery.
- \* (ii) Glazed household and decorative pottery.
- (iii) Clay and plaster of Paris toys and statuary.

*Animal products—*

- \* (i) Curing and tanning of hides and skins.
- (ii) Bones.
- \* (iii) Leather manufactures.
- (iv) Painted leather vases.
- \* (v) Leather accessories for sports goods.
- (vi) Gut.
- (vii) Glus.
- (viii) Honey.
- (ix) Bees wax.
- (x) Milk and dairy products.
- (xi) Lac and shellac.
- (xii) Mother of pearl articles.

*Oils, soaps, perfumery and toilet goods and other Chemical articles—*

- \* (i) Vegetable oils.
- (ii) Hair oils.
- \* (iii) Soaps.
- (iv) Perfumeries.
- (v) Vaseline.
- (vi) Face powders.
- (vii) Cold creams and vanishing creams.
- (viii) Inks.

*Miscellaneous—*

- \* (i) Musical instruments.
- (ii) Tobacco-smoking.
- (iii) Snuff.
- (iv) Gur and sugar.
- (v) Jams, pickles, chutnies.
- (vi) Confectionery.
- (vii) Biscuits.
- (viii) Preserved fruits.
- (ix) Fruit juices, sharbats, etc.

*Art industries—*

- \* (i) Gold and silver ornaments and utensils.
- (ii) Ivory work.
- \* (iii) Copper, brass and ivory inlaid furniture.
- (iv) Chased lacquer work.
- (v) Decorative painted leather vases.
- (vi) Silver and gold enamelling.
- (vii) Damascene ware.
- (viii) Plaster of Paris statuary and constructional decorations.

NOTE.—The industries marked with an asterisk are the most important cottage industries.

### Bihar.

The Government of Bihar are keenly alive to the urgency of drawing up of a co-ordinated plan for the establishment and development of "Key" industries and of other large industries of national importance. This question is being examined in detail by a special Committee under the All-India Planning Commission. The Provincial Government also recently held a conference of local industrialists and experts to consider the industrial planning of Bihar. The conference has recommended the formation of different committees to go into the question of different classes of industries suitable for development in this Province. These local committees will collect materials for the consideration of the All-India Planning Committee and of the Provincial Government in formulating plans for industrial development. It is suggested that the consideration of these items may be postponed till the recommendations of the All-India Planning Commission are available to the Central Government.

### Central Provinces and Berar.

No action has yet been taken by this Province for drawing up a programme as indicated in the heading above. The question of preparing a plan or programme will be considered after the industrial survey has been completed.

### Assam.

(See Memorandum under "Industrial Survey".)

### North West Frontier Province.

No such programme or plan can be drawn up, neither can the need of encouraging the inception of "Key" industries in India, so far as this Province is concerned, be considered in the absence of the report referred to under 'Industrial Survey'. *Prima facie* it is believed that there are no key industries in this Province, which is entirely dependent on agriculture.

### Sind.

This Government are of the opinion that a Sub-Committee of the Conference should be appointed to deal with this question, as was suggested by several representatives at the Ninth Industries Conference. It is essential that a co-ordinated effort should be made by all the Provinces together for the establishment of Industries of national importance and, therefore, a Sub-Committee of the Conference would be the proper body to formulate a plan for the establishment and development of industries of national or economic importance.

## Orissa.

So far, the Government of Orissa have accepted the development of industries such as textile, paddy-husking, *gur* making, paper making, oilseed-crushing and tanning. The object is the development of these industries on the cottage industry basis. No action has hitherto been taken to develop what are called the 'major industries'.

2. 'Key' industries there are none in Orissa at the present moment, and unless a chemical and mineral survey is made it is not possible to say whether any 'Key' industries can be developed in the province. A survey of the natural resources, jointly by the Geological, Forest and other Departments will be an essential requirement. When this basic information is available, its development must take the line suggested in paragraph 4 of the Government of India's letter dated the 5th October, 1938.

3. Any development of 'Key' industries, however, must be based on an All-India basis. It should be under a central organization of all the provinces and under State control. As a matter of fact, there is need for a central organization to undertake industrial development of India on an All-India basis for all industries in order to avoid duplication and competition between the provinces. In other words, the industries should be planned out for India as a whole and not separately for the provinces, and with a view to meet the demand of only the Indian market. Foreign trade in the essential needs of human beings leads to conflict between countries, and if that is to be avoided the production of each country must be primarily fixed with a view to supply its own needs. Some such planning is essential as otherwise some section of the country is bound to suffer. A limit to industrial development must also be fixed and therefore the development should be planned out to eliminate unnecessary competition between the provinces. To give an instance, *gur* is coming into Orissa from Bihar and the United Provinces and is being sold at a price at which it cannot be manufactured in Orissa. Very soon this *gur* will oust Orissa *gur* from the home market to the detriment of the cultivators in this province, which is climatically more suitable for sugarcane cultivation than either Bihar or the United Provinces. Now there is no reason why either Bihar or the United Provinces should try to extend their *Gur* industry in order to capture other provincial markets and oust *Gur* manufacturers of those provinces. No province has any right to do so. Every province should only produce to the extent its home market can consume. The consumption, to begin with, may be small, but as the economic conditions of the people improve there is no reason why its home market should remain small.

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4. Stress is being laid on the point that surveys of industries should be undertaken by the provinces and the Government of India will only

co-ordinate the work where necessary. This seems to the provincial Government to be entirely opposed to the principle on which the agricultural marketing survey has been undertaken. There the entire staff is central and the work is undertaken by a trained staff under one organisation. This has great advantages. Just as the commodities of the agricultural marketing survey are common to all the provinces there are industries which are common to all the provinces. Take for instance oilseed-crushing, tanning, paddy-husking, Gur-making, paper-making and pottery. There are many other industries which though may not be common to all the provinces, are common to a certain number,—for instance, brass and bell-metal. Therefore, there is no reason why the industrial survey should not be undertaken on the same principle as the agricultural marketing survey.

#### **Mysore\*.**

#### **NOTES ON THE ESTABLISHMENT AND DEVELOPMENT OF INDUSTRIES IN MYSORE.**

The Government of Mysore have assisted the promotion of industrial enterprise in the State in the following ways :—

- I. Establishing industrial concerns owned and controlled by the Government in the larger interests of the State.
- II. Pioneering of industries with a view to handing them over ultimately to private enterprise.
- III. Providing financial aid under rules regulating the grant of the Industrial and Agricultural Loans :—
  - (a) by giving taccavi loans,
  - (b) by supply of plant and machinery on the hire-purchase system.
- IV. Encouraging private enterprise to start large scale industrial concerns on a joint-stock basis by the grant of concessions on the following lines :—
  - (1) subscribing to the share capital of the concerns,
  - (2) granting land, water and electric power free of charge or at concessional rates,
  - (3) guaranteeing the purchase of the products of the concerns to the extent of their requirements provided quality and price are satisfactory, and
  - (4) undertaking not to start or encourage the starting of similar concerns so long as the working of the concerns is satisfactory.

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\* Circulated in Bombay.



**I. Establishment of industrial concerns owned and controlled by Government.**—Government have whenever they thought that the starting of an industry was in the larger interests of the State and that private enterprise was not properly equipped to take it up, themselves pioneered the industry. There are now 13 large industrial concerns with a total fixed and working capital of about Rs. 3,20,00,000 which are completely owned and managed by Government. Statement "A" appended to this Note furnishes full details regarding the industrial concerns owned by Government.

**II. Pioneering of Industries.**—Two industrial concerns, namely,

- (1) The Premier Metal Factory for the manufacture of metal ware of all descriptions as well as seamless measures; and
- (2) the Silk Filature, which were pioneered by the Government, have been transferred to private enterprise and are being run successfully.

**III. Provision of financial aid under the Industrial Loan Rules.**—As regards financial aid to industries, provision has been made under the Industrial Loan Rules for granting loans for :

- (a) the purchase and erection of machinery for agricultural and industrial undertakings,
- (b) the construction of wells, tanks, mills, warehouses and other structures necessary for agricultural and industrial operations,
- (c) the provision of raw material, working capital or appliances other than those specified above.

Under the Industrial Loan Rules referred to above, facilities are also provided for the hire-purchase of machinery.

The total amount of loans sanctioned since the above rules came into operation is about Rs. 17 lakhs. These have been supplemented by private capital to the extent of about Rs. 25 lakhs. There are now established in the State as many as 364 large industrial establishments, each employing on an average 10 or more persons per day. The average daily number of persons employed in all these concerns is about 58,450.

The Department of Industries has been granting technical assistance to private enterprise in the erection and maintenance of industrial installations. So far 718 installations of an approximate value of Rs. 32,26,000 have been put up in the State with the assistance of the Department.

**IV. Encouraging the flotation of large industrial concerns by the grant of concessions as subscription to their share capital supply of land, water, power, etc.**—The satisfactory working of the concerns owned by Government and of those started by private industrialists with financial and

technical assistance from Government has induced private enterprise to enter the industrial field on a larger scale than before, necessitating a change in the policy of industrialisation pursued by the Government. Instead of owning and managing industrial concerns, Government have now been encouraging private enterprise to float large scale industrial concerns on a joint-stock basis by subscribing to the share capital of these concerns, in proportions varying from 10 to 60 per cent. of the share capital, and also by affording them several other facilities. The following are the important facilities afforded by the Government to these concerns:—

- (1) Government have agreed to supply land, water, electric power, etc., to these concerns free of charge or at concessional rates and also to waive the revenue fines payable for the conversion of agricultural lands for non-agricultural purposes.
- (2) Government have agreed to purchase the products of these concerns to the extent of their requirements provided quality and price are satisfactory.
- (3) Government have undertaken not to grant such assistance to other similar concerns so long as the concessionaires satisfactorily carry out the conditions of the grant of concessions.
- (4) Government have also taken necessary action to safeguard the interests of the investing public by reserving to Government power to nominate a certain number of Directors and providing for periodical inspection and audit of the working of these concerns by Government agency.

Statement "B" furnishes details regarding the 9 Industrial Concerns started by private enterprise with the assistance from Government in the form of subscription to their share capital.

There are now 7 concerns in the State to which the above concessions have been granted by Government except that Government have not subscribed to their share capital. Details regarding these concerns are furnished in statement "C" appended to this note. Most of these concerns are being run by managing agents.

The total number of State-owned and State-aided concerns working at present is 29 as shown above and they employ daily about 16,500 persons in the aggregate. The total amount of capital invested is about Rs. 500 lakhs.

Most of the industries so started are what may be termed the "basic" or "key" industries, utilising for the most part local resources and supplemented to the extent necessary by supplies obtained from other parts of India and foreign countries.

STATEMENT " A ".

Statement furnishing particulars of the Large Industrial Concerns in the State.

Serial No.	Name of the Concern.	Year of establishment.	Capital invested in the business (Fixed and Working Capital).	Capital invested on machinery and buildings.	Description of the raw materials and the other resources utilized or proposed to be utilized and the sources of supply of the same.	Description of the goods manufactured or proposed to be manufactured.
1	2	3	4	5	6	7
			Rs.	Rs.		
	<i>State Owned Concerns.</i>					
1	The Mysore Iron and Steel Works.	1918	2,75,00,000	30,70,402	Iron ore, charcoal, lime stone and Dolomite (obtained from the Mysore State).	Charcoal, pig iron, cast iron pipes, steel ingots, steel sections, acetate of lime and other wood distillation products.
2	The Cement Factory	1936	9,50,000		Blast furnace, slag, clay and lime stone (obtained from the Mysore State).	Portland Cement.
3	Government Sandalwood Oil Factory.	1917	11,20,526	6,62,818	Sandalwood (obtained from the Mysore State Forests).	Sandalwood oil, satisfying the requirements of all the pharmacopsia of the world.
4	Government Soap Factory.	1918	2,30,000 (Working Capital).	2,52,400	Cocoanut oil, groundnut oil, Mohwa oil, pungam oil, castor oil, palm oil, caustic soda, rosin, common salt, essential oils and fuel.	Soaps and toilet articles.

1939.]

Industrial Planning.

83

Serial No.	Name of the Concern.	Year of establishment.	Capital invested in the business (Fixed and Working Capital).	Capital invested on machinery and buildings.	Description of the raw materials and the other resources utilised or proposed to be utilized and the sources of supply of the same.	Description of the goods manufactured or proposed to be manufactured.
1	2	3	4	5	6	7
5	Government Silk Weaving Factory.	1932	Rs. 4,20,000	Rs. 2,51,400	Raw silk (obtained from the Mysore State), Gold lace (obtained from Bangalore and Surat) and dye stuffs (imported from foreign countries).	Silk Goods of different textures.
6	Government Industrial and Testing Laboratory (Pharmaceutical Section).	1931	1,75,618	85,618	Medicinal drugs, fine and heavy chemicals and animal glands. (20 per cent. Mysore, 85 per cent. Indian and 45 per cent. foreign).	(1) Medicinal products, including spirituous and non-spirituous B. P. preparations, tablet products, specialities consisting of Vitamin products, antiseptics and general household remedies.  (2) Sulphonated oils for textile and leather industries.  Manufacture of gland products like liver extract, stomach preparations, etc., and fine chemicals for pharmaceutical and laboratory purposes.
7	Government Industrial and Testing Laboratory (Bitumen Section).	1935	17,086	7,086	Spramex (Indian) and other raw materials (Mysore).	Bitumen Emulsion.

8	Government Porcelain Factory.	1932	3,78,312	2,26,730	Raw China Clay, Felspar, quartz, Fire Clay and Lime stone (obtained from Mysore State) Coal (Imported from Bengal), Plaster of Paris, pig- ment and Hardware (Imported from foreign countries).	High and low tension insulators (Pin type, shackle type and strain) and other electrical accessories. Goods proposed to be manufactured:— Wall tiles and suspension insulators.
9	Government Electric Factory.	1934	6,60,000	3,09,270	Mild steel, flats, rounds, wires, sheets, etc., cast iron scrap, synthetic Resin moulding powders, Copper wires (Insulated), Stalloy stampings and other insulating materials timber and various miscellaneous article.	(1) Articles moulded in synthetic Resins such as tableware, toilet ware, ad- vertising novelties, industrial mould- ings such as bottle caps and electrical goods. (2) Tools, dies, jigs and moulds. (3) Band and power operated presses, machinery and equipment for local industries against specifications. Lathes and drilling machines manu- facture has just been started. (4) Distribution and power transfor- mers up to 100 KVA and 22,000 volts. (5) Hardware such as hasps and staples, tower bolts, hinges, bolts and nuts, trunk handles, studs rivets, etc. (6) Manufacture of water meters, has been just started. (7) Spinning sheels (Charkas), taklies, hankers and other allied implements.

Serial No.	Name of the Concern.	Year of establishment.	Capital invested in the business (Fixed and Working Capital).	Capital invested on machinery and buildings.	Description of the raw materials and the other resources utilised or proposed to be utilized and the sources of supply of the same.	Description of the goods manufactured or proposed to be manufactured.
1	2	3	4	5	6	7
10	Central Industrial Workshop.	1917	Rs. 1,86,660	Rs. 87,677	Iron and Hardware materials (obtained from the Mysore State and other parts of India).	Mild iron steel and structural works, cast iron lamp posts, agricultural implements, bronze and gun metal castings of bearings, bushes, etc.
11	Sri Chamaraajendra Technical Institute.	1918	1,24,008	25,398	Timber, Ebony and ivory (obtained from Mysore State) and rattan (obtained from Singapore).	Furniture of both wood and rattan, inlaid articles, ivory and wood carvings, sandalwood articles and metal works.
12	Badnaival Spinning Centre.	1927	66,824	17,478	Cotton and wool (obtained from the Mysore State).	Khadi, cotton and wool.
13	Lac and Paint Works	1938	85,000	10,000	Alcohol, lac, ochres, kaolin (obtained from the Mysore State) and Pigment and Rosin (obtained from other parts of India).	Paints and varnishes.

**STATEMENT "B".**

*Statement showing particulars of the Large Industrial Concerns in the State.*

Serial No.	Name of Concern.	Year of establishment.	Capital invested in the business (Authorised).	Capital invested on machinery and buildings.	Description of the raw materials and other resources utilised or proposed to be utilised and sources of supply of the same.	Description of the goods manufactured or proposed to be manufactured.	Particulars of facilities afforded by Government.
1.	2	3	4	5	6	7	8
	<i>Private Concerns aided by Government by way of subscription to their Share Capital.</i>		Ra.	Ra.			
1	The Mysore Tobacco Co., Ltd.	1937	10,00,000	6,00,000	Harrison special and virginia Tobacco seeds and green Tobacco leaves.	Green leaves cured and seed supplied to Ryots.	<ol style="list-style-type: none"> <li>1. Government have subscribed 10% of the share capital.</li> <li>2. Government have also waived Stamp Duty on Ryots' agreements for a period of 3 years.</li> </ol>
2	The Mysore Chemicals and Fertilizers, Ltd.	1937	25,00,000	6,09,100	Sulphur	Ammonium Sulphate and Sulphuric Acid.	<ol style="list-style-type: none"> <li>1. Government have subscribed 10% of the share capital.</li> <li>2. Government lands where available are given free of cost for factory purposes.</li> <li>3. Water has been supplied free of cost.</li> <li>4. Electric power is being supplied at a concessional rate.</li> <li>5. Government have undertaken to purchase the products of the Company provided quality and price are suitable and satisfactory.</li> </ol>

1939.]

Industrial Planning

87

Serial No.	Name of Concern.	Year of Establishment.	Capital invested in the business (Authorised).	Capital invested on Machinery and Buildings.	Description of the raw material and other resources utilised or proposed to be utilised and sources of supply of same.	Description of the goods manufactured or proposed to be manufactured.	Particulars of facilities afforded by Government.
1	2	3	4	5	6	7	8
3	The Mysore Paper Mills, Ltd., Bhadravati.	1936	Rs. 25,00,000	Rs. ..	1. Bamboo, Rags, Waste paper, Common Salt, Resin, Coal, Burnt-Lime and China clay. 2. Dye stuffs, Glauber salt, Alum.	Paper :— Writing, Printing and Type-writing.	1. Government have subscribed 10% of the share capital. 2. Government have granted lands, free of cost for the construction of the factory. 3. Government have granted other facilities such as supply of water, supply of power and bamboos at concessional rates. 4. Government have undertaken to purchase the paper manufactured by the Company provided the quality and price are satisfactory.
4	Sri Kriahnarajendra Mills, Ltd., Mysore.	1920	20,00,000	27,02,881	Cotton ..	Cloth, Yarn and Hosiery.	Government have subscribed to the Share Capital of the Concern and have also granted loans on fixed assets, Machinery and Buildings.
5	The Mysore Silk Filatures, Ltd.	1938	10,00,000	..	Mysore Silk .....	Silk Reeling and Twisting.	1. Government have subscribed Rs. 15,000 to the Share Capital. 2. Government have granted 10 acre of land for the construction of the factory free of cost. 3. Government have also granted other facilities as water, Electric



6	The Mysore Sugar Co., Ltd., Mandya.	1933	20,00,000 plus debentures 12,00,000	..	Sugarcane, Sulphur, commercial phosphoric acid paste, Blankit (Sodium Thiosulphate) and Limbux (Hydrated Lime), Sulphate Ammonia and Superphosphates.	Sugar Alcohol and Molasses.	Power, etc., Transfer of the existing machinery and equipment of the Government Filature at a reasonable price, etc. 4. Government have undertaken not to give similar concessions to any other concerns so long the working of the company is satisfactory. 5. Government have undertaken to issue certificates of the results, free of charge. Government have subscribed to the share capital and have also granted lands for the factory, free of cost.
7	Mysore Spun Silk Mills, Ltd., Channarayana.	1936	10,00,000	7,91,210	Silk waste comprising reeling waste, pierced cocoons and throwsters' waste obtainable in Mysore, Kollegal, Bengal and Kashmir.	Spun silk yarn and Noil yarn.	1. Government have subscribed 10% of the share capital. 2. Government have granted Electric power at a concessional rate. 3. Government have lent the services of an officer of Government.
8	The Mysore Vegetable Oil Products, Ltd.	1938	4,00,000	..	Groundnut Oil ..	Manufacture of Vegetable Ghee, Refined and Deodorised Oils.	Government have subscribed 10% of the share capital and have also granted other facilities such as supply of land, water and Electric Power at concessional rates.
9	The Mysore Coffee, Caring Works, Ltd., Chikmagalur.	1938	4,00,000	..	Coffee (berry) ..	Coffee Curing ..	Government have subscribed 10% of the share capital and have also granted lands required for the construction of the factory free of cost.

**STATEMENT "C".**

*Statement furnishing particulars of the Large Industrial Concerns in the State.*

Serial No.	Name of Concern.	Year of establishment.	Capital invested in the business (Authorised).	Capital invested on machinery and buildings.	Description of the raw materials and other resources utilised and sources of supply of the same.	Description of the goods manufactured or proposed to be manufactured.	Particulars of facilities afforded by Government.
1	2	3	4	5	6	7	8
			Rs.	Rs.			
	<i>Private concerns aided by Government in other ways as supply of land, water power, etc., etc.</i>						
1	The Hindustan Electric Accumulators and Manufacturing Co., Ltd.	1936	1,00,000	1,25,000	Rubber containers (Foreign), lead, antimony and separators (obtained through local suppliers) and sulphuric acid (Ranipet).	Motor car batteries, railway lighting sets, telephone batteries, stationery cells, dry cells for batteries.	Government have granted a free site for the factory building up to the end of the year 1939.
2	Mysore Chemical Manufactures Co., Ltd.	1938	5,00,000	..	Local minerals as magnesite, etc.	Heavy, fine and medicinal chemicals.	<ol style="list-style-type: none"> <li>1. Government have agreed to acquire private lands required by the Company the cost of acquisition being borne by the Company.</li> <li>2. Government have agreed to waive the revenue fine payable for the</li> </ol>

3	Bangalore Chemical and Manufacturing Co., Ltd.	1933	20,000	15,000	Chlorine nitrate (manufactured in the factory) and Artificial silk (imported from foreign countries).	Chlorine nitrate and incandescent mantles.	conversion of agricultural lands for non-agricultural purposes. 3. Government have also agreed to supply free of cost to the Company 25,000 gallons of water per day for 5 years and to purchase the product of the factory to the extent of their requirements, provided the quality and prices are satisfactory.
4	Mysore Lamp Works, Ltd.	1936	5,00,000	1,40,000	Empty glass bulbs, glass tubes, lands rods, brass caps, filament wires, hooks (Foreign).	Incandescent electrical lamps.	Government have acquired for the Company land at a concessional rate and have waived the conversion charges. The products of the Company are also being purchased by Government.
5	Mysore Stoneware Pipes and Pottery, Ltd.	1937	6,00,000	2,60,000	Kaolin and fire clay (Mysore), coal and common salt (Indian), Plaster of Paris (Foreign).	Stoneware pipes and other sanitary appliances, fire bricks and cupola bricks.	1. Government have granted lands free of cost and water and power at concessional rates. 2. Government have undertaken to purchase their products provided quality and price are satisfactory. 3. Further Government have undertaken not to start or to encourage similar concerns in the State.
6	Leo Engineering Co., Ltd.	1936	10,00,000	..	Scraps of all materials and iron materials (Mysore) Coke (India).	Sanitary requisites and Textile machinery.	Government have agreed to grant site for the Company free of cost.

Serial No.	Name of Concern.	Year of establishment.	Capital invested in the business (Authorised).	Capital invested on the machinery and buildings.	Description of the raw materials and other resources and sources of supply of same.	Description of the goods manufactured or proposed to be manufactured.	Particulars of facilities afforded by Government.
1	2	3	4	5	6	7	8
			Rs.	Rs.			
7	Mysore Glass and Enamel Works, Ltd.	1938	3,00,000	..	Quartz, lime- store, Felspar, Fire and China clays.	Glass, globes for lamps bottles, tumblers, electric shades and domes, enamel boards and wares.	1. Government have granted to the Company land free of cost and have undertaken to purchase the products of the Company to the extent of their requirements provided the quality and the price are satisfactory. Government have also undertaken not to encourage the starting of similar concerns in the State so long as the working of the factory is satisfactory. Further they have also agreed to waive the royalty on the first 500 tons of the vein, quartz and one thousand tons of the vein quartz and one thousand tons of each of quartzite, Fire clay and lime stone mined by the Company.

**C.—THE NEED OF ENCOURAGING INCEPTION OF “KEY” INDUSTRIES IN INDIA.**

**MEMORANDA.**

**Madras\*.**

There can be no question as to the advisability of encouraging in every way possible the development of new industries of basic and fundamental importance, though opinions may differ as to what steps should actually be taken to accelerate the industrial development of the several provinces. It is true, as pointed out in the note contributed by Bengal to the Ninth Industries Conference, that the industrial position of a country whose industries depend for their supplies of materials upon foreign sources must be precariously based. It is not satisfactory, for instance, that the soap industry should be dependent upon foreign sources of supply for its caustic soda, but this will be rectified when the alkali industry is established in Madras and Bengal. The weaknesses (and strengths) of India's economy were clearly revealed during the last depression when her dependence upon exports of agricultural produce brought about a very difficult position, the sharp fall in commodity values seriously upsetting her balance of trade. The prices of primary products fell more rapidly than those of the manufactured articles imported in exchange, and if India had had a larger industrial production and there had been a greater proportion of manufactures among her exports, her depression difficulties and distress would have been less pronounced. In the meantime, there has been a marked tendency for industrial countries to become agriculturally more self-sufficing and it is very necessary that, as a corollary, India should endeavour to become industrially more self-contained, for, unless the country's dependence upon exports of agricultural produce is reduced and a more balanced internal economy as between manufacturing industries and the primary production of agricultural commodities is achieved before the next depression sets in, the position may become even more difficult than it was a few years ago. The cultivators suffered much more during the last depression than the industrial workers and the key to the problem of raising the standard of life of the Indian people is to industrialise the countries, in addition to improving the organization of agriculture.

2. There are four main sources of raw materials for the development of industries in a country, namely, (i) agricultural products, (ii) animal products, (iii) forest products, and (iv) mineral products. It was formerly believed that the development of industries in Madras was likely to be

\* Prepared by the Director of Industries,

chiefly in the direction of converting and working up into manufactured or semi-manufactured form the agricultural and forest products of the province, but the possibility of establishing several new industries has been opened up by the advent of electric power over a considerable area. It is the case, however, as pointed out in the note in regard to the undertaking of an industrial survey, that our knowledge of the natural resources of the country is inadequate and that a survey of these resources in which the Geological Survey, Forest and other departments would collaborate, is very necessary.

3. The manufactures which have become important in the Province of Madras and of which we have been reducing our imports include, in addition to the spinning of yarn and weaving of cloth, sugar, matches, cement, and soap, the latter industry having been pioneered by the Department of Industries. There are 49 cotton mills at work in the Madras Province with 1,229,396 spindles and 5,915 looms. The mill production of yarn in 1937-38, amounted to 136.40 million lbs. whilst the mill production of cotton piecegoods was 86.12 million yards or in weight 23.15 million lbs. There is scope in Madras for the spinning of finer counts of yarn and for the production of some of the superior class of bleached fabrics, whilst having regard to the market for yarn and piecegoods, there is still room for the setting up of additional mills in some areas. A cotton spinning, weaving, bleaching and finishing mill, which has been recently started at Mettur, will concentrate on the weaving of bleached mulls, and bleached dhoties for which there is a large demand in the Province. The *hides and skins and leather industry* is one of the most important industries in the Province, there being from four to five hundred organized tanneries providing whole time employment in normal times for many thousands of hands. There is a *cement* factory at Coimbatore with a capacity of 120,000 tons per year, whilst a factory, which will have a capacity of 75,000 tons, is in course of erection at Trichinopoly, and another at Bezwada, the production of which will be 30,000 tons per year. There is also a proposal to establish in the Guntur district another factory with a capacity of 75,000 tons per annum. When all these factories are in operation, the productive capacity will be considerably in excess of the present consumption. A company has been formed for the purpose of setting up at Mettur an alkali industry and manufacturing *caustic soda*, liquid chlorine, bleaching powder, hydrogen and other chemicals. The factory is at present under construction and manufacturing operations are expected to commence next year. In the initial stages, the company will confine itself to manufacturing 5 tons of caustic soda and  $4\frac{1}{2}$  tons of chlorine per day of 24 hours. One and a half tons of chlorine will be liquid chlorine, whilst three tons will be converted into

bleaching powder. It is possible that at a later stage the manufacture of soda ash (sodium carbonate) which is prepared from lime and salt will be taken up. There is considerable scope in Madras for the development of the *sugar industry*, since Madras produces only from one-fourth to one-third of the sugar which it consumes. As the introduction of the improved varieties of sugarcane proceeds, it should be possible to reduce the cost of manufacturing sugar in the factories in Madras. Madras is mostly an agricultural province and its prosperity depends largely upon its agricultural production. The two essentials for intensive cultivation are water and fertilisers. A great deal has been done in Madras to extend the benefits of irrigation, but as regards the production of fertilisers, very little has been attempted, with the result that the Province has to rely upon foreign imports. This is not a satisfactory position from an economic point of view and further, in the event of international complications arising, there is always the possibility of an interruption in the supply of fertilisers which have become essential to the agricultural population, and in such an eventuality, the yield of crops and the return to the cultivator would fall off. It is very desirable, therefore, that a real effort should be made to establish the fertiliser industry in India, and since Madras accounts for about half the imports of ammonium sulphate, it would be only in the fitness of things for the industry to be developed in this Province. A preliminary scheme for the establishment of an *ammonium sulphate industry* at Mettur has been drawn up on the basis of a production of 20,000 tons of the fertiliser per annum, the capital cost of the plant being about Rs. 42 lakhs. It is estimated that it should be possible to produce ammonium sulphate at Mettur at about Rs. 75 per ton, and to supply it to the cultivator at considerably below the present price. The question of the development of the *Salem iron ores*, and the manufacture of high grade steel products therefrom, has been under consideration for some time. The iron ore is composed of a mixture of silica and magnetite in about equal amounts and the small scale experiments conducted at the Benares Hindu University have shown that no special difficulty need be apprehended in concentrating the ore and that after powdering the rock and passing it through the separator, almost pure magnetite is obtained, it being possible to carry the concentration of magnetite upto 90 per cent. For a smelting capacity of 110 tons of pig iron per day, the cost of crushing, concentrating and separating plant, electric furnaces and steel-making plant, is estimated at about Rs. 25 lakhs. The further steps to be undertaken in regard to the exploitation of these ores is at present under the consideration of the Government. There is a re-rolling mill at Negapatam which upto the present has rolled sections from imported billets. Orders have been placed by this company for a rod mill which will enable them to manufacture small sections of rounds and squares which are largely in demand for reinforced concrete work, whilst with a

view to making the mills more self-contained in respect of raw materials, a plant has been ordered for smelting by electric process the scrap steel available in the country. When the present programme of development is completed, the production will be about 24,000 tons of steel sections per annum, made up of 12,000 tons rolled from billets and 12,000 tons rolled from ingots. There is another small mill at Bezwada which re-rolls sections from steel rails. A *paper mill* at Rajahmundry which has been moribund for many years, was recently re-started after complete renovation and is expected to produce about 3,000 tons of paper per annum. There is scope for setting up paper mills in some other areas of the Province, e.g., at Mettur utilizing bamboo, in the Tinnevely district ceta, reed, and in the Ceded Districts, grasses. Two factories for the manufacture of *stoneware pipes* and other forms of pottery are in process of establishment. The preparation on a laboratory scale of *creams, brilliantines, hair oils and dentifrices* is in progress at the Kerala Soap Institute, Calicut and if these experiments prove successful, it should be possible to reduce the import of toilet articles. The experimental manufacture of insecticides, fungicides and sprayers is in progress at the Kerala Soap Institute as also the distillation of essential oils.

4. Other industries which may be developed in Madras on a provincial basis, in addition to those already mentioned, are the manufacture of certain classes of builders hardware such as locks, hinges, door-bolts, handles, expanded metal, etc., rubber goods, radio sets and components, glassware, belting, certain chemicals, implements, paints, and varnishes, inks, malted foods and similar products, toys, drugs and medicines, biscuits, fruit preserves and canned goods, asbestos cement sheets, glass paper, advertising tape, pins and safety pins, wire nails, porcelain goods, plastic moulding powder and plastic articles from cashew shell oil or other raw materials, and staple fibre. The possibility of producing power alcohol has been subjected to preliminary examination and a Committee will shortly be appointed by Government to draw up a practical scheme for the development of the industry.

5. Industries which lend themselves more to development on an All-India scale than on a purely provincial basis are motor cars and vehicles, the heavy chemical and metallurgical industries, the production of explosives, the manufacture of heavy power plant and electrical cables, of electric machinery including motors, of oil engines, of agricultural implements and machinery and of textile machinery, the manufacture of dyes from coal tar, aircraft and railway and military materials and stores.



**Bombay.\***

The Government of India have desired that they may be informed :—

- (a) What industries of importance are in active operation or in existence in the region administered by the Bombay Government.
- (b) What additional industries should, it is considered, be started and fostered in this region in view of the local conditions.
- (c) What industries are considered to be key industries with respect to each of the main industries under (a) and (b) above.

Appendix I below covers the point raised in (a) above.

As regards the point raised in (b) above, Part I of Appendix II below gives the Basic Industries which should be established in the country and Part II of the same gives the industries which can suitably be established in the Province of Bombay.

As regards the point raised in (c) above, Appendix III below gives the required information.

**APPENDIX I.****EXISTING INDUSTRIES OF THE PROVINCE OF BOMBAY.**

The statement below gives the existing factories in the different main groups showing the number of factories as well as number of persons employed in each section of each group.

2. It will be noted that the total number of organized factories, which come under the Factories Act, was 1,612 in the year 1936. It will be further noted that the number of persons employed in all these factories was 3,88,544 in the year 1936.

3. The total number of joint stock companies in the Province of Bombay has gone up from about 500 in the year 1913-14 to about 1,200 in the year 1933-34. The paid-up capital of these companies in 1933-34 was about Rs. 100 crores. It is of interest to note that out of the total paid-up capital of about Rs. 100 crores no less than a sum of about Rs. 20 crores is invested in organized textile mill industry, which is the premier industry of this Province.

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\*Prepared by the Director of Industries.

*Statement of group factories under different heads in the Bombay Province (under the Factories Act)—does not include cottage industries and workers.*

Name of Industry.	Factories under Government and Local Boards.		Factories under private control.	
	Number of factories.	Total workers employed.	Number of factories.	Total workers employed.
<b>1. Engineering—</b>				
General Engineering .. .. .	5	222	..	..
Coach Building .. .. .	..	..	24	1,715
Electrical Engineering .. .. .	..	..	9	416
Electrical generating stations .. .. .	2	270	11	478
General machine shops .. .. .	..	..	38	3,380
Kerosene tinning and packing .. .. .	..	..	7	1,214
Metal stamping .. .. .	..	..	35	2,900
Railway workshops .. .. .	17	9,334	19	8,990
Ship-building, Dockyards and Engineering.	1	1,225	3	1,512
Steel trunks, locks and cutlery .. .. .	..	..	3	774
Tramway works .. .. .	..	..	1	598
Miscellaneous .. .. .	10	545	27	1,666
Mints .. .. .	1	791	..	..
Ordnance factories .. .. .	2	2,539	..	..
Water Pumping stations .. .. .	2	225	..	..
<b>2. Minerals and Metals—</b>				
Foundries .. .. .	..	..	20	1,164
Miscellaneous .. .. .	..	..	3	64

1939.]

*Key Industries.*

99

Name of Industry.	Factories under Government and Local Boards.		Factories under private control.	
	Number of factories.	Total workers employed.	Number of factories.	Total workers employed.
<b>3. Food—Drink—Tobacco—</b>				
Breweries and Distilleries ..	1	..	..	..
Bakeries—Biscuits Confectionery ..	..	..	7	377
Coffee .. .. .	..	..	1	62
Dairy Produce .. .. .	..	..	3	190
Ice and Aerated waters .. .. .	..	..	12	412
Flour Mills .. .. .	..	..	11	831
Rice Mills .. .. .	..	..	1	13
Tobacco .. .. .	..	..	8	500
Miscellaneous .. .. .	..	..	13	449
<b>4. Chemicals, Dyes, etc.—</b>				
Chemicals .. .. .	..	..	3	343
Dyeing and Bleaching .. .. .	..	..	50	6,729
Gas works .. .. .	..	..	1	467
Matches .. .. .	..	..	9	4,416
Oil Mills .. .. .	..	..	66	2,758
Paints .. .. .	..	..	1	91
Soaps .. .. .	..	..	5	751
Miscellaneous .. .. .	..	..	17	907
<b>5. Paper and Printing—</b>				
Paper Mills .. .. .	..	..	3	889
Printing, Book Binding, etc. ..	7	..	106	7,511
Miscellaneous .. .. .	..	..	7	179

Name of Industry.	Factories under Government and Local Boards.		Factories under private control.	
	Number of factories.	Total workers employed.	Number of factories.	Total workers employed.
<b>6. Processes relating to Wood Stone—Glass—</b>				
Bricks and Tiles .. ..	..	..	5	644
Carpentry and Cabinet making ..	..	..	6	461
Cement—Lime—Potteries .. ..	..	..	1	65
Glass .. ..	..	..	5	644
Saw Mills .. ..	2	113	6	686
Miscellaneous ... ..	..	..	26	1,159
<b>7. Processes connected with skins and hides—</b>				
Leather and shoes .. ..	..	..	1	38
Tanneries .. ..	..	..	4	258
Miscellaneous .. ..	..	..	5	171
<b>8. Miscellaneous—</b>				
Brushes .. ..	..	..	1	38
Gramophone Records .. ..	..	..	1	30
Laundries .. ..	..	..	4	208
Miscellaneous .. ..	..	..	37	1,968
<b>9. Textiles—</b>				
Cotton—Spinning and Weaving Mills, etc. .. ..	..	..	204	2,66,062
Hosiery Factories .. ..	..	..	15	1,359
Silk Mills .. ..	..	..	27	1,095
Woollen Mills .. ..	..	..	3	1,423
Miscellaneous .. ..	..	..	39	2,658

1939.]

Key Industries.

101

Name of Industry.	Factories under Government and Local Boards.		Factories under private control.	
	Number of factories.	Total workers employed.	Number of factories.	Total workers employed.
<b>10. Seasonal Factories—</b>				
Rice Mills .. .. .	..	..	3	76
Sugar Factories .. .. .	..	..	8	2,207
Gur Factories .. .. .	..	..	61	1,546
Bone Mills .. .. .	..	..	3	196
Cotton gins and Presses ..	..	..	582	36,510
Miscellaneous .. .. .	..	..	1	42

## APPENDIX II.

## PART I.—BASIC INDUSTRIES FOR INDIA AS A WHOLE AND FOR BOMBAY PROVINCE IN PARTICULAR.

So far the industrial development of the country has been haphazard. Factories have come into existence in the different parts of India without any definite plan. In most cases what may be termed as raw materials for various industries are imported. Machinery required for manufacturing processes is imported practically in most cases. Same remarks apply to chemicals required for the various industries. If rapid industrial development of the country is desired, it is essential to make arrangements for the establishment of certain basic or key industries, the finished products of which are the raw materials of a large number of secondary industries. These basic industries may be put into six broad groups: (1) Power, (2) Metals, (3) Machinery, (4) Chemicals, (5) Artificial Fibres and (6) Fisheries.

2. *Power*.—The power resources must be developed. The development would include (a) hydro-electric power, (b) most economic use of existing coal and wood fuel resources of the country, (c) liquid fuel, specially power alcohol from molasses and waste products and petrol from coal dust, and (d) possible utilization of oils from agricultural and forest oil bearing seeds.

3. *Metals.*—There is in this country a fairly well-developed iron and steel industry. Arrangements should be made for the production in the country of high grade steel including alloy and tool steel.

*Aluminium.*—There is in this country available a large quantity of bauxite. All aluminium ingots and sheets are imported. These should be made in the country from the bauxite available.

*Other metals.*—Consideration should be given as to which other metals could be produced in the country.

4. *Machinery.*—As stated previously, practically all of our industries at present depend upon imported machinery. Arrangements should be made for the development of engineering and machinery industries in the country. Under this group the following main items must be considered :

(a) *Automobiles.*—We import something like Rs. 8 crores worth of automobiles per year in the country. There seems no reason why an automobile factory cannot be established in the country.

(b) *Railway locomotives and rolling stock.*—We are almost entirely dependent upon imports for railway locomotives and same remarks apply to several parts required for building rolling stock.

(c) *Ship building.*—There is hardly any ship building industry in the country. This could be developed.

(d) *General industrial machinery.*—Under this sub-heading we import such essential items as prime movers, electrical machinery of all description, boilers, cotton textile machinery, jute mill machinery, printing and lithographic presses, machine tools such as lathes and so on. The total value of these articles of industrial machinery runs into several crores of rupees per year.

5. *Chemicals.*—We have so far been dependent upon foreign countries for such essential chemicals as caustic soda and soda ash. Recently the Imperial Chemical Co. of England have taken steps to establish a factory in this connection in the Punjab. There is a project under consideration for the establishment of a factory of this kind at Port Okha in the Baroda State territory. But there is no doubt that there is scope for the development of both heavy and light chemical industries in this country.

Development of chemical industry of course includes manufacture of Acids, chemical fertilizers and dyes, etc.

6. *Artificial Fibres.*—(*Artificial silk, etc.*)—We import into this country something like Rs. 3½ crores worth of artificial silk yarn and cloth made therefrom per year. This is exclusive of cloth made from mixture of artificial silk and cotton yarn and other fibres. The yarn produced by this industry is consumed in large quantity by our handloom industry

and textile industry. Consequently, it is important that artificial silk yarn industry should be established in the country.

7. *Fisheries*.—India has a long coast line and its fisheries resources are considered second to none. Its present development cannot be considered as anything but unsatisfactory. New and improved methods of exploitation of our sea resources should be introduced. On this industry depend many subsidiary industries specially that covering fish oil, fish guano and fertilizers.

**PART II.—INDUSTRIES WHICH MAY BE ESTABLISHED IN BOMBAY PROVINCE.**

8. It will be noted that in the matter of bleaching powder, caustic soda and soda ash, Bombay is responsible for a large part of the imports into the country. There is a big consumption of these chemicals in the Province and raw materials in the shape of salt, etc., are available. There is no reason why this industry may not be established here.

9. *Machinery, mill work and general engineering*.—It will be noted that there is available in the Province a large quantity of good quality bauxite. There is no reason why an aluminium reduction plant should not be established here. In the same manner, the Province is large consumer of such articles as prime movers, electrical machinery, boilers, mill machinery, printing and lithographic presses and machine tools. The values of articles used in this Province as against the total imports are relatively high. These Engineering industries should also be established in Bombay.

*Automobile industry*.—It will be noted that something like Rs. 8 crores worth of motor cars and commercial trucks are imported into India, and over half of these are imported into Bombay Province. For various reasons Bombay is the best centre for the establishment of this industry.

10. *Artificial silk*.—It will be noted that out of the total imports, Bombay accounts for at least 60% of the artificial silk yarn and products made therefrom. The raw materials for the industry are available in the Province in the shape of bamboo and wood pulp, short staple cotton, waste cotton, etc. There is no reason why this industry may not be established here.

**APPENDIX III.**

**INDUSTRIES CONSIDERED TO BE "KEY" INDUSTRIES.**

Manufacture of Caustic Soda, Soda Ash and Sulphuric Acid in the Chemical Group, Manufacture of Aluminium ingots and sheets, Manufacture of Electrical and Mechanical Power Plants and Industrial Machinery, Manufacture of Automobiles and Artificial Fibres (Artificial Silk) are some of the Key Industries which can suitably be established in the Province of Bombay.

**Bengal.**

(See Memorandum under "Industrial Survey.")

**United Provinces.**

(See Memorandum under "Industrial Planning.")

**Punjab.**

The Punjab Government attach considerable importance to the establishment of "Key" industries and the preliminary provincial surveys to ascertain where such industries should be most suitably located. The statements of industries asked for are given below.

This item can best be discussed with the item regarding a programme or plan of industrial development.

(a) *Industries of importance in active operation or in existence in the Punjab.*

**Textiles—**

- (i) Cotton spinning.
- (ii) Cotton weaving.
- (iii) Wool spinning.
- (iv) Wool weaving.
- (v) Silk and mixture weaving.
- (vi) Hosiery.
- (vii) Carpets.
- (viii) Dyeing and calico printing.

**Metal trades and engineering—**

- (i) Brass, copper and bronze utensils.
- (ii) Iron safes, steel trunks and despatch boxes.
- (iii) Spare parts of machinery.
- (iv) Tools and agricultural implements.
- (v) Small machines, lathes, oil engines and expellers, soda water machines, etc.
- (vi) Surgical and veterinary instruments.
- (vii) Sheet metal work like tubs, buckets, etc.
- (viii) Electric goods, e.g., fans.
- (ix) Iron foundry products.
- (x) Electric steel smelting and casting.
- (xi) Manufacture of sand paper.

**Minerals—**

Petroleum refining and allied products, e.g., lubricating oils, candles and waxes, etc.

**Food, drink and tobacco—**

- (i) Breweries and distilleries.
- (ii) Ice and aerated water.
- (iii) Flour milling.
- (iv) Rice milling.



1939.]

*Key Industries.*

105

*Chemicals—*

- (i) Chemicals.
- (ii) Gas works.
- (iii) Vegetable oil seed pressing.
- (iv) Rosin and turpentine.
- (v) Soap and other toilet goods.
- (vi) Manufacture of vegetable ghee.
- (vii) Paints and varnishes.
- (viii) Starch.
- (ix) Dry ice and refrigeration.

*Paper and printing—*

- (i) Printing.
- (ii) Paper manufacture.

*Processes relating to wood, stone and glass—*

- (i) Cabinet work.
- (ii) Manufacture of sports goods.
- (iii) Cement, lime and potteries.
- (iv) Glassware.
- (v) Stationery and drawing materials (some items, e.g., drawing instruments, pen-holders, inks).

*Processes connected with skins or hides—*

- (i) Tanneries.
- (ii) Leather manufactures.

*Miscellaneous—*

- (i) Rubber goods manufacture.
- (ii) Tea plantations.
- (iii) Cotton ginning and baling.
- (iv) Gut.
- (v) Glue.
- (vi) Sports goods.
- (vii) Celluloid goods from Celluloid sheet, rod and tubes.
- (viii) Optical goods.

*(b) Additional industries which it is considered can be started and fostered in the Punjab.*

1. Wheat, maize and other cereal products : Breakfast foods, starches, gincoae, etc.
2. Hides and skins : sole, belting and other leather.
3. Cotton, cotton seed and its products, e.g., fertiliser, gun cotton, nitrocellulose, hydrogenated oils and cattle feeds, artificial silk.
4. Caustic soda and other alkalies.
5. Gypsum and Pyrites : Sulphuric and allied acids.
6. Wood : wood distillation for acetone and allied products manufacture ; Kraft

7. Industries of transport, e.g., manufacture of bicycles, light vehicles, etc.
  8. Engineering industries for manufacture of machinery and repair work of hardware.
  9. Packing industries : manufacture of containers of all kinds, paper ; etc., printing of labels, etc.
  10. Coal distillation (low temperature) for tar ammonia and benzol.
  11. Ceramic goods for household use, electric and sanitary ware.
- (c) Industries considered to be "Key" industries with respect to each of the main industries under (a) and (b) above.
1. Cotton spinning.
  2. Cotton weaving.
  3. Wool spinning.
  4. Wool weaving.
  5. Small machines, lathes, oil engines and expellers, Soda water machines, etc.
  6. Sheet metal work like tubs, buckets, etc.
  7. Electric Steel smelting and casting.
  8. Chemicals.
  9. Gas works.
  10. Vegetable oilseed pressing.
  11. Rosin and turpentine.
  12. Starch.
  13. Dry ice and refrigeration.
  14. Printing.
  15. Cement, lime and potteries.
  16. Glassware.
  17. Tanneries.
  18. Rubber goods manufacture.
  19. Wheat, maize and other cereal products : breakfast foods, starches, glucose, etc.
  20. Hides and skins : sole, belting and other leather.
  21. Cotton, cotton seed and its products, e.g., fertilizer, gun cotton, nitrocellulose, hydrogenated oils and cattle feeds, artificial silk.
  22. Caustic soda and other alkalies.
  23. Gypsum and Pyrites : Sulphuric and allied acids.
  24. Wood : Wood distillation for acetone and allied products manufacture ; Kraft paper ; Plywood.
  25. Industries of transport, e.g., manufacture of bicycles, light vehicles, etc.
  26. Engineering industries for manufacture of machinery and repair work of hardware.
  27. Packing industries : manufacture of containers of all kinds, paper, etc., printing of labels, etc.
  28. Coal distillation (low temperature) for tar ammonia and benzol.
  29. Ceramic goods for household use, electric and sanitary ware.
  30. Paints and varnishes.

#### Bihar.

(See Memorandum under "Industrial Planning".)

#### Central Provinces and Berar.

This question is linked up with that of the industrial plan for the province, which as mentioned in the other memorandum awaits the

1939.]

*Key Industries.*

107

completion of the industrial survey. The major industries in which the province is interested at present are as follows :—

- (i) Cotton textiles,
- (ii) Oil industry,
- (iii) Cement work,
- (iv) Potteries,
- (v) Lac and shellac,
- (vi) Leather, and
- (vii) Myrabolan.

The key industries suitable in this province appear to be as follows :—

- (a) Manufacture of electric plant and accessories, especially insulators from lac and shellac,
- (b) Manufacture of fertilisers from bones and *gut* from intestines of dead animals,
- (c) Manufacture of washing soda on the Loner Lake in the Buldana district,
- (d) Manufacture of aluminium from bauxite provided the problem of cheap electrical power is solved, and
- (e) Utilisation of manganese ore.

**Assam.**

(See Memorandum under "Industrial Survey".)

**North West Frontier Province.**

(See Memorandum under "Industrial Survey".)

**Sind.**

At present, the only industries of any moderate size existing in Sind are: the cement, sugar and oil-extracting industries. There appear to be possibilities for the manufacture of textiles, paper, alkalines and glass, since the necessary raw materials are available in Sind. As no survey of raw materials has been made, it is not possible to say, at present, what other industries can be considered. Amongst the industries mentioned above, the alkaline industry can be considered as a "Key" Industry, as Soda Ash is a raw material for a large number of industries. There are lakes in Khairpur State and parts of Sind where crude Soda Ash is produced by evaporation of the alkaline water from the lakes. Large scale experiments would, however, be necessary before a definite opinion on the commercial possibilities of this industry in Sind can be expressed. Without a proper mineral survey, it is also not possible to state what other natural resources exist for the establishment of other "Key" industries.

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Orissa.

(See Memorandum under "Industrial Planning".)

Mysore.\*

The subject of Industrial Surveys has been engaging the attention of the Government of Mysore for some years past. A detailed industrial survey of the State was undertaken and completed in the year 1914. Since then, the Department of Industries and Commerce has carried out surveys of selected industries from time to time for collecting data in connection with the development of such industries. The more important among these are the following:

- (1) A survey of woollen industry in Mysore conducted by the Department during the year 1933-34 with a view to furnishing information called for by the Tariff Board in connection with the grant of protection to the Indian Woollen industry.
- (2) Survey of Power Loom Industry in certain areas conducted during the year 1935-36.

During the year 1937-38, the Industries Department carried out the following surveys:—

1. Survey of existing cottage industries in 26 villages included in the Rural Reconstruction Centre in the Bangalore District.
2. A similar survey of cottage industries in 44 villages in the Tumkur District.
3. A survey of handloom weaving industry in 20 villages in the State in connection with the scheme of assistance to be given to handloom weavers by the formation of a Central Co-operative Society for financing and marketing of handloom products.
4. A survey of handloom weaving and other rural industries in 39 villages selected for intensive rural development work in the Mysore District.
5. A survey of the Lametta and gold and silver lace manufacturing industry in Bangalore City.
6. An intensive survey of 6 villages in the Rural Reconstruction Centre in Bangalore District with a view to finding out the ordinary needs of the village community and to what extent they are being met by local production and to what extent they are supplemented by outside supplies and the possibilities of making the village communities self-sufficient as far as possible.

1939.]

*Key Industries.*

109

In addition to the above, a special survey of the sericultural industry in all the sericultural villages in the State was carried out with a view to collecting information for presentation to the Tariff Board.

Government have since directed that systematic surveys should be undertaken with reference to important industries in the State and detailed information obtained as to the scope for their further development. As recommended by the Industrial Research Bureau, the following industries have been selected in the order of their importance :—

1. Oil seed crushing industry,
2. Handloom Weaving,
3. Tanning, and
4. Pottery and Ceramic Industry.

The Industries Department has taken steps to start the survey of the Oil Seed Crushing Industry in the first instance and complete the same within about six months.

**Discussion.**

*Monday, January 23rd, 1939.*

**(a) DRAWING UP OF A REGULAR PLAN OR PROGRAMME FOR THE ESTABLISHMENT AND DEVELOPMENT OF INDUSTRIES OF NATIONAL OR ECONOMIC IMPORTANCE AND OF THE KEY INDUSTRIES.**

The Chairman mentioned that this item arose out of the proceedings of the third session of the Industrial Research Council. The matter was also considered at the Ninth Industries Conference, and it was then agreed that the points raised should be brought to the notice of the Provinces with a view to arranging for co-ordinated action to be considered at the next Industries Conference. The Provinces had been addressed in this connection and their replies had been received, and were contained in a separate memorandum. The Government of India had no observations to make at that stage, and it was for the Conference to consider the question further.

The Honourable Dr. Saiyid Mahmud (Bihar) said that the Provinces had taken some steps, but that it was not possible for a province to take any line of action independently. The co-operation of the Government of India was necessary as tariff and railway freight questions were involved. In the matter of industries India should be regarded as one unit. Almost all the Provinces had already met together in the All-India Planning Commission and until the subject had been fully considered by that Commission, it would be difficult to put forward any

considered views. He then moved the following resolution for consideration :—

“ That this Conference is of the opinion that in view of the fact that an All-India National Planning Commission has been formed at the instance of various Provincial Governments and a Committee of experts has been appointed for drawing up a co-ordinated plan of industrial development and this Committee will take up the question of organization of industries of national and economic importance and of the key industries, it is unnecessary for the Conference to go into the same question independently at this stage. It therefore requests the Central Government as well as the Provincial Governments and States to co-operate fully with the All-India National Planning Committee and to take steps to supply all necessary material and data and give such other assistance as it may require. This Conference is further of the opinion that the Report of the said All-India National Planning Commission be taken into consideration at a special meeting of this Industries Conference, as soon as it is published ”.

The Chairman then invited the views of the other members of the Conference.

Mr. Ramakrishna (Madras) said that representatives from Madras were taking part in the deliberations of the All-India National Planning Commission, and the Government of Madras therefore reserved their opinion until the Commission had reported.

The Honourable Mr. Patil (Bombay) whole-heartedly supported the resolution and suggested an amendment of the effect that it would be better if this Conference nominated two of its delegates as representatives on the All-India National Planning Commission. He stressed the fact that the Planning Commission did not represent any particular political party.

The Honourable Mr. Saiyid Mahmud (Bihar) supported the Honourable Mr. Patil's proposal that the Conference should be represented on the All-India National Planning Commission.

The Chairman pointed out that until the Conference was invited to co-operate, no action seemed possible in this connection.

The Honourable Nawab Khwaja Habibullah Bahadur of Dacca (Bengal) said that it was no use planning in regard to industries until the Government of India's fiscal policy was changed. He considered

that it was the Government of India's duty to bring the Provinces together for this purpose. Bengal, he said, was prepared to co-operate with any other province in this connection, but as regards the All-India National Planning Commission, his province had not been consulted before a meeting of the Commission was called by the President of the Indian National Congress. Bengal was therefore not willing to take part in the deliberations of the Commission. They would, however, watch the work of the Commission with interest.

The Honourable Dr. Katju (United Provinces) said that there appeared to be some misunderstanding in the mind of the Bengal Minister. The All-India National Planning Commission included representatives of both Congress and non-Congress Provinces. As duplication of effort was undesirable in this connection, he suggested that support should be given to the All-India National Planning Commission instead of considering the matter in the present Conference. He therefore supported the Honourable Dr. Mahmud's resolution.

The Honourable Rao Bahadur Chaudhri Sir Chhotu Ram (Punjab) agreed with the previous speakers that delay in industrial planning was undesirable, but he strongly disapproved of the resolution. He said that the All-India National Planning Commission had been constituted by an authority with which the Punjab Government was unconnected. The present Conference, he said, was fully representative of all Provinces and States and should not be asked to abdicate its functions in favour of a less representative organisation. The Punjab Government would not take orders from the Commission. It would, however, co-operate within reason.

Mr. Desai (Central Provinces and Berar) said that his Honourable Minister regretted that he was not able to be present that day to take part in the discussion on this subject. He was, however, strongly in favour of the resolution moved by the Honourable Dr. Mahmud. Mr. Desai added that merely because the All-India National Planning Commission had been constituted in a certain manner, nevertheless, if its policy was sound, this could be no reason why it should not be supported. In any case, it had now assumed a non-party aspect. He suggested that the Conference should proceed to define its attitude towards the All-India National Planning Commission.

Mr. Mehta (Assam) and the Honourable Khan Mohd. Abbas Khan (N. W. F. P.) also supported the Bihar Minister's resolution.

Mr. Thadani (Sind) said that the Conference should have no objection to sending a representative, if an invitation from the All-India National Planning Commission was received.

Mr. Mozumdar (Orissa) also supported the resolution.

The representatives from the States were also asked for their views.

Mr. Kumara Das (Travancore) said that he had no instructions in the matter, but the Travancore Darbar would have no objection to co-operating with the All-India Planning Commission.

Mr. Ramchandra Rao (Mysore) also agreed to co-operate.

Dr. Mehta (Baroda) said that the Baroda Government were already co-operating with the National Planning Committee.

The Indore, Gwalior and Hyderabad representatives were not able to commit their respective Governments before the matter had been more fully considered.

Mr. Crofton (Hyderabad) said that his Government was awaiting the decision of the Conference in the matter before making up its mind. His Government, however, would be prepared to co-operate with any planning committee nominated with a desire to improve the status of Indian industries.

After the Minister of Industries from Bihar had explained that the Indian National Congress had nothing to do with the National Planning Committee and expressed his regret at not having consulted the Minister from non-Congress provinces, the Honourable Nawab Khwaja Habibullah Bahadur of Dacca withdrew his objection to the resolution moved by the Honourable Minister of Industries, Bihar.

The Honourable Rao Bahadur Chaudhri Sir Chhotu Ram, Minister for Development, Punjab, however, maintained his position that, a fair representation from the start had been denied to the Punjab, the Punjab Government could not accept the decisions of the Commission as binding upon them.

In view of the further explanation of the Honourable Dr. Mahmud, the Madras representative promised the support of his Government to the Bihar proposals.

The Chairman summing up said that the discussion on the resolution had shown that the majority supported it, the only emphatic dissent being that of the Punjab. He pointed out that it was not usual for the Conference to record formal resolutions, but that the subject-matter of the resolution might be expressed as the desire of the Conference :—

- (1) That the Conference did not desire that a parallel activity should be started by them (though he did not think that there was any such activity);



(2) That they desired that the Central Government as well as the Provincial Governments and States should co-operate in every respect with the All-India National Planning Commission;

(3) That, when the All-India Planning Commission had reported, its Report should be considered by the Conference.

As regards the question of any representatives being appointed, he said that, as he had already pointed out, he thought it would be rather premature, as they had received no such request from the Commission. Further, even if representatives were chosen by the Conference, they would really be the representatives of their own Governments. For example he pointed out that they could not appoint the Honourable Rao Bahadur Chaudhri Sir Chhotu Ram to represent the Conference, as he had stated that for certain reasons he was not willing to co-operate, and therefore the nominee of the Conference could only serve on the Commission if his particular Government allowed him to do so.

As regards the question of the Central Government co-operating, he made it clear that it was impossible for him, representing the Central Government in the Conference, to say what attitude that Government would adopt, as so far they had not received any request for co-operation from the Planning Commission.

#### (b) INDUSTRIAL SURVEYS.

The Chairman pointed out that this question was also covered by the activities of the National Planning Commission. Some of the Provinces were already going ahead with different kinds of survey and there had been some diversity of opinion expressed concerning the scope of the survey and the method to be followed. He did not know to what extent the All-India Planning Commission would have to undertake industrial surveys as a preliminary part of their work. He then asked if any members wished to record any observations on this subject.

The Honourable Dr. Katju, (United Provinces) said that provincial surveys had in many cases already been taken up. An All-India survey of key industries, he proposed, should be left to the All-India National Planning Commission.

The Conference was in general agreement on this point.

Rai Bahadur Lala Ram Lal (Punjab) complained that, as regards census reports, industrial workers from one census to another were classified on a different basis. It was therefore not possible to make a proper comparison of the statistics available. He suggested that the question should be thoroughly examined with a view to deciding on a fixed classification.

The Chairman invited the Director of Industries, Punjab, to prepare a note for the consideration of the Government of India.

Mr. Gilmore explained to the Conference the lines on which he was proceeding in the matter of industrial surveys. When he first took up the subject of industrial surveys, it was his intention to deal with the major industries in turn as opposed to covering the whole industrial field. To start with the Industrial Research Council had selected the oil seed crushing industry and the tanning industry. As a technician, he was aware of the grievously backward state of these industries which were badly in need of development. He hoped that everyone concerned would fall into line and that the Governments mainly interested would produce the finances and the staff necessary to carry out the necessary survey work properly.

Mr. Crofton (Hyderabad) said that in Hyderabad they were surveying selected industries. He thought it was desirable that the Industrial Research Bureau should follow the plan of selecting individual industries for survey and that the same plan should be followed by the Provinces and States. So far as Hyderabad was concerned, they were very willing to co-operate.

#### IV.—MATTERS ARISING OUT OF THE PROCEEDINGS OF THE FOURTH SESSION OF THE INDUSTRIAL RESEARCH COUNCIL.

##### Discussion.

*Monday, January 23rd, 1939.*

The Chairman observed that the minutes had already been circulated and that no particular points had been raised. The procedure was to place these minutes before the Industries Conference for any observations that members might wish to make. He then called upon members to express their views.

Mr. Ramakrishna (Madras) had no observations to make.

Mr. Advani (Bombay) said that the Industrial Research Council, although it was of opinion that the Industrial Research Bureau had justified its existence, strongly felt that the resources of the Bureau were much too limited. He referred briefly to the work which had already been undertaken by the Bureau and said that in his opinion this did not represent the full scope of industrial research in a country which was eighth in importance in the list of industrial countries. He pointed out that research could not be conducted in any one particular place. It was necessary to conduct research in environments suitable for a particular industry. He mentioned that the Imperial Council of Agricultural Research was conducting research work in all Provinces while the work of the Bureau was conducted only in the Alipore Test House. In his opinion it was useless to discuss the question of research unless more than the amount of 1½ lakhs now available was provided for the purpose. He suggested that the Conference should endorse the Council's recommendations.

Mr. Mitter (Bengal) supported Mr. Advani. While congratulating Mr. Gilmore on the work already done, he felt that little progress could be achieved unless more money was spent.

The Honourable Dr. Katju (United Provinces) urged that there should be no retrenchment as far as this particular item was concerned. He referred to the United Provinces Glass Industry and mentioned that the new furnace which had been set up had failed. Such a failure was, in his opinion, unfortunate. He suggested that experts should be obtained from those countries where such furnaces were made on a large scale. The Universities also should be assisted more generously in the matter of research work. He would like to see a Chair of Industrial Chemistry in every University.

Rai Bahadur Lala Ram Lal (Punjab) said that in his province an Industrial Research Fund had been started and contributions would be accepted from industrial concerns. There was no doubt that the money available for research by the Industrial Research Council was insufficient.

The Honourable Dr. Saiyid Mahmud (Bihar) agreed with the opinions already expressed regarding the inadequacy of the Council's funds.

Mr. Desai (Central Provinces and Berar) said that there was a general feeling abroad that Indian industries were not being developed, firstly, because if developed they would compete with British industries, and secondly, due to revenue considerations. He referred to the recent report of His Majesty's Trade Commissioner in India. He was definitely of the view that the proposed amount of Rs. 5 lakhs for the Industrial Research Bureau should be included in the 1939-40 budget.

Mr. Mehta (Assam) said that he was not able to comment on the subject as he had only that day received the proceedings of the Industrial Research Council.

The representatives from the North West Frontier Province, Sind and Orissa were also of the view that more funds were necessary for the work of the Bureau.

Mr. Pillay, (Travancore) gave an account of the work being done in his State. He said that if the Government of India laid down a scheme and set apart a portion for special research in States, the Travancore Government would be able to conduct research in some minerals.

Captain Dhanda (Indore) also gave an account of the work being done in his State. He said that more adequate subsidy was necessary and the States should not be ignored in the matter of localising research work.

Mr. Ramchendra Rao (Mysore) said that his State was interested in the manufacture of formaldehyde and he requested the Industrial Research Bureau to examine this item.

Mr. Crofton, (Hyderabad) supported Mr. Advani. In his opinion co-ordination by the Central Government was necessary in the interests of all the various units. He referred to the manufacture of buttons from casein plastics, which he said had been taken up with success in Hyderabad. In this connection he submitted that in view of the advantage that would accrue to the whole of India from this research, the State might reasonably expect some help from the subvention scheme.

Mr. Gilmore explained that the main function of the Bureau was that of co-ordination and co-operation and that the carrying out of research work by the Research Branch at the Government Test House, Alipore, was only a subsidiary function.

As regards the progress of work on the experimental glass furnace reference to which had been made by the Honourable Dr. Katju, he said that as regards the design and performance, especially with reference to economy of fuel, working temperatures and quality of glass produced, the new furnace had been most successful, but that trouble had been experienced with the refractories of the pot chamber which had been unable to withstand the higher temperatures at which the furnace had been worked. India was fortunate in having available supplies of sillimanite refractories which, however, were more expensive than the best quality fire brick which had hitherto been used in the furnace but that the pot chamber was now being re-constructed with a lining of this material and it was anticipated that this trouble would not recur. Although, therefore, the experiment had not been completely successful, valuable lessons had been learned and the furnace constituted an epitome of industrial research.

As regards the cost of the furnace, this had been entirely met in equal shares by Mr. Biren Mookerjee of Messrs. Martin and Co., Calcutta, and by the proprietor of the Star Glass Works, Ferozabad, in whose factory the furnace was installed, and the cost had therefore been entirely met by private enterprise.

The Director of Industries and Commerce, Mysore, had mentioned the question of production of phenol formaldehyde resins, with a view to the production of bakelite type articles. The Bureau had been for some time investigating the question of producing the necessary raw materials in India and it appeared that there was a possibility of their being successfully prepared in India.

The Chairman, summing up, said that the main question was that of the grant to the Bureau. It was pointed out last year also that, while the Central Government had every sympathy with the points of view that had been stressed, it was not possible at the moment to enlarge the activities of the Bureau to any considerable extent. He pointed out that the position was much the same this year also and went on to make one or two further observations. First, it seemed to have become customary to stress this aspect of the matter; the Government of India reiterated that it was a Provincial matter and the Provinces retorted that their resources were limited and that therefore the Government of India should come to their assistance. The discussion consequently entered the constitutional field with which the Conference as such was

not primarily concerned. The second observation that he wished to make was that the responsibility for co-ordination with regard to provincial matters necessarily carried with it the financial responsibility for making the co-ordination active, *i.e.*, spending money for the purpose of carrying out the objects of that co-operation. If the responsibility for this was thrown on the Centre, he was afraid that any efforts at co-ordination would be of little value. It was necessary to look at this matter in a realistic spirit. While the Government of India were prepared to do what they could within their very limited scope, it must be recognised that this particular subject—the development of industries—being a provincial subject, the main source of expenditure on this and other industrial researches must come from the Provinces. He thought that no progress could be made so long as the present Provincial attitude continued. He did not wish it to be concluded from this that the Government of India had no sympathy with these matters, but he pointed out that the duty of the Central Government was to provide machinery by which co-ordination could be achieved. He was not in the least questioning the intense desire of the Provinces for development on the lines that they had indicated. He wished it were possible for the Government of India to provide larger funds for these essential subjects, with regard to the utility of which there could not be any doubt. The point he wished to make, not so much as a member of the Government of India, but as an individual interested in these matters, that the Provinces should make every effort to utilise the machinery more intensively and this they could only do by providing more funds. He wished to lay special stress on the fact that if special facilities existed in any province for any particular industrial research to be carried on there, that province should be willing to conduct such research even though it might be of an all-India character. After all Province A might do something useful to the Province and to India as a whole by spending Rs. 50,000, while Province B might do something else by spending Rs. 60,000. In these matters one could not sit down and draw up a balance. It must be understood that it was only by co-ordinated effort would it be possible to provide a sufficient amount of money for certain items of research. He had no doubt that the Universities could also be brought into the scheme.

## V.—HANDLOOM WEAVING.

### REPORTS ON THE OPERATION OF THE SCHEMES FOR THE DEVELOPMENT OF THE HANDLOOM WEAVING INDUSTRY IN THE VARIOUS PROVINCES.

#### Madras.

(30th June 1938.)

This is the third year that the scheme has been in operation in the Province. The subvention of the Government of India was utilised in subsidising the Madras Handloom Weavers Provincial Co-operative Society and the Provincial Society adhered to the scheme approved by Government. An outline of the scheme has been given in the first report for the year 1935-36.

2. The Madras Handloom Weavers Provincial Co-operative Society has been taking steps to increase its paid up share capital. As observed in the last year's report the Provincial Society amended its by-laws introducing B class shares of the value of Rs. 5 each and providing for admission of Central Banks and other co-operative societies as members. The share capital at the end of the year was nearly double the figure at the commencement of the year. A comparative statement of membership and share capital for the past three years is given below :—

Membership and share capital.	On 30-6-36.	On 30-6-37.	On 30-8-37.
Individuals .. .. .	47	58	88
Firms .. .. .	8	8	8
Weavers societies .. .. .	43	62	97
Central Banks and other societies .. .. .	..	..	21
Share capital .. .. .	Rs. 16,400	Rs. 18,450	Rs. 33,165

3. At the beginning of the year, 52 primary weavers societies were receiving subsidy from the Provincial Society. 26 new societies were subsidized during the year and the total subsidy given was Rs. 17,834 as against Rs. 16,596 disbursed in the previous year.

4. While the scheme approved by Government provides for payment of a subsidy not exceeding Rs. 60 for each primary society, the basic factors to be followed in fixing the subsidy have not been laid down by Government. The need for evolving a workable basis was felt and the Provincial Society decided to pay subsidy at the rate

of Rs. 18 per month in the case of societies working with ten looms and a sum of Re. 1 for each additional loom subject to a maximum of Rs. 60 per mensem provided the value of finished products for every loom does not fall below Rs. 10 per month. This basis was approved by the Provincial Government. But from June 1938, the above factors have been slightly modified ; the minimum monthly subsidy for 10 looms was fixed at Rs. 16 and the average production per loom increased to Rs. 15.

5. In the approved scheme, there is provision for payment of subsidies to primary societies to meet the following items of expenditure :—(1) Manager, (2) Rent, (3) Healds and Reeds, (4) Watchman. The need for appointment of a salesman to stimulate sales locally was felt and the Provincial Government permitted the appropriation of a portion of the subsidy for employment of a salesman.

6. The system of supplying yarn to societies at wholesale rates on the guarantee of the Provincial Weavers Society was continued. On the 30th June 1938 the society's guarantee amounted to Rs. 42,980. Societies purchased yarn to the value of Rs. 24,090. The Provincial Society allowed cash credit loans also amounting to Rs. 47,633 to production societies for purchase of yarn direct and for payment of wages. A sum of Rs. 20,550 was outstanding at the beginning of the year under this head. Out of the total amount of Rs. 68,183 thus due from societies Rs. 5,269 was recovered leaving a balance of Rs. 62,914 at the end of the year. The Provincial Society advanced Rs. 6,421 on the security of finished products of which Rs. 5,203 were repaid leaving a balance of Rs. 1,218 outstanding at the end of the year.

7. In addition to the Madras Emporium, the finished products of weavers societies were sold at the sales depots in the following places :—Bezwada, Bellary, Calicut, Vellore, Madura, Tinnevely and Coimbatore. The Madura depot has since been closed. The sales in the several depots except Bellary have generally been encouraging and goods to the value of Rs. 71,158 were sold through these depots. Due to famine conditions the sales in Bellary depot have not been good. Reference was made in last year's report to the installation of a hand-sizing machine at Melappalayam to reduce the cost of production of goods by supplying ready made warps. Two more machines were installed at Adoni, and Kavandapadi on the 24th January 1938 and the 24th February 1938, respectively. The fourth machine was installed at Melappalayam in addition to the one already lent, as there was a demand for it from members. The fifth machine also will be installed soon ; and four societies have applied for it.

8. In addition to the six supervisors a seventh supervisor was appointed during the year to cope with the increased work on account



of increase in the number of societies. To enable them to carry on supervision of societies effectively they have been given practical training under the Deputy Registrar of Co-operative Societies.

9. The Cloth Designer visited 65 societies and introduced 253 new designs. In the last year's report, reference was made to the appointment of a merchant as Marketing Officer. It was expected that he would be able to secure wholesale orders from merchants and others and stimulate marketing of handloom products. His work was very disappointing and he did practically nothing in marketing. It may be observed that in 1935 the society tried one merchant as Marketing Officer who was also a failure. The question of marketing was discussed by the Directors of the Provincial Society in one of their meetings recently and they decided to appoint departmental inspectors to attend to the work and made the following arrangements :—

In addition to one Senior Inspector functioning as Executive Officer, another Inspector was appointed as the second executive officer who joined duty after the close of the co-operative year. It was at first intended that these two Inspectors should attend to the supervision of societies and to the co-ordination of the work of the production supervisors. In view of the disappointing work of the Marketing Officer (who was paid a salary as high as Rs. 350 per mensem) the society dispensed with his services from the 1st October 1938 and decided to take in two more senior Inspectors of the Department. The society will thus have four senior Inspectors.

The Presidency will be divided into four circles and the Inspectors will be put in charge of these circles and they will attend to both the supervision of societies and to the marketing of goods. This is a new experiment and its working is being watched.

10. For some reason or the other, the installations of the calendering plant has been delayed. A second hand plant has been purchased and for want of a suitable building to house the plant the machinery has been kept in the Textile Institute. Recently the Provincial Government have ordered the construction of a building for the purpose and recover rent from the Provincial Society. As soon as the construction is completed and the plant installed the handloom goods would be calendered before sale.

11. During the year, the Provincial Society participated in five exhibitions where handloom products were exhibited. The participation in the exhibition proved a success and it served as a good means of advertisement for the handloom products

12. At the beginning of the year, a sum of Rs. 58,708 was available under the subvention account. A sum of Rs. 68,800 was allotted for the year 1937-38. A sum of Rs. 56,119 was disbursed to the society during the year.

13. The problem of handloom industry is admittedly a difficult one in the face of competition and of mill cloth and foreign import. The progress made by the Provincial Society is slow but steady. The weavers have neither sufficient money to put in as share capital nor have they funds to appoint a paid staff. The cash credit loan and subsidy given by the Provincial Society have enabled weavers in many places to provide themselves with raw materials without obtaining them from the middlemen and market the goods direct. The general public also have come to realize that the quality of handloom goods is good ; the handloom fabrics are becoming more popular. The weavers are generally of opinion that if the mills are prohibited from weaving certain counts of yarn it will substantially help the weavers. To have an idea of the present condition of the handloom industry, a questionnaire was prepared in consultation with the Director of Industries and it was got answered by departmental inspectors. A special officer of the grade of a Co-operative Sub-Registrar was appointed for a month to study the figures and compile a report. His report shows that out of 3,54,53,229 lbs. of yarn consumed in the Presidency by the handloom weavers, 1,81,79,827 lbs. represent the consumption up to and inclusive of 20 counts. This works at 51 per cent. of the total consumption. If it is found possible to prohibit mills from weaving cloths with yarn of 20 counts and below the weavers will be greatly benefitted. Definite proposals will be submitted to Government shortly.

14. The five year scheme of the Government of India will come to an end in October 1939, and no subsidy will be available after that period. The scheme has been in operation for only a short time and many of the production societies are still in their infancy. They have to be helped with staff and subsidy for sometime more so as to place them on a sound footing. A five year scheme is too short to tackle an admittedly difficult problem like the handloom industry and it is necessary to extend the scheme by another five years.

### **Bombay.**

*(July 1938.)*

The scheme comprises the organization of District Industrial Co-operative Associations with the following aims and objects, namely :—

- (i) to supply improved appliances on a hire-purchase system or otherwise ;
- (ii) to supply raw materials at reasonable rates ;
- (iii) to advise weavers with regard to the production of improved and easily marketable patterns and designs ;

- (iv) to undertake preparatory and finishing processes and dyeing and printing in connection with handloom industry ; and
- (v) to accept, on consignment account against partial payment, handloom products from weavers and to purchase outright handloom products and to sell them.

To fulfil these objects, each Association is to open a shop at its headquarters. The expenses of running the shop amount to about Rs. 3,400 per year for the bigger associations and about Rs. 2,000 per year for the smaller associations sanctioned recently and are to be met from the Government of India grant until the shop is able to support itself. A provision of Rs. 2,000 per year is made for each of the bigger association recently sanctioned to meet losses in working on account of bad debts and depreciation, etc.

2. *Working of the existing District Industrial Associations.*—Of the four District Industrial Associations at Poona, Ahmednagar, Hubli and Ahmedabad, which were in existence at the beginning of the year, all except the Poona Association continued to function throughout the year under review. The Poona Association worked satisfactorily only for a time, but thereafter it was found that the management of the Association did not take sufficient interest in the working of the Association despite repeated warnings. The Joint Board, controlling the Marketing Scheme for Handloom Products out of the Government of India grant in the Bombay Province, with the sanction of Government, therefore, ultimately decided to suspend all the subsidies payable to the Poona Association. In the meantime an officer appointed by the Registrar of Co-operative Societies held an enquiry into the affairs of the Association and reported that there was no prospect of rejuvenating the Association. The Association was, therefore, wound up from 1st October 1937.

Statements below show the membership, share capital, advance from Government, loans from Banks, sales effected and gross profit of the Associations which were working during the year.

3. *Organization of new Associations during the year.*—In the last year's report it was mentioned that from the savings Government sanctioned the establishment of three more Associations, namely, at Yeola and Malegaon in Nasik District and Bhiwandi in Thana District. In these cases Government laid down that the local people should collect share capital of Rs. 5,000 ; subject to this proviso Government agreed to pay to each Association its recurring expenses for 3 years not exceeding Rs. 2,000 per year. The people at Yeola were able to collect Rs. 5,000 and the Association was duly organized and started functioning from the beginning of September 1937 and worked satisfactorily for the remaining part of the year 1937-38.

Subsequently, however, difficulties arose between the Directors themselves and the Chairman and the staff. The progress made by the Association during the first few months of its life in 1937-38 is shown in the statements referred to above.

As regards Malegaon, the local people were not able to collect Rs. 5,000 stipulated by Government. This condition was, however, relaxed and the Association was registered and formed in the beginning of 1938. It is too early to make comments on this Association.

As regards Bhiwandi, here it has been impossible to get any people to come forward, whether weavers or non-weaver sympathisers, to form an Association. The efforts of the staff of the Department of Industries, Co-operative Department and the Revenue Department entirely failed. The idea of establishing an association at Bhiwandi has had, therefore, to be given up.

4. *New Association sanctioned during the year.*—As mentioned previously, the Poona Association had to be closed down. With the approval of Government the resulting savings were utilized in establishing an Association at Sholapur which is a very big handloom centre. This Association started functioning from the beginning of April 1938. It has a good Board of Directors and it is anticipated that the Association will show good progress.

During the year Government sanctioned further proposals to utilize the anticipated savings by the organization of an Association at Dhulia for East and West Khandesh Districts, an Association at Kamatgi for Bijapur District and another at Sangameshwar for the Mahar weavers of the Malegaon Taluka in Nasik District. The work in connection with the organization and registration of associations at these places was taken in hand during the year under report. The Kamatgi Association started functioning from the middle of September 1938. The associations in the two other towns have not yet been organized.

5. *Establishment of a Dye-House and spread of new Designs.*—It was represented by the Ahmednagar Association that it had reached a stage where it was absolutely necessary for it to have its own dye-house in which the great variety of fast colour shades required by it for its products, could be dyed conveniently and economically and that it was not in a position to start a dye-house without Government assistance. Both the Advisory Committee for the Marketing Scheme for Handloom Products and the Joint Board recognized this need of the Association and recommended a non-recurring grant not exceeding Rs. 2,000 to the Association to meet its expenses for the establishment and equipment of a small dye-house. Government accorded sanction to the proposal, and the Ahmednagar Association was paid a non-recurring grant of Rs. 2,000

to enable it to set up a small dye-house for meeting its requirements. Accordingly, a dye-house was established by the Association and the same is proving to be of much help to weavers.

The Textile Designer of this Department visited the Associations frequently to advise them with regard to the manufacture of new designs and patterns. He introduced about 34 patterns of borders for sarees, 30 patterns in curtain cloth, 24 patterns in coating and 40 patterns in shirting. Manufacture of grand-rille coatings, dhotees, easychair cloth, bed-sheets, was introduced in Hubli and Ahmednagar.

6. *General remarks.*—Experience has shown that owing to the ignorance and apathy of the weavers, the successful organization and running of the Associations is comparatively difficult. It has also been found that whatever success can be achieved will depend largely upon the availability of disinterested workers, who can at present in most cases be drawn only from non-weaver sympathisers. The total sales effected by the three Associations which worked throughout the year under report are comparatively small, being about Rs. 62,000. The progress of the movement, however, must not be judged from this figure of sales. There can be no doubt that the Associations have been successful in bringing down rates of raw materials in the market, because the Associations themselves sell raw materials at nominal profit. The Associations have set a high standard in the matter of finish given to handloom products. They have introduced amongst weavers under their influence such designs and patterns which give a higher return than the cloths woven previously. This has enabled the members of the Associations to earn higher wages than they were able to formerly.

The circumstances under which these Associations are working are difficult. The weavers as a rule feel that the co-operative organization should only mean that they should be able to borrow money. They have little or no idea of combining for the purpose of producing standard goods, purchasing raw materials and selling their finished products collectively. The Associations referred to above aim at organizing this highly disorganized industry on better lines. It is hoped that it will be possible to achieve this although the progress is bound to be rather slow. In order that the results may be permanent it will be essential for the work to be continued for some years. The Government of India should, therefore, it is strongly recommended, continue their grant to the Provinces for a further term of five years when the present term expires in October 1939. The Bombay representatives will raise this point about the continuance of the Government of India grant for a further term of 5 years at the Conference.

Statement showing membership, capital, advances from Government and loans from Bank, etc., relating to different Associations under the Marketing Scheme for Handloom Products.

Name of the Association.	Membership as on		Share capital as on		Advances from Government for capital as on		Loan from Banks as on	
	31-3-1937.	31-3-1938.	31-3-1937.	31-3-1938.	31-3-1937.	31-3-1938.	31-3-1937.	31-3-1938.
			Rs. A. P.	Rs. A. P.	Rs. A. P.	Rs. A. P.	Rs. A. P.	Rs. A. P.
North Central Divisional Industrial Co-operative Association Ltd., Ahm e - nagar.	515	522	984 4 0	1,026 8 0	4,000 0 0	6,000 0 0	8,833 10 1	6,401 2 0
The Industrial Co-operative Association, Ltd., Southern Division, Hubli.	184	220	050 8 0	1,098 0 0	4,000 0 0	4,000 0 0	2,000 0 0	4,660 0 0
The Northern Divisional Industrial Co-operative Association Ltd., Ahmed-abad.	..	141	..	770 6 0	2,000 0 0	4,000 0 0	..	Nil.
The Industrial Co-operative Association Ltd., Yeola (District Nasik).	..	251	..	5,000 0 0	..	Nil.	..	Nil.

Statement showing sales of raw materials, finished products, gross profit, etc., of different Associations under the Marketing Scheme for Handloom Products.

1939.]

Name of the Association.	Sales.						Gross Profit.	
	Raw materials.		Finished Products.		Total.		1936-37.	1937-38.
	1936-37.	1937-38.	1936-37.	1937-38.	1936-37.	1937-38.		
Rs. A. P.	Rs. A. P.	Rs. A. P.	Rs. A. P.	Rs. A. P.	Rs. A. P.	Rs. A. P.	Rs. A. P.	
North Central Divisional Industrial Co-operative Association Ltd., Ahmednagar.	26,772 8 1	11,368 3 3	22,823 13 0	17,666 4 0	49,596 5 1	29,064 7 3	2,240 12 3	1,709 12 0
The Industrial Co-operative Association Ltd., Southern Division, Hubli.	14,530 0 6	16,404 7 6	3,979 9 9	9,124 6 9	18,509 10 3	25,528 14 3	489 14 3	1,082 0 0
The Northern Divisional Industrial Co-operative Association Ltd., Ahmedabad.	..	3,099 4 0	..	4,992 5 3	..	8,091 9 3	..	393 13 3
The Industrial Co-operative Association Ltd., Yeola (District Nasik).	..	1,023 5 6	..	571 5 6	..	1,594 11 0	..	69 13 9

Handloom Weaving.

127

444

**Bengal.***(November 1938.)***REPORT ON THE PROGRESS MADE DURING 1937-38 (TILL 15TH OCTOBER 1938) IN THE DEVELOPMENT OF HANDLOOM INDUSTRY IN BENGAL UNDER THE CO-OPERATIVE DEPARTMENT.**

*Staff.*—The staff maintained during the period under review remained the same at the Provincial Co-operative Industrial Society and the different Co-operative Industrial Unions except that a new appointment was made of a Slasher Sizer at the Bagerhat Co-operative Weaving Union, Ltd., which has been supplied with Slasher Sizing and Warping machineries out of the grant.

Work had been carried on at the Dacca, Bankura, Alamdanga, Naogaon, Chowmohani and Chittagong Industrial Unions and the Provincial Co-operative Industrial Society, Calcutta, according to the scheme approved by the Government of India as in the previous year. A new addition was the establishment of the Women's Co-operative Industrial Home, Calcutta, during the period.

2. *Women's Co-operative Industrial Home.*—The Home had been opened in August last and the Home has so far been able to train about 30 inmates in the operation of up-to-date improved handlooms and ten improved type of looms have been installed at the Home. Handling of fine yarns and sizing of warps have also been taught to 6 members. The Home has supplied 20 yds. of twisted yarn curtain cloth and 250 yds. of check muslin cloth against orders received from the Marketing Officer so far. Steady progress of the Home in its industrial activities is expected in the near future.

Textile printing and manufacturing of upholstery cloth are also being taught to the member-inmates.

3. *Working capital and appliances grants.*—The subsidy for supplementing the working capital and purchase of appliances out of the Government of India grant were not made available to the Industrial Unions and the Provincial Society till March 1938 and as such expansion of the activities of the various Unions could not be taken up till very late in the period under report. The results are, therefore, yet to be seen.

4. *Alamdanga Co-operative Industrial Union.*—The staff attached to the Union remained the same being one Weaving Expert and one Weaving Supervisor as in the previous year. The Yarn Depot run by the Chuadanga Co-operative Central Bank having been closed down by the Central Bank during the year, a new organization was set up under the name of the Alamdanga Co-operative Industrial Union and constituent societies have also been organized in the area.



1939.]

*Handloom Weaving.*

129

The production and marketing of finished goods were given more prominence during the period and the yarn business has been almost discontinued.

Training was given to members in 27 centres as against 10 of the last year. But the number of the members trained were 72 only as against 170 of last year. The fall in number of learners is mainly due to suspension of work during the transitory period from the closing down of the Yarn Depot and setting up of the new organization. The Union was granted a sum of Rs. 3,000 as working capital and another sum of Rs. 1,000 as advance for distribution of improved weaving appliances. These sums have not as yet been fully disbursed by the Union and only a portion of the grant has been utilized during the year for manufacturing woven fabrics.

The trained members during the year manufactured fancy purdahs, *lungis*, curtains, bed covers, woollen wrappers plain and with attractive borders, mercerised sarees, etc. The Union handled business worth Rs. 1,400 out of which orders from the Marketing Officer from Calcutta market was for Rs. 600 and the balance was from local sale. The total manufacture by the members amounted to 91,400 yds. approximately the bulk of which were sold by them at the local hats. The staff frequently supervised the manufacture and instructed the members about methods of improved weaving.

5. *Dacca Co-operative Industrial Union, Ltd.*—The staff attached to this Union was the same as in the preceding period. A sum of Rs. 6,000 was given to the Union to supplement its working capital and Rs. 1,000 for supplying improved weaving appliances to the members.

The staff held 176 demonstrations at different centres in weaving, dyeing and bleaching where 373 weavers received training in weaving, 94 in dyeing and 61 in bleaching as against a total of 704 of the last year.

The training was imparted in border designs with the help of dobbies, with different kinds of lifting and drafting processes.

Varieties of sarees, *lungis*, bed covers, towels, purdahs, net curtains, lining cloths for waterproof sheeting, etc., were manufactured by the Union to a total yardage of 14,584 valued at Rs. 3,136-8-0. The wages paid to the members was Rs. 1,525 and 3,670 lbs. of yarn was advanced to them. The orders received from the Marketing Officer by the Union was for Rs. 2,200 approximately.

New designs such as honey-comb, huck-a-back and mockleno towels, sun-proof and other check designs of *lungis*, different new designs of purdahs, table cloths, etc., were demonstrated by the staff and successfully adopted by the weavers. It is proposed to supply a set of calendering and finishing plant to the Union as early as possible with the grant earmarked for the purpose.

6. *Bankura Co-operative Industrial Union, Ltd.*—The staff of the Union consisting of one Weaving Expert and three Weaving Supervisors remained the same as in the previous year. A sum of Rs. 5,000 was sanctioned to supplement the working capital of the Union and Rs. 1,000 for supplying improved appliances to the members.

The staff held 110 demonstrations, as against 15 of last year, in improved weaving, and 96 in dyeing. 732 weaver-members attended these demonstrations as against 182 of last year and 87 members received full training in improved weaving and dyeing. 200 yards of sample fabrics were woven in course of the demonstrations. A fully equipped dyeing shed was opened with the help of the Government grant in this behalf and the societies were benefited by getting fast dyed yarns at a comparatively low price.

The Union showed an all round progress in business during the year. The societies turned out 42,400 yards of cloths approximately to the value of Rs. 14,000. Besides this Rs. 50,000 worth of goods were sold by the societies themselves.

The local weavers who were previously entirely engaged in weaving coarse fabrics have now commenced weaving with finer counts of yarns. About 10 per cent. of the weavers can successfully handle finer counts while another 25 per cent. can handle medium counts. 30 new designs were adopted by the weavers during the period and the classes of weaves comprised of jacquard silk and cotton sarees, various sorts of plain and floral designs of bed covers, hanging curtains, counter-panes, shirtings, suitings, Turkish towels, etc.

The Union participated in three exhibitions at Bishnupur, Midnapore and Suri this year. Various kinds of fabrics were supplied to 6 firms and associations including the Comilla Hospital, the Kurseong Railway Hospital and the Fendal Homes of Calcutta of a total value of Rs. 2,387-1-0 during the year.

Dusters with inscriptions were supplied to many leading Indian and European firms in Calcutta through the Marketing Officer. It is hoped that these orders will be renewed by the firms periodically.

7. *Chittagong Co-operative Industrial Supervising Union, Ltd.*—The staff of one Weaving Expert and one Weaving Supervisor remained the same as in the last year. The Union was reorganized during the year and placed on a better footing. An additional working capital of Rs. 3,000 and a grant of Rs. 1,000 for appliances were given to the Union. The staff organized four new societies with a total membership of 84 weavers during the period.

More than 150 demonstrations were given in better weaving, dyeing, sizing and printing which were attended to by 305 members

1939.]

*Handloom Weaving.*

131

as against 170 of the last year, 48 of whom were trained in weaving Swiss pattern bed spreads, *gamchas*, coloured *lungis*, art silk shirting, etc.

The sale of the products of the Society locally and in Burma amounted to Rs. 11,500 approximately as against Rs. 7,000 of last year. Small orders for bandage cloths for rural dispensaries were also received and supplied.

Improved type of handlooms have now been distributed to the weavers on easy payment system. When the weavers will be fully accustomed to the use of these looms the quality of out-turn will appreciably improve.

8. *Bagerhat Co-operative Weaving Union, Ltd.*—The Bagerhat Co-operative Weaving Union, Ltd., was supplied with Slasher Sizing, warping and calendering plants as reported last year. Plants have since been put into operation. The Union besides preparing their own warps with the machineries are distributing ready sized warps beams to the handloom weavers in and around Bagerhat. 90 such beams were distributed to the weavers from March to September 1938. In addition to their old looms in operations, the Union has set up forty more handlooms in the factory house, 26 of which are in actual working. The four weaver societies affiliated to the Union have a total membership of 60, and each of the members possesses a handloom. The members are enormously benefited by the distribution of the warped beams. The total yardage woven by the Union during the period was approximately 1,10,000 as against 1,10,750 of last year. The quantity was sold locally and also through the Calcutta Depot of the Union. The Marketing Officer was responsible for the sale of goods worth about Rs. 2,000 out of the total sale of Rs. 36,000 as against Rs. 35,000 of last year.

A proposal for the extension of its business is now under the examination of the Department and if the Union can sell the shares they have proposed and raise the required capital thereby, there are vast possibilities before the Union. 26 automatic handlooms have been erected during the recent months and 14 more will be installed before the end of December which will considerably increase the production.

9. *Naogaon Co-operative Industrial Union, Ltd.*—The Naogaon Co-operative Industrial Union, Ltd., has received Rs. 3,000 as working capital and Rs. 1,000 for distribution of improved looms to the members. The staff attached to the Union remained the same as in the previous year. They held 186 demonstrations in weaving and dyeing during the period which were attended to by 444 weaver-members as against 150 of last year. 15 weavers received training in improved processes of dyeing and 344 in up-to-date type of design weaving and handling of finer yarns. The weavers of this district

used to weave formerly only coarse nettings, bandage and gauge cloths but now there are 300 members among them who are able to produce dhoties, sarees, shuznis, towels, etc. Training was given in the arrangement of colour scheme, in the Japanese method of warping, checking and in honeycomb coloured diamond design, etc.

Order for 800 yards of fancy netting cloth were received by the Union from the Marketing Officer and duly executed. Bandage cloths and dusters were also supplied by the Union to the local institutions. The staff arranged sale of 1,510 yards of cloth for Rs. 576 which they had personally supervised during the course of manufacture.

10. *Chowmohani Co-operative Industrial Union, Ltd.*—The staff in this Union were the same as in the previous year. Rs. 2,000 for working capital and Rs. 1,000 for improved handlooms were allotted to this Union. But the Union has not yet utilized the additional capital. Demonstrations had been given at sixteen centres where 112 learners were trained in improved weaving during the period as against 150 of the last year. The whole community of weavers of the locality are accustomed to coarse weaving and the counts of yarn used never was above 22's. The Societies' manufacture during the year consisted largely of khaddars and dossuties plain sheetings. The weaving staff have, however, been able to persuade some weavers to produce extra warp border sarees, towels, *lungis*, shirtings, etc. The weavers of the area are very much conservative and reluctant to a change over for the new unless they are certain of the market. Considerable spade work has now been made by the staff and the weavers are being slowly convinced of the utility of improving upon their products. The Union which so far registered weaver members from the "Nath" community only and used to advance money and raw materials, but always shirked the responsibility of selling the finished products of the members, have now agreed to take up the goods for sale as also to accommodate the non-Nath weavers.

A number of Rural Reconstruction Societies have been organized by the staff during the year with weaving as the subsidiary occupation of members and they have applied for affiliation to the Union. The staff supervised the manufacture and helped the members of these societies in the disposal of 13,185 yards of improved fabrics at the gross price of Rs. 3,700.

11. *Bengal Provincial Co-operative Industrial Society, Limited.*—The expert staff attached to this Society consisting of 1 Marketing Officer, 1 Designer and 2 Canvassers remained the same as before. The staff maintained by the Society are also paid out of the Government of India grant. In addition, with a view to providing increased marketing facilities to the Society in Calcutta additional grants of (i) Rs. 20,000 to supplement the working capital, (ii) Rs. 3,500 for

1939.]

*Handloom Weaving.*

133

propaganda and publicity, and (iii) Rs. 1,000 for purchase of samples and distributions thereof to the Unions were given to it.

The year under report went through a very dull period in the textile market due to an unprecedented economic distress following unstable world conditions and wide spread floods and consequent scarcity in 17 out of 27 districts in Bengal. The market generally showed a depression, and dealers in Calcutta could not on the average, even approach 40 per cent. of the last year's sale figures. Notwithstanding these unfavourable circumstances the Industrial Unions and the Provincial Society had a fairly good sale during the period under report. The provincial society which functions as the sole marketing outlet of the different Co-operative Industrial Unions, sold goods worth Rs. 49,910-8-6 as against Rs. 48,944-10-6 in 1936-37.

After the Government of India grant of Rs. 20,000 has been made available very recently, the Society took up some of the large orders which were not previously possible to be executed for want of finance. The Society has supplied an order for *lungis* to the value of Rs. 2,700 in one lot and many other small orders are in process of execution. During the period under report, the Society participated in 13 exhibitions and fairs within the Province and also at the All-India Industrial Exhibition at Lahore. A firm in New York was approached in December last and since then, samples of Dacca fabrics printed oriental design handkerchiefs were sent to New York at their request. These samples were found satisfactory and orders were received for goods worth Rs. 500. One such order has been since executed and others are expected.

The Designer attached to the Society had supplied designs for cotton carpets and *Ashans*, floral designed napkins, jacquard border designs for sarees and purdah cloths of various types. In all he had distributed 150 designs during the period and many of these designs have been successfully adopted by the weavers. His services were also requisitioned by the Industrial Unions from time to time to advise them on complicated designs and colour schemes.

The supply of raw materials to the weavers' societies having now been taken up by the Industrial Unions themselves, the Provincial Society could sell only Rs. 908 worth of the same during the period.

12. *The Bengal Home Industries Association.*—This is one of the associations which has been striving towards the promotion of handloom industry, in particular, regarding the designing and marketing of a type of fabrics of distinct kind which do not find competition from the mills. With this object in view, a grant-in-aid of Rs. 23,500 was given to this Association during 1937-38 but as the amount was disbursed in the latter part of 1937, more than a brief report could not be submitted at the Ninth Industries Conference, as

full use of the grant could not be made during the short period at their disposal. A further grant of Rs. 25,000 has been advanced to this Association during the current year as well, but like the last—when the year was well advanced. Up to the year ending March 1938 the Association produced cloths to the total value of Rs. 12,588 and the total cost of raw materials and ready made cloths purchased from the weavers and the co-operative societies together with the wages paid to the weavers amounted to Rs. 19,500. The total business transacted during the year with the co-operative societies amounted to 3,950 yards at a price of Rs. 1,937-12-3. The Association spent Rs. 3,213-14-6 towards the maintenance of clerical and ministerial establishment for its handloom development branch of business and Rs. 252-14-0 towards the travelling of the weaving supervisors during the period under report. The Association has produced a fairly wide range of attractive designs of fabrics in 29 varieties, some of which gained a degree of success, such as the designs known as Lushai, Basket, Manipuri, Nepali, Muslin, Pillars, etc. It is noteworthy that some of these designs which could hitherto only be had from the original tribal areas of Manipur and Lushai hills can now be woven by the Bengal weavers. One of the conditions of the Government of India grant to this Association was that they should give preference to members of weavers co-operative societies in placing their orders. The report of the Association discloses that they purchased from the co-operative societies approximately 1,000 yds. of netting, 1,150 yds. of Muslin, 600 yds. of "Jharans" making a total of 3,950 yds. at an approximate value of Rs. 1,937-12-3. While recognising the efforts of the Association towards the development of handloom industry, it must be observed that they paid more attention towards the artistic designing of the fabrics thus catering in the main, for the upper classes of the society than towards the mass production which will eventually be profitable to the handloom industry in general and to the co-operative weavers in particular. It may be mentioned, however, that they are not altogether unmindful of this aspect of the industry as it appears that they are just negotiating for the supply of special type of dosuty in large quantity and if successful, it is hoped, it will bring in quite a good business for the members of the co-operative societies.

13. *Conclusion.*—In summing up the net results achieved during the period under review it may be noted that the staff attached to the different Industrial Unions, held 665 demonstrations in improved methods of dyeing, bleaching, weaving and printing of handloom fabrics, wherein 2,323 weavers received training as against 2,206 of last year. Over 100 new samples of standard handloom textiles were collected from the market and distributed to the different Industrial Unions; of which 6 samples were successfully woven and orders for their running supply have been received by the Marketing

1939.]

*Handloom Weaving.*

135

Officer and his canvassers. Rs. 7,000 worth of goods of these kinds have been sold up-to-date. The members of the weaver societies under the different Industrial Unions produced 2,27,679 yds. of fabrics of fine, medium and coarse counts during the period as against about 2½ lakhs of yards of the last year. Goods worth Rs. 1,53,821 were sold by the Provincial Co-operative Industrial Society and 7 Co-operative Unions as against Rs. 1,10,000 of last year. The expert staff maintained with the Government of India grant have all worked fairly well for development and sale of handloom products.

**NEW SCHEMES FOR THE DEVELOPMENT OF THE HANDLOOM INDUSTRY.**

1. *Establishment of a Co-operative Industrial Union at Halta, District Khulna.*—There are about 5,000 weavers in the locality who mostly weave bandage and gauge cloths, the margin of profit of such a business is so small that they hardly earn mere living wages. If the energies of the weavers can be diverted to weave other types of clothings by improved methods with improved designs, better profits can be earned with the same labour. But this involves training of the weavers in the improved methods of weaving and designing and in order to do so the following expenditure is required and may be sanctioned:—

				Rs.
<i>Non-recurring.</i>				
10 Semi-automatic looms with accessories .. .. .	..	..	..	1,000
Preparatory machineries .. .. .	..	..	..	500
Dyeing appliances .. .. .	..	..	..	200
Working capital .. .. .	..	..	..	2,500
				4,200
<i>Recurring.</i>				
Weaving Expert—60 × 12 .. .. .	..	..	..	720
Weaving Supervisor—40 × 12 .. .. .	..	..	..	480
Contingencies .. .. .	..	..	..	100
				1,300
Total .. .. .				5,500

2. *Grants-in-aid to the Dhanikhola Milan Samaj Co-operative Silpa Sangha, Limited.*—This society was registered under Co-operative Societies Act on 22nd May 1937 with an authorised share capital of Rs. 1,00,000. It has raised a share capital of Rs. 5,000 by selling 1,000 shares up-to-date which although not very satisfactory due to

recent floods in this Province but larger sale of shares is expected during the current year. It has spent Rs. 668 in building up shed and installed 6 improved types of looms at a cost of Rs. 285. It has manufactured 3,900 yards of fabrics at a value of Rs. 1,464-1-0 and the production is receiving good market in the locality. Any aid at this stage will go a long way to establish the society on a sound basis and it is proposed to give the following assistance:—

*Non-recurring.*

					Rs.
6 Automatic looms with accessories	..	..	..	..	600
Dyeing appliances	..	..	..	..	300
Working capital	..	..	..	..	2,000
					<hr/>
					2,900
<i>Recurring.</i>					
Weaving Expert—50 × 12	..	..	..	..	600
					<hr/>
				Total	3,500

3. *Office staff for the Special Assistant Registrar in connection with the development of handloom industry in this province.*—The appointment of a Special Assistant Registrar for the control and management of the industrial Societies and Unions has been made with the approval of the Government of India. The administrative control of the handloom staff consisting of 26 weaving experts and 3 canvassers has been transferred to him. It is not possible for him to discharge his responsibilities efficiently without office staff. It is, therefore, proposed to provide for a minimum staff for his office as indicated below:—

					Rs.
1 Head Assistant	..	100 × 12	..	..	1,200
1 Assistant	..	45 × 12	..	..	540
1 Typist	..	45 × 12	..	..	540
					<hr/>
					2,280

4. *Non-recurring cost for two tendum rickshaw shaped tri-cycles with carriers complete for 2 canvassers.*—Canvassers are handicapped in doing their business properly for want of suitable conveyance with carriers for taking goods. Therefore to utilize their services to the fullest extent they should be supplied with a tendum rickshaw shaped tricycle with carrier complete at a cost of about Rs. 250 each. The cycles will be very useful in the city of Calcutta which has an extensive Municipal area of 150 square miles.



1939.] *Handloom Weaving.*

137

The maintenance cost of the cycles will be borne by the Canvassers themselves.

*Non-recurring.*

	Ra.
Cost for two tandem rickshaw shaped tri-cycles with carrier complete .. .. .	500

**REPORT ON THE PROGRESS MADE DURING 1937-38 IN THE DEVELOPMENT OF HANDLOOM INDUSTRY IN BENGAL UNDER THE INDUSTRIES DEPARTMENT.**

*Report on the work done by the Handloom Research Staff stationed at the Government Weaving Institute, Serampore, during the period from 1st January 1938 to 30th September 1938.*

*Weaving Laboratory.*—The Handloom Research Laboratory is now equipped with the following :—

- 12 fly-shuttle looms of different sizes and styles,
- 5 wooden dobbies of different capacity,
- 6 jacquard machines of different capacity,
- 1 warping stand,
- 1 beaming stand,
- 1 beam stand,
- 1 heald stand,
- 1 warp winder,
- 1 weft winder, and
- sundry furniture.

*2. Testing Laboratory.*—In addition to the advantage of using the testing laboratory of the Institute this section has the following machinery :—

- 1 microtome,
- 1 cloth examining microscope,
- 1 illuminating magnifier,
- 1 knowles patent balance,
- 1 yarn balance,
- 1 cloth testing machine,
- 1 single yarn testing machine, and
- sundry apparatus.

During the period under review a number of new designs for furnishing fabrics, dress goods, worsted dress goods, saree borders, etc., were introduced and supplied to several parties. Technical information was also supplied to several parties on (a) automatic take up applied to ordinary fly-shuttle looms, (b) net weaving with half healds and ordinary looms, and (c) harness releasing motion for weaving plain on a cross border loom...

3. *Samples produced.*—27 samples have been prepared up to this time from the 1st January 1938. Of these 9 samples of furnishing fabrics were prepared for the Bengal Home Industries Association of Calcutta. Of the remaining 18 samples, 9 were saree border designs, 7 of curtains, 2 of woollen comforters.

4. *Appliances designed.*—In this year a dobbie has been designed which is capable of giving any number of designs working on every pick. It can also work two different designs on two borders simultaneously.

5. *Tours undertaken.*—The Expert Textile Organiser visited different weaving centres in the districts of Rangpur, Midnapore, Dinajpur, and Murshidabad to gather first hand information regarding the handloom weaving industry of the said districts. He also visited the Loreto Convent Industrial School of Morapai to teach towel and jacquard weaving to the Weaving Instructor and Weaving Supervisor of the said School.

6. *Future Progress.*—(a) Designs will be supplied and technical help rendered as usual, to the parties applying for them.

(b) Experiments on weaving with trick-dyed and printed yarn for producing fancy effects on cloths woven on plain loom will be continued.

(c) Saree weaving with spots on the grounds after Benaresi style will be kept going.

(d) Weaving of cotton belts and borders on newar loom will be undertaken.

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*Report on the progress of work done by the three textile demonstration parties appointed on 2nd August 1937 and financed out of the Government of India grant.*

All the staff of the demonstration parties were appointed on 2nd August 1937. They then went through a preliminary course of instructions at Calcutta before proceeding on actual work.

The *First Party* started work at Uzirpur in the district of Bakergunge on 15th September 1937 where demonstration was given for 3 months. At Uzirpur 17 students were admitted but

owing to a disturbance at the locality the classes were closed down under orders of the District Magistrate, Bakergunge. It was then transferred to Calcutta Technical School and the 3rd Weaving Demonstration Party transferred to Bakergunge. At the Calcutta Technical School, 43 students took admission at the start but gradually 18 of them left and 11 students completed training. Of these 11 students, 8 adopted weaving as profession. 3 fly-shuttle looms, 1 semi-automatic loom and one 100 jacquard loom have been introduced in this centre. The number of students on the roll on 5th November 1938 was 14.

*The Second Party* started work at its first centre at Madhab-pasha in the district of Bakergunge on 1st October 1937. The demonstration lasted for a period of eight months and 17 students were under training, of whom 11 completed their course to the last. Of the trained students, 4 adopted weaving as profession and one joined the Government Weaving Institute, Serampore, for higher studies. A few students have got employment in cotton mills while some others are trying to start work on their own account. 6 fly-shuttle looms have been introduced with all the accessories. The party has since been removed to Naikati, in the same district from August 1938 and the number of students on the roll on 24th October 1938 was 13.

*The Third Party* first started work in the Calcutta Technical School but after 3 months was transferred to Bhola in the district of Bakergunge *vice* the 1st Party where it worked for a full term of 8 months. The party is still working there and will continue at that place till the close of December 1938 at the special requests of the District Magistrate, Barisal and the Sub-divisional Officer, Bhola. The Demonstration Class was started with 25 students on the roll of whom 14 students actually completed the course of training. Of the trained students, 2 have been employed by the Bhola Coir Weaving Factory as paid apprentices and one started work in his village. Besides, training in weaving, dyeing and printing 8 fly-shuttle looms have been introduced among the students and outsiders as well in Bhola and the sub-divisional headquarters of Patuakhali, Barisal.

*Distribution of grant-in-aid to weaving schools for doing research work for development of the handloom industry.*

The sum of Rs. 2,400 reserved during 1937-38 for awarding grant-in-aid to the weaving institutions for doing research work for the improvement of handloom industry was given entirely to the Mission School at Kalimpong for the excellent and useful work done by it during the year. The distribution of the said amount during the current year among deserving institutions is still under consideration.

### United Provinces.

(30th September 1938.)

The scheme worked successfully and no deviations from the approved plan were found necessary. During the remaining portion of the current year we propose to start some more development centres and to give grants to Stores for working capital sanction for which has now been received. An account of the activities of the different sections of the scheme is given below :—

2. *Designs.*—The Designers were kept busy with the growing demand for new styles of fabrics and new designs in prints. One of the assistant designers had to be reserved exclusively for saree border designs required by the weavers of Mau. New designs had to be evolved for printing on handloom fabrics suitable for furnishing materials and this gave work to some of the weavers of the western districts whose products were being discarded by the trade. "Shadow Cloth" was produced in modern designs and this new line is now being taken up at many centres—Bulandshahr, Meerut, Cawnpore, etc. Free use is being made of artists from whom deserving designs are purchased. It is proposed to hold at an early date competition for designs and in future such competitions will be held twice a year.

### 3. *Research and Experiment.*

(1) *Weaving Section.*—This section is attached to the Central Weaving Institute, Benares. The following work was done during the period under review :—

(i) *High Speed Winding Charkha.*—Its production is three times that of the ordinary charkha. The charkha has the following special features : (a) the arrangements of gearing wheels. (b) Oil bath spindle and (c) a brake to stop the charkha when necessary.

(ii) *Loom for velvet cloth.*—The work demonstrated last year at the Lahore Exhibition has been further improved and even figured velvet can now be produced.

(iii) *Lever tensioning device.*—By this arrangement the tension of the warp can be regulated and maintained without the use of heavy weights which are usually hung up by weavers. This arrangement is specially useful for a loom fitted with a take up motion.

(iv) *Device to shift the "desi" healds* made locally by or for the weavers.

This device enables the weaver to change the position of the healds easily. It is otherwise a difficult task and often leads to damage of the warp.

1939.]

*Handloom Weaving.*

141

(v) "*Rise*" is the name given to an appliance for winding yarns from hanks. The ordinary bamboo type of swifts in use have to be changed for hanks of different sizes while this appliance can be used for hanks of all sizes by adjusting arrangements. It costs about Rs. 1-8-0 each.

This section has a Commercial Intelligence Branch also which collects and publishes bulletins on the condition of the handloom industry in the provinces with quotations for prices of different types of yarn. It helps our Stores to purchase yarn at current rates.

(2) *Dyeing, Printing and Finishing*.—This section remained attached to the Government Textile Institute, Cawnpore. The following work was done during the period :—

(i) The hand beetle for finishing cloth was tried on a commercial scale and some changes—guide rollers and guide platforms—were made. These beetles are now being tried at weaving centres.

(ii) The Hand Merceriser was similarly tried and improved upon.

(iii) Tendering of fabrics when dyed with certain vat dyestuffs takes place on exposure to sunlight. Results so far obtained show that direct dye dyestuffs have protective influence only in case of Indenthine Yellow F F R K but not on Cibacone Orange R. Naphtol A S as a protector is also under experiment and has so far shown considerable influence in minimising degradation of the fabrics.

(iv) *Luster on Woollen Goods*.—Luster is produced on woollen fabrics by chemical treatment but the fabric so treated assumes a yellowish colour and becomes harsh. Beetling and treatment with soap and Turkey red oil, however, softens it.

Experiments to produce an anticrease finish on khaddar are being conducted.

4. *Supervision of Manufacture*.—The number of Stores controlling manufacture of improved and standard fabrics remained the same (six) but one of them was transferred from Tanda to Gorakhpur as the need was greater at the latter centre and the weavers of Tanda were getting more out of cheap art silk work and did not care for standardization or new cotton lines. Gorakhpur is an exclusively cotton centre. As mentioned last year, we are specializing in some selected lines at each Store. The activities of the various Stores were as follows :—

*Amroha (District Moradabad)*.—This Store has taken up the production of unholstery fabrics in preference to its cheap towels which are now common. Four new designs of upholstery cloth were

produced exclusively for the U. S. A. Fabrics of full bedsheet width are being woven on broader looms. Ordinary Garha and Dossuti has been utilized for a new style of printing for export trade. This centre continued to produce "Khaddar" for which the demand has increased considerably. Its "Khaddar" lining cloth for uniforms has been approved by the Store Purchase Department.

*Etawah.*—This Store is now a co-operative store with some co-operative societies affiliated to it. It remained very busy during the year in supplying orders for multi-coloured furnishing materials from overseas countries. Due to this pressure it could not do much for shirtings and suitings which are also a special feature. The fabrics produced here have now a much better finish due to the installation of a calendering plant which has arrangements for steam dyeing also.

*Sandila (District Hardoi).*—Besides jaconet and gauze cloth for which this Store holds the United Provinces Government's contract it produced modern furnishing materials. Many of its products especially the cotton multi-coloured scarves were exported. This Store is the oldest co-operative store and has increased its activities considerably. The Store maintains a dyer and a *Munim* and salesman from its own funds and runs a retail shop in the market. This Store has made probably the best use of the Government of India's grant.

*Bara Banki.*—This Co-operative Store made a marked improvement during this period. In addition to paying off its losses it made a profit of Rs. 1,500 nett.

It was kept busy with orders for sarees and a special type of fabric for shirtings and other uses. It has now got a dyeing factory of its own for fast dyeing and has started a factory where standard fabrics are made under direct supervision. The Store has opened a decent retail shop in the bazaar and is making cheap coatings for sale in rural areas during winter.

*Gorakhpur.*—This Store was started in November 1937. It has made marked progress during the short period of its existence and has organized weavers who had been producing goods for the Emporium in the past, often through middlemen. It specializes in turkish towels, dhotees, bedsheets and Garha. Bleaching of the fabrics has been improved by our trained storekeeper and many dhobis have been trained. Coloured turkish towels and face towels are being made to compete with the imported stuff. The monopoly of the yarn dealers has been broken and the Emporium supplies yarn to weavers at much reduced rates. Very soon this Store will also become a co-operative organization as the weavers are keen about it.

*Mau (District Azamgarh).*—This Store maintained its position as the leading Store for variety. It supplied Girl Guide sarees and produced sarees in new fabrics—Moonia and Dugabia—which were being abandoned for want of patronage. An attempt at co-operative organization was frustrated by interested parties on the plea that co-operative societies charge and pay interest, which is forbidden for Muslims. The Co-operative Department is, however, preparing a scheme which will overcome the prejudice and there will be no charge of interest as such. The Hon'ble Hafiz Mohd. Ibrahim, Minister for Communications, paid a visit to the Store and has spoken well of its activities.

Besides these regular Stores, the Emporium assisted the development of a co-operative society at Mallanwan (District Hardoi), an association for durri makers at Khairabad (District Sitapur) and some small factories of ex-students of weaving and dyeing and printing schools at Bulandshahr, Meerut, Lucknow and Cawnpore. As stated above, new centres or Stores will be organized soon for which sanction has now been received.

Some weavers were sent to Lahore to compete in the All-India Competition and won prizes.

5. *Supply of Appliances.*—Appliances worth Rs. 7,200 were supplied during the period. They include improved looms, yarn doubling machines, dyeing appliances, beetles, mercerisers and jacquards.

6. *Finishing and Calendering.*—The three factories at Tanda and one at Mau worked satisfactorily. A tender has been obtained out of this grant for the Mau factory. The Etawah factory was put up and worked during the year. It has bleaching and dyeing arrangements also. Another factory is going to start work at Bara Banki and proposals have been received for a factory at Bilari (District Moradabad). Calendering by machine is becoming popular.

The beetling machine devised by the Principal of the Government Textile Institute is becoming popular by demonstration—10 such beetling machines (worked by hand) have been distributed to trained finishers.

Mercerising by hand machinery was also tried during the period and four such mercerising machines were distributed. Experiments and trials of both hand-beetle and merceriser are being continued to make them more useful. The merceriser opens a new field for handspun yarn.

7. *Marketing.*—Since July 1937, the Central Marketing Organization is called the Government Handloom Emporium and is now an independent institution and not a section of the Government

**Arts and Crafts Emporium.** The sales of the Emporium were almost double of last year and during the period under report the total sales amounted to Rs. 2,62,521. The Emporium secured orders worth Rs. 50,000 from overseas countries. It participated in 16 exhibitions including the Lahore Exhibition, British Industries Fair, the Mombassa Exhibition and the Hamburg Exhibition. Many prizes were won in these Exhibitions and the United Provinces products displayed by the Emporium secured 37 per cent. of the prizes offered by the All-India Handloom Exhibition held at Lahore. The Emporium got a gold medal at Delhi.

The products were highly appreciated in oversea Exhibitions and the Mombassa stall had to be continued at a separate place even after the Exhibition. In the United States of America our new style of fabrics are getting repeated orders. It may be pointed out that the foreign business is not in our already popular Farrukhabad prints and Benares gold thread fabrics but in new styles introduced by the Emporium. The Emporium has established 37 agencies including a special depot at Calcutta run by an agent.

Commercial Travellers visited all parts of the country and one of them made a special study tour of South India during his visit to the Trichur Exhibition. The Emporium secured Government Press order for jaconet and Government hospital contract for gauze. It is expecting an order for Police chawkidar dhotees as well. These orders have been obtained by open competition and not by any special preference or subsidy.

The retail Sale Department continued to attract visitors including distinguished persons from other parts of the country. It continued to receive the kind patronage of Lady Haig who gave some designs and recommended the institution to many distinguished guests.

The marketing of handloom products is an uphill task in the face of the Indian and Foreign mill-made fabrics which are daily encroaching on the lines hitherto safe for the handweaver. It becomes difficult to maintain that uniformity and finish which the "Machine minded" customers expect. The human factor can not be eliminated however much we may try and in the words of our Textile Expert "there will always be a difference in a weaver's work before and after smoking his hukka".

8. The scheme has been doing useful work but it must be admitted that it has merely touched the fringe of the problem of improving the lot of the hand weaver. Five years is too short a period for helping and reviving this decaying industry. It is hoped that the Government of India will not only continue their grant so as to carry on and complete the work in hand but increase it so as to enable the activities on behalf of cottage weavers to be enhanced.



1939.]

*Handloom Weaving.*

146

9. A statement of expenditure during 1937-38 is given below.  
*Statement of expenditure during the year 1937-38 on Handloom Scheme.*

	Allotment.		Expenditure.	
	Rs.	Rs.	A.	P.
1. Commercial Travellers .. .. .	10,240	9,759	8	6
	-700			
2. Supervisors and Stores .. .. .	18,159	17,376	1	9
3. Provincial Marketing Organization .. .. .	22,281	24,829	8	0
	+4,133			
4. Subsidy to Agencies .. .. .	15,600	352	8	0
	-3,683			
5. Purchase of samples .. .. .	500	397	14	6
6. Calendering charges .. .. .	3,000	3,240	6	6
	+250			
7. Supply of improved appliances .. .. .	7,000	5,627	2	0
8. Setting of calendering plants .. .. .	25,000	5,176	12	0
9. Reserve under Director of Industries' disposal .. .. .	3,000	1,636	15	6
10. (a) Research and Experiments .. .. .	6,420	5,677	4	6
(b) Dyeing, Printing and Finishing .. .. .	5,000	2,749	0	8
11. Designers .. .. .	7,920	5,332	15	6
		81,156	1	6

**Punjab.***(30th September 1938.)*

The marketing organization continued to be run on the general lines of the previous year and gained increased popularity and confidence of the weavers, printers, businessmen and buying agents so much so that the stamp of the Marketing Officer on the cloths placed on the market has come to be regarded as the hall mark of quality. The Central Depot at Amritsar and the branch depots at Hoshiarpur, Multan and Nawashehr worked under considerable pressure throughout the year in the execution of orders placed with them, in evolving new designs and in popularizing the use of fast dyes and introduction of improved types of looms and appliances, etc., among the weavers. The show room and the manufacturing department of the Central Depot which constitute the pivot of the marketing organization were visited by weavers and printers in large numbers and new designs and technical advice were freely supplied on request.

2,780 new designs were introduced by the central and the branch depots during the year of which 202 were actually evolved

at the Depots and the rest were supplied by the Sole Buying Agents for reproduction. Special appreciation was earned and good business transacted in double cloth, solid border, honey comb and rainbow curtains, furnishing cloths, tapestry, cretones, shirtings, suitings, *lungis*, etc. In calico printing, 184 new designs in *jajams*, printed *durries*, *khaddar chints*, *abras*, *teapoy covers*, *saree borders* and *sarees* with all over effect and ladies dress materials were placed on the market. A large measure of progress was registered in the introduction of fast dyes and improved types of looms. In Hoshiarpur alone, according to the Manager of Havro Trading Company, the consumption of fast colours increased to about Rs. 2,000 per month as against about Rs. 20 per month previously. Similar results were achieved at Multan while at Amritsar the use of fast dyes is rapidly gaining ground. A large number of fly-shuttle looms were introduced among the pit loom *daryai* and other weavers of Multan and with a view to accelerate the replacement of pit looms, the Marketing Officer got the looms made himself for supply to the weavers. Intensive propaganda was continued among the weavers of Hoshiarpur for the use of steel healds and steel reeds in place of the country thread healds. Among other improved devices which the marketing organization is helping to popularize, mention may be made of double box sleys, *patka* looms, double lift and double cylinder dobbies, warp printing, printing from creel, etc., etc. The weavers working for the Marketing Officer with the improved types of looms and appliances besides securing work for over 300 days in the year—as against 125 to 150 days in the year for which the bazaar weaver generally finds employment—earn 50 to 100 per cent. more in wages. The progress in the amount of work secured to the weavers by the marketing organization in the Punjab may be judged from the following figures :—

	1936-37.	1937-38.	Percentage increase in 1937-38 over 1936-37.
Number of weavers working under the Marketing Officer .. ..	538	947	76
Yardage of cloth produced .. ..	248,214	636,898	156
Value of cloth produced .. ..	120,540	218,160	81
Wages paid to weavers .. ..	22,990	56,131	144

The foregoing figures speak for themselves.

8. The expenditure incurred on the scheme up to 30th September 1938 under each primary unit is shown below :—

Primary units.	1934-35.	1935-36.	1936-37.	1937-38.	1938-39 1st April to 30th September.	Total.
	Rs. A. P.	Rs. A. P.	Rs. A. P.	Rs. A. P.	Rs. A. P.	Rs. A. P.
1. Pay of Establishment .. .. .	..	11,269 13 0	18,263 5 0	20,074 0 0	13,228 0 0	61,835 2 0
2. Other allowances and honoraria .. .. .	..	..	225 4 0	251 0 0	69 0 0	545 4 0
3. Travelling allowance .. .. .	..	1,022 14 0	2,678 9 0	3,093 0 0	1,559 0 0	8,353 7 0
4. Supplies and Services .. .. .	..	7,713 0 0	13,659 2 6	..	..	21,372 2 6
5. Contingencies .. .. .	308 2 0	4,552 9 0	7,920 8 0	30,975 0 0	13,994 0 0	57,750 3 0
6. Rewards and subsidies .. .. .	..	166 7 0	248 10 6	885 0 0	..	800 1 0
<b>Total .. .. .</b>	<b>308 2 0</b>	<b>24,724 11 0</b>	<b>42,995 7 0</b>	<b>54,778 0 0</b>	<b>27,850 0 0</b>	<b>1,50,656 4 0</b>

1939.]

Handloom Weaving.

147

The amount available in the budget for expenditure during the current year is Rs. 68,600 of which Rs. 27,850 were spent up to 30th September 1938, leaving a balance of Rs. 40,750 in hand. The anticipated expenditure for the remaining six months of the year will be Rs. 38,700 which will leave a balance of Rs. 2,050 in hand at the close of the year. In view of the greatly extended activities of the organization a grant of Rs. 77,600 will be required for 1939-40 to carry on the work on the basis of the current year. The heavy increase in the work and the establishment of the Nawashahr Depot have necessitated the appointment of additional staff in the interests of efficiency. It is accordingly proposed to appoint the following additional staff from 1st April 1939 :—

1. One Supervisor for Nawashahr Depot in the grade of Rs. 75—5—100. It is necessary that a wholetime supervisor should be provided for this Depot to look after its work.
2. One Second Accountant in the grade of Rs. 50—4—70 for the Central Depot at Amritsar. The existing accountant is unable to cope with the increased work of the 4 depots.
3. One Costing and Analysis Assistant in the grade of Rs. 60—4—80. This post has been necessitated by the large number of costings and analyses required to be done in connection with new designs and analyses done by the Marketing Organization.

### Bihar.

(30th September 1938.)

The Bihar Cottage Industries (Handloom Marketing Organization) continued to advertise and popularize the handwoven textiles of Bihar and to conduct experiments in co-operative manufacturing, machine-finishing and marketing of the handwoven goods. As before, the working capital required for carrying on the business and the cost on the staff of the old purdah manufacturing section merged in the above organization were provided by the Provincial Government, while the grant received from the Government of India was utilized to meet the cost of the additional staff employed, the publicity given to the handwoven textiles and the organization set up to start and manage the weavers' co-operative societies for manufacture and supply of handwoven cloth to the Bihar Cottage Industries.

2. *Manufacturing.*—In order to guarantee the quality of the fabrics and the fastness of their colours, this organization continued to purchase yarn of approved quality direct from mills and to get the same dyed by the Cottage Industries Institute at Patna under expert supervision. During the year under review the number of

weavers' co-operative societies manufacturing goods for the Bihar Cottage Industries increased from 11 to 12 but three of these situated in Orissa ceased to manufacture and supply goods to this organization from November 1937, when the marketing of Orissa goods was taken over by that province. The Co-operative Department of Bihar and Orissa continued to organize and supervise the working of these weavers' co-operative societies, which manufactured and supplied goods worth Rs. 44,278-7-3 (purdahs worth Rs. 30,051-8-3 and staple goods worth Rs. 14,226-15-0) during the year 1937-38. In addition, 35 master weavers and ex-students of the Cottage Industries Institute, Patna, also wove and supplied goods worth Rs. 67,480-7-6 (purdahs worth Rs. 48,316-11-3 and staple goods worth Rs. 19,163-12-3) during the year. The value of goods supplied by these weavers' co-operative societies and master weavers during the six months ending the 30th September 1938 amounted to Rs. 32,567-5-9 and Rs. 34,971-7-3, respectively. Our efforts to replace the master weavers by weavers' co-operative societies were not quite successful as the latter were found to be comparatively inefficient and unreliable in the execution of orders for cloth placed with them. 20 new patterns in purdahs, 6 in durries and 12 in staple goods were prepared and included in the list of standard patterns.

3. *Finishing.*—With the help of the finishing plant referred to in the last year's report, the Bihar Cottage Industries bleached and finished 22,849 lbs. of handwoven cloth in the year 1937-38, against an outturn of 6,184 lbs. of cloth bleached and 10,767 lbs. finished during the previous year. The amount of cloth bleached and finished in the first six months of 1938-39 amounted to 18,040 lbs. It is hoped that when a kier and an hydroextractor are purchased and fitted up, for which a sum of Rs. 4,000 has been sanctioned by the Government of India, it would be possible to bleach and finish a very much larger quantity of cloth.

Another difficulty in the working of the finishing plant efficiently was the inexperience of the staff employed. Both the output and the quality of finished goods were, therefore, unsatisfactory. In the original scheme provision had been made for the appointment of a finishing master on only Rs. 150 per month; for, it was then considered that this pay would be enough for employing a qualified man. The firm which supplied the machinery was requested to advertise the post and to recommend a suitable candidate. But the finishing master who was appointed on their recommendation failed to give satisfactory results and it is proposed to dispense with his services from the 1st December 1938, as a measure of retrenchment. The working of the finishing plant is now temporarily entrusted to his assistant and it is hoped that the Government of India will be pleased to sanction the appointment of a competent finishing master on Rs. 250 per month.

4. *Marketing.*—Bihar textiles were marketed through (1) commercial travellers, (2) subsidized sale-depots, (3) commission agents and (4) the central warehouse at Gulzarbagh. The total sales effected during the year 1937-38 amounted to Rs. 1,69,197, which were about the same as those in the previous year, *viz.*, Rs. 1,69,047. The actual realization on account of sales of the first six months of 1938-39 amounted to Rs. 82,694.

Our experience in trying to sell goods through the commercial travellers was disappointing. While the travelling and carriage expenses incurred by them were high, the sales effected by them were very unsatisfactory. At the end of the year 1937-38, the services of one of the two commercial travellers were dispensed with and in his place three hawkers on Rs. 25 each *plus* 10 per cent. commission were appointed in March 1938. But as they also failed to effect enough sales, their services along with those of the second commercial traveller and the Agency Inspector were dispensed with after 3 months when the expenditure of the Bihar Cottage Industries had to be economised on account of increased expenditure on publicity which was found necessary and which could not be met from the decreased grants from the Government of India after the separation of the Orissa portion of the scheme. The sales effected by the commercial travellers amounted to only Rs. 6,227 for the year 1937-38 as against Rs. 10,070 in the previous year.

Of the five sale-depots at Patna, Ranchi, Jamshedpur, Cuttack and Delhi-Simla, which existed at the beginning of the year, the one at Cuttack was transferred to the Development Department of Orissa from the 1st December 1937, and a new depot was started in Calcutta in September 1937, with Messrs. Rameshwarlal Dedraj of that place as sole agents for Bengal. As the salesmen appointed by the agents of these depots were in many cases unemployed youths, having no experience of salesmanship, the sales in these depots were not up to expectations and amounted to only Rs. 30,005 during the year 1937-38 and to Rs. 14,751 during the following six months as against Rs. 24,431 in the previous year.

The sales through the London agent during the year declined considerably and amounted to Rs. 41,398 as against Rs. 83,817 in the previous year. This drop in the European business was partly made up by the increased sales in New Zealand in which the demand for Bihar textiles showed a distinct tendency to broaden and the sales amounted to Rs. 45,691 as against Rs. 31,267 in the previous year. A trial order from an American firm for cotton goods worth Rs. 5,155 was also executed. The Indian sales however increased by about 46 per cent. and amounted to Rs. 77,977 as against Rs. 53,963 of the previous year.

5. *Publicity.*—The Bihar Cottage Industries participated in the Exhibitions held at Lahore, Delhi, Allahabad, Patna, Dhanbad,

Bihta, Muzaffarpur, Darbhanga and Hajipur and had a joint stall with United Provinces and Madras in the British Industries Fair, London. Bihar textiles were also exhibited in the Exhibitions held at Budapest, Vienna, Brussels, Utrecht and Leipzig through the Indian Trade Commissioner of Hamburg. 65 enamelled plates advertising the handwoven fabrics of Bihar were displayed at important railway stations on the E. B. R., E. I. R., B. N. R. and N. W. R. and a sum of Rs. 1,179 was spent on this one item of advertisement. Publicity to Bihar textiles was also given through hand-bills, posters, etc., which were distributed in exhibitions and at few important places. An illustrated catalogue of Bihar textiles for which the Government of India granted a sum of Rs. 5,000 is under preparation and is expected to be ready for publication in a couple of months.

6. *Expenditure.*—The total expenditure incurred in 1937-38 out of the grant received from the Government of India amounted to Rs. 49,459-4-6 which includes a sum of Rs. 6,328-15-6 spent by the Registrar of Co-operative Societies for the organization and management of the weavers' co-operative societies. The budget and revised estimates for 1938-39 and the budget estimates for 1939-40 are given below :—

Items of expenditure.	Budget estimates for 1938-39.	Revised estimates for 1938-39.	Budget estimates for 1939-40.	Remarks.
1	2	3	4	5
Establishment .. ..	Rs. 16,012 1,560	Rs. 14,552 1,560	Rs. 15,472  1,560 6,000	Includes the pay of a finishing master at Rs. 250 per month.  For a designer for 6 months. For the designer.
Travelling allowance ..	1,500	1,500	600 3,000	
Advertisement and Publication.	2,500 5,000	4,631 5,000	4,500	
Cost of participation in exhibitions and fairs.	2,028	2,061	1,000	
Subsidies to Branch Stores (Sales depots).	8,000	6,493	6,500	
Contingencies—				
Marketing .. ..	3,000	4,700	4,700	
Designing .. ..	..	..	1,000	
Finishing Department ..	3,000	3,080	4,000	
Finishing Plant .. ..	4,000	4,000	2,800	
Furniture and equipments	..	336	190	
Organisation of Weavers Co-operative Societies.	8,200	7,178	7,478	
Total .. ..	54,800	55,991	58,800	

The revised estimate of Rs. 55,991 will be met from the allotment of Rs. 54,800 of the current year and from a saving of Rs. 1,212 from the grant of the previous year. The estimates for 1939-40 includes an additional grant of Rs. 2,800 for the purchase of a Kier and Rs. 10,000 for the appointment of a textile designer for 6 months.

7. *Additional grant required.*—(a) While estimating the cost of the organization for the year 1938-39, it was expected that the addition of a hydro-extractor, a sewing machine and a trolley costing in all Rs. 4,000 would answer the purpose of its finishing department. But from experience, it was found subsequently that the boiling of cloth in open vats was not satisfactory and efficient. The vat of brick and mortar gave way and the work of the finishing department was held up. An order for a Kier for boiling the cloth had, therefore, to be placed in anticipation of sanction. The Government of India are now requested kindly to sanction a sum of Rs. 2,800 being the estimated cost of the Kier and to include the same in the grant for the year 1939-40.

(b) The importance of designs in improving the handweaving and other textile industries has been sufficiently recognised and a few of the provinces have appointed designers trained in local textile institutes. The Government of Bihar, having failed to secure in India the services of textile designers having sufficient knowledge of latest fashions in Europe and of the requirements of the people there, appointed two European lady designers one in the year 1925 and the other in 1929. These designers successfully produced several artistic designs, which are largely responsible for the establishment of a small export trade in Bihar handwoven textiles. On account of financial stringency, it was not possible to employ the services of similar designers for the last 9 years. The Central Government is, therefore, requested to help the Government of Bihar which maintains an efficient manufacturing and trading organization, with a grant of Rs. 10,000 for engaging the services of a designer for a period of 6 months in 1939-40. This designer will be paid a salary of Rs. 1,000 per month and also his or her fare from and to Europe. The total cost including travelling allowance, pay of an orderly peon and other contingent expenses in preparing designs, etc., is estimated at Rs. 10,000.

#### Central Provinces and Berar.

(30th June 1938.)

(Figures in brackets relate to previous year.)

The grant-in-aid to this province for the year 1937-38 was Rs. 24,400. Out of this amount a sum of Rs. 12,200 was advanced



1939.]

*Handloom Weaving.*

153

to the Central Provinces and Berar Weavers' Co-operative Society, Limited, Nagpur, as working capital and the balance of Rs. 12,200 was given as grant-in-aid for working expenses. The former amount together with the previous sum of Rs. 24,315 making a total of Rs. 36,515 formed the working capital of the Society during the year.

2. The method of working of the central society at Nagpur and its branch and affiliated societies in the province remained the same as in the previous year. The Nagpur society is a manufacturing society which manufactures through its members cloth of standard varieties and modern designs. It has about 100 working members who take raw materials from the society and receive wages for the work done. The Nagpur society also acts as a central society and finances other branch or affiliated societies in the province by supplying them with raw materials, giving subsidies towards their establishment expenses and finding market for their goods as far as possible.

3. During the year raw materials worth Rs. 47,994 (Rs. 20,634) were purchased by the central society for its own manufacture and for sale to other societies and institutions and raw materials worth Rs. 5,562 were in stock with the society at the beginning of the year. The value of raw materials issued to its members and to other societies and institutions was :—

	Rs.	Rs.
(1) Nagpur society members .. .. .	25,188	(12,229)
(2) Kamptee society .. .. .	9,436	(4,000)
(3) Chhindwara society .. .. .	4,942	(2,027)
(4) Government weaving shed .. .. .	1,762	(1,164)
(5) Umrer society .. .. .	6,324	..
(6) Chanda society .. .. .	850	..
(7) Other institutions .. .. .	444	..

The Total value of raw materials issued by the society during the year was thus .. .. . 48,948 (19,410)

4. Considerable improvement was made in the manufacture of the society's products. Over a hundred new patterns were produced during the year. They not only increased the popularity of the society's goods but helped outside weavers in their work in as much as when a new pattern was woven by the society it was copied by other weavers and this enabled them to sell their cloth readily. Besides the manufacture of varieties like sarees and dhotees which members weave in their own homes, manufacture of other varieties such as silk coating, curtains, purdahs, bedspreads, table covers,

upholstery materials, durries, etc., was also undertaken. Members do not care to weave these varieties in their homes and this kind of work being new to them is not also done satisfactorily at home. Weaving of these special varieties is, therefore, done in the Government Weaving Shed under the supervision of the staff of the textile section. The total cost of cloth manufactured by the society during the year was Rs. 36,000 (Rs. 14,857) and the wages paid to weavers amounted to Rs. 10,497 (Rs. 3,603) besides the sum of Rs. 5,302 paid as dyeing charges and for preparatory processes.

5. For marketing the cloth the society participated at the exhibitions held at Dewas, Mysore, Lahore, Delhi, Sholapur and Bombay. The society's products were much appreciated in all these places and won prizes and medals at most of the exhibitions for their superior quality and texture. The society's shop and canvassers helped to popularize the goods and increase their sales. Cloth was also kept at some local shops for sale on consignment basis. Arrangement was also made to sell through the society's marketing organization typical and hand-woven varieties of other centres such as silk bordered dhotees of Umrer and *faseer* shirtings and coatings of Bilaspur. The total sale of the society's goods during the year amounted to Rs. 23,006 (Rs. 8,269).

6. The staff of the society remained the same as in the previous year except that one more clerk on Rs. 30 per mensem and a designer on Rs. 25 per mensem were engaged. The former was engaged to cope with the increasing work of the society and the latter helped to introduce a number of new patterns and designs. Two canvassers were engaged temporarily on Rs. 15 per mensem in the busy season to push on the sale of the society's goods. The total expenditure under the allotment for the grant-in-aid for working expenses amounted to Rs. 7,212 (Rs. 6,940).

7. During the year, accounts of the society were test-audited by the auditors of the Accountant General's office and the accounts for the year ending the 30th June 1937 were fully audited by an auditor of the office of the Registrar, Co-operative Societies. Excepting some minor irregularities in the maintenance of accounts no serious defects or irregularities were noticed in audit. The audit for the year ending the 30th June 1937 showed a profit of Rs. 3,353-9-9. The audit for the year ending the 30th June 1938 will be taken up by the end of the current calendar year.

8. It will thus appear that there has been a general improvement in the working of the scheme during the year. The work of the societies at Kamptee, Chhindwara, Chanda and Umrer was satisfactory. A new society at Girgaum in the Chanda district was registered at the close of the year and its work will be started

soon. The central society has successfully organized the manufacturing side but the marketing side is to be developed. The main handicap of the handwoven goods is the lack of finish which is seen in the mill product. The society produces cloth which can compare favourably with mill product in quality and price. But having no bleaching or finishing plant the cloth does not look attractive to the purchaser. The present need of the society is to have a bleaching and finishing plant.

9. *Special grant for finishing plant.*—One great difficulty in marketing handwoven cloth is the lack of finish which the customer is accustomed to find in the mill product. Handwoven cloth is durable. By proper organization it can be manufactured and sold at competitive prices compared with the mill product but in its unbleached and unfinished condition it does not attract the customer. The Central Provinces and Berar Weavers' Co-operative Society has successfully organized the manufacture of dhoties and other common varieties which compare favourably with the mill product in quality and price. Dhoties of counts between 40 s. and 80 s. and above are manufactured by the Nagpur and Umrer societies. They are at present washed and ironed by washermen and find a ready sale in preference to unwashed pieces. If the cloth is bleached and calendered properly, it would be easily sold. Similarly if the *sarees*, in the manufacture of which the society has specialized, are calendered, they would be more attractive and their sale would be increased. These remarks apply to all other varieties which the society produces.

The necessity of a finishing and calendering plant was felt by other provinces long ago and some of them have already installed such plants. This province, however, did not ask for it till it could so organize the handloom production as to justify the installation of a plant. The Central Provinces and Berar Weavers' Co-operative Society has now organized the production through the Nagpur and other societies and it feels the necessity of having a bleaching and calendering plant, to push on the sale of its cloth. This can be done only if the Government of India would kindly make a grant for the purchase of the plant. If the plant is installed by the society it would be made available to other manufacturers of handloom goods as well.

As explained by Mr. Gilmore at the Ninth Industries Conference (page 61 of the Bulletins of Indian Industries and Labour, No. 65) in a finishing plant there is a considerable range of machines, the cost of which depends on size. It is not intended to go in for costly machinery. The present need is a bleaching plant and a small calendering machine. It is requested that the Government of India would be pleased to make a special grant of Rs. 10,000 to

this province to enable it to instal the plant for the benefit of the handloom industry of the province. Any extra cost which may be required for installing the plant and the expenses for working it will be paid by the society. The request is moderate and it is hoped that it will be considered favourably.

Assam.

(October 1938.)

The Government of India sanctioned Rs. 20,185\* for financing the following schemes for the development of the handloom industry in this province :—

	Rs.
<i>Scheme No. I.</i> —Reorganization of the Government Emporium and Central Stores, Gauhati ..	7,999
<i>Scheme No. II.</i> —Establishment of a branch Emporium at Sylhet .. .. .	2,437
<i>Scheme No. III.</i> —Inspectors for organization of Weavers' Associations and Standardisation of products .. .. .	4,056
<i>Scheme No. IV.</i> —Dyeing and Printing Instructions to and through the Peripatetic Weaving Parties ..	5,693
	20,185

2. All the above schemes were continued during the year under report. The actual expenditure on these schemes during the year stood at Rs. 19,424-9-6. The rural uplift activities organized by various district officials demanded the attention of the staff and the Marketing Officer, the Travelling Canvassers, the Dyeing and Printing Instructors and the Co-operative Weaving Inspectors were sent to various functions organized in that connection. Due to inadequacy of staff the work of these officers at present tends to be more extensive than intensive.

3. Some details as to the working of the schemes are given below :—

*Scheme I.*—The Marketing Officer and the two Travelling Canvassers gave material assistance to the Emporium in evolving more than 150 new patterns comprising of dress and furnishing materials and various office requirements

\*Allotment for Assam for 1937-38 was Rs. 24,400.

1939.]

*Handloom Weaving.*

157

and participated in 10 local exhibitions. The two canvassers sold Emporium goods worth Rs. 3,000 during their tours. The Marketing Officer visited Karimganj, Dhubri, Sorbhog, Barpeta, Rangia, Palashbari, Sualkuchi, Nowgong, Raha and Silghat and studied the local markets and the working of the weavers in those areas. The Emporium supplied yarn to the weavers and the ex-students at Gauhati, Barpeta, Nalbari, Palashbari, Raha, Nowgong, Mangaldai, Tezpur and Dergaon and got back finished fabrics and paid them certain fixed wages. The total sales of Stores and finished products of the Emporium during the year amounted to Rs. 26,075-15-8. The Emporium is being patronized by Government Departments with orders for various kinds of fabrics.

*Scheme II.*—The branch Emporium saw another year of useful activities, the moffusil orders through the Travelling Canvassers, increasing during the year. The sales of the branch during the year amounted to Rs. 7,304-7-9. The expenditure on establishment and contingencies stood at Rs. 2,291-12-9.

*Scheme III.*—As in the previous years two Weaving Inspectors worked throughout the year—one in each Valley. The Inspector engaged in the Assam Valley worked in selected areas in the districts of Nowgong, Kamrup and Goalpara, and visited 75 rural societies, delivered 32 lantern lectures, attended 6 exhibitions in rural areas and organized one weaving and spinning society. The Inspector engaged in the Surma Valley visited 36 co-operative societies, delivered a number of lantern lectures and organized 3 more weaving societies. Both the Inspectors effected sales of a considerable number of fly-shuttles, sleys and accessories among the members of co-operative societies through the hire-purchase system.

*Scheme IV.*—The Dyeing Supervisor and the Calico Printing Instructor worked as two distinct parties with one Operator under each in both the Valleys. The Dyeing Supervisor visited 25 weaving centres and rendered assistance to 30 dyeing and printing factories and schools, 12 weaving societies and the two Emporia. He demonstrated over 250 shades of naphthal, indenthrene, sirius, sulphur and other fast colours. He helped several ex-students and weavers in starting a number of dyeing shops. The Calico Printing Instructor visited 29 important centres and rendered assistance to 30 institutions and factories. He printed about 3,000 yards of

cloth and introduced 350 patterns and designs. Over 30 passed students of weaving received special training in printing under him. Printing on cotton durries with 7 colours, *endi* chaddar borders, cotton kerchiefs, teapoy cloths, bed-covers, blouse pieces and aerograph printing on sari borders, etc., were some of the attractive demonstrations given by him.

4. All the above schemes gave a special impetus to the handloom weaving industry of the province; but unfortunately they have to terminate on the 31st March 1939. As there is some saving effected during 1939-40, the scheme No. IV which has been of great benefit to the poor weavers of the province. Unless the province gets additional grant from the Government of India or the Local Government decide to take these schemes over and finance them from the provincial revenues the most important cottage industry of the province is likely to suffer a setback with the expiry of the term of the schemes.

5. The approximate saving which is expected out of the schemes will be about Ra. 6,500 during 1939-40. Of this a sum of about Ra. 5,530 will be required for continuing scheme No. IV during 1939-40 as detailed below.

Scheme IV—

	Ra.
Establishment .. .. .	2,810
Travelling allowance .. .. .	1,000
Contingencies .. .. .	1,720
	5,530

North-West Frontier Province.

(October 1938.)

The Institute during the year provided employment additionally to 25 extra men and after the installation of the new machinery cotton finishing calendar, etc., another 25 men are expected to get employment.

100 students (regular and periodical) and 70 professional weavers were trained this year with 15 students and 16 professional weavers students at present on roll.

Many of the professional weavers trained at this Institute have started their work on their own improved appliances and to extend which they have applied for Government loan for the purpose. One of our students is employed as a Manager, Lungi Weaving Factory at Tank.

Since its foundation this Institute has woven cloth approximately worth Rs. 9,000 including that woven this year, cotton, silk and woollen in about 150 designs about 50 designs were introduced this year. Cloth approximately worth Rs. 2,500 has been sold so far since the start, including that sold this year. A shop has therefore been started for the sale of the remaining cloth.

Sind.

(October 1938.)

The scheme comprises the organization of the District Industrial Co-operative Association at Hyderabad, Sind. The aims and objects of the Association are :—

- (i) to supply improved appliances on hire-purchase system or otherwise ;
- (ii) to supply raw materials at reasonable prices ;
- (iii) to advise weavers with regard to the production of improved and easily marketable patterns and designs ;
- (iv) to undertake preparatory and finishing processes and dyeing and printing in connection with handloom industry ; and
- (v) to accept on consignment account against partial payments, products from weavers and to purchase outright handloom products and to sell them.

2. To fulfil these aims and objects, the Association has opened a shop at its headquarters at Hyderabad, Sind ; and its running expenses are met from the grant until the shop is able to support itself. A provision of Rs. 2,000 per year is made to meet losses, if any, in the Association's working on account of bad debts and depreciation.

3. A Textile Designer was appointed to introduce new designs, and a Manager for the shop was appointed to look after the marketing side of the products. The Manager was first sent for training to a similar (Weavers) Association working under the Department of Industries, Bombay ; he returned to take up his duties in March 1938.

4. No material alterations have been made in the scheme sanctioned by Government. Experience, however, showed that modifica-

tions of certain details were necessary. Conditions of handloom industry in Sind are considerably different from those obtaining in other Provinces ; and, perhaps, Sind is the most backward compared with other Provinces, *e.g.*, there is not a single Jacquard loom in the Province, and there are hardly any frame looms. The weavers have little experience in the use of fine counts and they cannot readily obtain mercerised yarn for the production of improved type of cloth. The work of the Association is, therefore, designed to give a new orientation to the existing practice. The Sind weavers are extremely conservative and their short-sighted outlook has added not a little to the difficulties in helping them, although it is hoped that things will alter as the scheme progresses.

5. A production centre was opened at Hala and the Textile Designer was put in charge. Several weavers are being taught how to handle fine counts. Yarn belonging to the Association is being given to them by the Textile Designer and the cloth woven is taken back and wages paid to the weavers. Difficulties in the operation of the scheme are being gradually overcome, *e.g.*, weavers demand very high wages for working with fine counts with which they have hitherto not been familiar. Special arrangements have to be made by the Association for dyeing the yarn as there are no dyers on the spot who can use fast dyes.

6. The production of the new type of cloth is now in full swing. Fabrics such as shirtings, coating, mercerised 'khesses', etc., which would find market in towns, have been produced. As the work was taken in hand somewhat late in the season, sales have been comparatively small ; stocks are, however, being got ready for sale during the next season.

Further progress of the Association made by December next will be placed before the Conference.

### Orissa.

(November 1938.)

During the year under report Orissa received a grant-in-aid of Rs. 13,400 for the development of handloom industry. The marketing organization remained joint with Bihar till the 30th November 1937. No work was done thereafter as the scheme for Orissa remained under consideration of Government for revision.

2. As in the previous year the number of Weavers' Co-operative Societies and their membership remained, 3 and 40, respectively. The organization of Societies was stopped pending the establishment of the marketing organization.



1939.]

*Handloom Weaving.*

181

3. The 3 societies and a master weaver manufactured and supplied to the Bihar Cottage Industries, goods of the value of Rs. 6,144-3-0 during the period :—

	Rs.	A.	P.
1. Madhia Meher and Sons, Sambalpur (Art textiles)	5,645	4	0
2. Weavers' Co-operative Societies, Bargarh (Staple goods)	152	12	0
3. Nawapatna Weavers' Co-operative Societies (Staple goods)	261	13	0
4. Taraboi Weavers' Co-operative Societies (Staple goods)	84	6	0
	<b>6,144</b>	<b>3</b>	<b>0</b>

4. Sambalpur art textiles and sarees continued to be as popular as before, but due to the slackness of the agent in supplying goods in time, the volume of business could not be increased.

5. The goods were marketed through commercial travellers, commission agents including 2 foreign agents in London and New Zealand and subsidized sales depots. The handwoven fabrics were displayed in a number of exhibitions. Further publicity was given by distributing hand-bills and posters at the exhibitions.

6. After the 30th November 1937, the 3 societies carried on business on their own with the assistance of the organizer. The sales amounted to Rs. 4,071-6-0.

7. In order to give wide publicity to the art textiles of Orissa, goods were exhibited in the British Industries Fair of 1938 and at the All-India Exhibition of Arts and Industries, Lahore, in December 1937.

Delhi.

(September 1938.)

The Government Cottage Industries Institute was established in Delhi in the year 1934-35 as a result of a five-year scheme of grant-in-aid for the development of the handloom industry in the country. Despite the handicaps in the shape of adequate finances and organization, the Institute has, however, proved to be of real service to the cause of industrial development generally, besides offering a partial solution of the unemployment problem. The Institute now provides useful free training in spinning, weaving including tapes

and durrees, gota-making, manufacture of borders and carpets, dyeing and calico-printing, dry-cleaning and washing and allied trades, in addition to wood-working, clay-modelling, hosiery-knitting and thread-balling. Besides, a programme of experiments in sericulture and apiculture is undertaken, with a view to exploring the possibilities of the development of silk-worm rearing and bee-keeping as valuable subsidiary industries in the rural areas.

2. With the object of organizing a market for cottage and small-scale industries, a show-room which is open to the public has been started in the premises of the Institute, so as to form a nucleus for a permanent exhibition of Delhi's art and industry. The show-room is intended not only to secure a direct contact between the manufacturer and the consumer or dealer in and outside Delhi but also to provide instruction to the craftsman, to criticise his work and to supply him with new ideas and designs.

3. In addition to the holding of regular classes for adults of both sexes, for which accommodation is limited, casual training for varying periods according to the subject is also provided to those already engaged, or intending to be engaged in different sections of the industry. The necessary training is also provided to prepare students for the examinations of the City and Guilds of London Institute. With a view to affording actual work experience under commercial conditions to the students, and supplementing the instruction imparted at the Institute by practical training in commercial operations, the necessary facilities are secured for such training with the co-operation of industrial establishments equipped with modern machinery and appliances in and outside Delhi. Owing to the practical character of the training imparted at the Institute, most of the successful students are able to start earning soon after they leave the institution. Although, owing to lack of funds, it has not been possible to extend the activities of the Institute on a scale commensurate with Delhi's needs, the results accruing from even a small attempt are encouraging enough to offer a great opportunity for profitable investment in the form of the existing institution, on the part of the State.

4. Whereas the demand for admission to the Institute is very heavy, such demand, however, mainly emanates from candidates belonging to urban classes. Special efforts are made to attract boys from the rural areas, for training at the Institute, to implement and improve the present industrial processes which are generally of a crude nature.

5. Periodic demonstrations are given by the Institute, of modern but inexpensive machinery and appliances and of improved and scientific methods of manufacture in a variety of productive and profitable occupations. In addition to the organization of a popular

annual event in the form of a 'Demonstration Week', with a view to providing concrete and constructive instruction to the interested classes of the population and to educating the general public in the potentialities of small-scale and cottage industries, the Institute has continued to participate in industrial and agricultural exhibitions and rural uplift fairs, held from time to time, in the province, for the benefit of the visitors.

6. In addition to the provision of free technical advice including supply of new designs and examination of numerous samples of cloth and practical demonstrations in diverse subjects, to an increasing number of enquiries seeking such assistance, the Institute undertakes the preparation and supply, on request, of workable schemes for the establishment of small-scale enterprise, in various trades.

7. The Institute within its limitations has established close contact with local interests which are given the fullest co-operation in matters affecting them.

8. The annual grant sanctioned by the Government of India was Rs. 2,000 in 1934-35, Rs. 5,000 in 1935-36 and Rs. 6,000 in 1936-37 and 1937-38 each. The expenditure incurred on the Institute during 1937-38 is as follows :—

	1937-38.		
	Rs.	A.	P.
Pay of establishment .. .. .	2,458	10	0
Cost of equipment .. .. .	514	1	6
Rent of Institutes' premises .. .. .	1,212	0	0
Purchase of stores, chemicals and dyes, etc. .. .. .	270	14	9
Cost of exhibitions .. .. .	—	—	—
Pay of menials .. .. .	300	0	0
Furniture, hot and cold weather charges, electric charges and contingencies, etc. .. .. .	528	5	9
<b>Total .. .. .</b>	<b>5,284</b>	<b>0</b>	<b>0</b>

These facts speak for themselves, and it is unnecessary to emphasise the general economic advantages of the existing institution. Even this small step has had an appreciable effect in providing the much-desired relief in the more needy province of Delhi.

*Proposed grant of stipends to village boys to enable them to attend the Cottage Industries Institute, Delhi, for training in weaving.*

The best way of popularizing improved methods in the handloom industry in the rural area of the Delhi Province is undoubtedly to

train selected boys, who, on return to their villages not only make more money themselves, but encourage others to take up improved methods of working. It has been found, however, that boys of the weaver class who begin to earn something at a comparatively early stage can seldom attend the Cottage Industries Institute at Delhi at their own expense. They are not in a position to forego their earnings in order to undertake a course of training. Most of the boys trained at the Institute therefore belong to Delhi city and its suburbs. It is believed that village boys would be attracted by stipends of Rs. 6 per mensem each, and it is proposed that ten such stipends involving an expenditure of Rs. 60 per mensem or Rs. 720 per annum should be granted. The amount available for the Cottage Industries Institute is not at present sufficient for the provision of these stipends, and it is therefore suggested that the allotment be increased from Rs. 6,000 to Rs. 6,720 per annum.

#### Mysore.\*

#### BRIEF ACCOUNT OF WORK DURING THE YEAR 1937-38 IN RESPECT OF HANDLOOM WEAVING IN THE STATE.

There are at present 30,000 hand-loom weavers in the State (each weaver having on an average one loom) of which 3,700 are engaged in weaving pure silk goods, 1,500 in weaving cotton goods mixed with silk, 20,000 in weaving cotton goods only and the remaining 4,800 in producing woollen fabrics. The total value of cotton, silk and woollen goods produced on all the 30,000 looms is estimated at a crore of rupees.

The Government weaving Institute at Bangalore and the peripatetic weaving Demonstration parties posted for work in the several districts in the State continued the work of effecting improvements in the industry and assisting the handloom weavers.

The Government Weaving Institute gives training in the manufacture of textile, both on power and hand looms, and dyeing, bleaching and printing of fabrics on modern lines. There are two courses of instruction, viz., the Certificate Course and the Artisan Course. The first course which extends over a period of two years, is intended for training persons either to occupy responsible places in weaving factories and mills or to enable them to start and run their own concerns. The second course which extends over a period of one year only, is intended to train persons to become able workmen weavers.

At the Sri Krishnarajendra Silver Jubilee Technological Institute, Bangalore, started in November 1938, a higher Diploma Course in weaving extending over a period of three years, has been instituted

1939.]

*Handloom Weaving.*

165

With a view to correlating the different courses of instruction, it is under contemplation to amalgamate the two Institutes and placing them under a single control.

During the year 1937-38, there were 50 students under training at the Government Weaving Institute, of which, 7 were in the Artisan Course, 23 were in the First Year Certificate Course and 20 were in the 2nd Year Course.

In addition to training students, the Institute is also engaged in research work for improving the weaving appliances. During the year 1937-38, a new kind of tapeloom which can be worked both by hand and power was designed and manufactured. 13 table looms and 20 chain tappets were also manufactured and supplied, the former to the several Home Industries Institutions in the State and the latter free of cost to the Harijan Weavers.

There were 8 peripatetic weaving demonstration parties posted for work in the districts, each party consisting of a Weaving Demonstrator, a mistry and a peon, who visit villages in their respective areas, conduct demonstrations and train weavers of the locality in improved methods of weaving and in the use of improved appliances. They also give them improved designs which are more easily marketable than the traditional kinds of goods that they are accustomed to produce and supply them with the required appliances.

During the year 1937-38, these parties conducted demonstrations in 14 important weaving centres on an intensive scale, visited 382 villages, introduced 202 new designs, fitted up 149 improved looms, trained 1,118 persons in the use of improved appliances and sold to the weavers Rs. 2,554 worth of improved appliances.

The Department of Industries has been spending more than Rs. 15,000 every year for conducting these demonstrations. During the last 10 years, a sum of about two lakhs of rupees was spent for conducting these demonstrations and this comprises the cost of staff amounting to Rs. 1½ lakhs and the cost of raw materials amounting to Rs. 50,000. The value of the improved weaving appliances sold to the weavers during this period from the Department was about Rs. 21,000.

With the introduction of cheap electric power in the rural areas, a large number of power looms have been installed and work carried on in the houses of weavers. There are now about 800 such power looms working in different parts of the State and this number is steadily increasing.

During this year loans to the extent of Rs. 5,450 were granted in 11 cases to enable the weavers to purchase improved looms and appliances.

The questions of establishing a central organization in the State on a co-operative basis or worked under the control of the Industries Department with sufficient capital for the purchase and distribution of raw materials, etc., to the weavers and for the sale of the finished products is receiving the active consideration of the Government and this work will shortly be undertaken.

Steps were taken to revive the Handloom Woollen Industry by opening a Wool Spinning (by hand) and Woollen Weaving (in the Handloom) Branch of the Badanaval Spinning Circle at Kolar from 1st February 1938.

Among the fabrics manufactured at the Centre are the hand-spun and hand-woven carpets and druggets in simple straight line motif against a back ground of pleasing colours, Merino and cross-breed woollen shawls and coatings of superior quality.

The first step taken by the Centre was to release the weaver from the grip of the petty money lender and assist him in the disposal of the goods produced by him. Several old pit-looms in the weavers dwellings have been replaced by fly-shuttle looms and idle looms have been put into action to increase the output of fabrics of the improved patterns.

Experimental work has been undertaken to ascertain the improvements which can be introduced into the methods now being followed by the spinners and for improving the finishing and the softening of the fabrics. The possibilities of introducing improved accessories and processes to increase the weavers' capacity are being examined and possible markets for the products of the Centre are being studied.

There are at present 82 spinners and 35 weavers working at the Centre. The total value of the goods manufactured and sold by the Centre has amounted to Rs. 3,750.

With a view to improving the wool spinning and weaving industry practised as a Cottage Industry in several parts of the Chitaldrug District which is a very important centre for handloom-woven woollen products, steps have been taken to start a wool-spinning and weaving school at Chitaldrug as an adjunct to the Industrial School. Modern methods of wool carding, spinning, weaving and dyeing of woollen fabrics will be taught in the school. The necessary machinery has been purchased at a cost of about Rs. 7,000. 10 persons will be trained during the first year giving preference to persons who are hereditary weavers and persons intending to take up weaving as their profession. The duration of the course of training is fixed at two years. In the beginning, it is not proposed to charge any fee, and stipends are also proposed to be given wherever necessary. The recurring cost of running the school during the first year is estimated at Rs. 2,500.

1939.]

*Handloom Weaving.*

167

*Discussion.**Tuesday, January 24th, 1939.*

Before proceeding with this item on the agenda, the Chairman made an announcement that the Municipal Corporation of Karachi had organized an All-India Industrial Exhibition to be held at Karachi in March next and circulated a copy of the prospectus for the information of the Members of the Conference.

The Chairman said that, with regard to the progress reports which had already been submitted, it would be sufficient if attention was drawn by the representatives of the Provinces and the States to any particular points on which they wanted to lay stress. The main interest on this item, however, would be directed to the grants. He explained the position in regard to these grants for next year. According to the scheme as originally contemplated, the grants from the Centre would come to an end on the 31st of October of the current year, but the Finance Department of the Government of India had been persuaded to make a full grant for the financial year beginning with the 1st of April 1939, so that, instead of receiving only 7/12ths of the annual grants on the basis of allocation already agreed upon, the Provinces could expect to receive their full quota for the next financial year. The agreement of the Finance Department was at present provisional only as the grant was subject to the vote of the Assembly. He was unable to say what might happen after that period, because the whole basis of the grant was the duty on yarn and no decision had yet been arrived at in regard to the protection to be given to the textile industry, of which the duty on yarn formed a part. He assured the Conference, however, that the question would be taken up soon after a decision was arrived at with regard to the protection to the textile industry. He suggested that the consideration of the item might be divided into two parts—first he would call upon the representatives of the Provinces and States to make any observations that they might wish to make in regard to the progress of the scheme and he would then take up the question of additional grants. According to the basis of allocation, already agreed upon, out of the five lakhs which would probably be available for the whole of the next financial year for the handloom industry, Rs. 4,67,600 would be allotted among the different Provinces, leaving a balance of Rs. 32,400 for special grants, requests for which had already been received from the Punjab, Central Provinces and Berar, Delhi and Bengal. With these remarks, he called upon the members to report progress.

*Progress of Schemes.*

Mr. Ramakrishna (Madras) referred to the progress that had been made in extending the work of the Madras Weavers Co-operative

Societies. The number of primary or production societies had been increased from 97 to 118. The organization of primary societies resulted in a reduced cost of raw materials to the weavers and also raised their earning capacity. He urged that the subvention should be continued for a further period of five years or till at least the Tariff Board reported on the subject.

The Honourable Mr. Patil (Bombay) mentioned that nearly one lakh of weavers were employed in the handloom industry in the Bombay Presidency. He mentioned various methods by which the difficulties under which the industry laboured, could be dealt with. It would be difficult he said, in view of the size of the question, to subsidise the industry directly. The best methods of dealing with the problem, in his opinion, were to prohibit the mill industry from manufacturing cloth from yarns below a certain number of counts and to protect the handloom industry by means of an excise duty on the Indian yarn used by Indian mills *plus* a countervailing import duty on imported yarns. Another possible method was to prohibit the mills from manufacturing sarees. This, however, might involve certain difficulties. In any case the present subvention scheme only touched the fringe of the problem.

The Honourable Mr. Mullick (Bengal) said that the memorandum submitted by his Government contained an account of the progress made. He supported the suggestions of the Honourable Mr. Patil regarding the reservation of certain counts for the handloom weavers and the proposal to impose an excise duty on Indian made mill yarn. The handloom weaving industry stood in need of protection from competition from the mill industry. He urged that the grants should be continued for another five years at least in order that the existing schemes might be given a full and proper trial. The Bengal Government had recently circulated a memorandum which contained details of two schemes—one for the establishment of a Co-operative Industrial Union at Nalta, District Khulna, costing about Rs. 4,200, non-recurring and Rs. 1,300 recurring, and the other for a grant-in-aid to the Dhanikhola Milan Samaj Co-operative Silpa Sangha, Limited, costing Rs. 2,900 non-recurring and Rs. 600 recurring. The memorandum also contained proposals to augment the staff under their Special Assistant Registrar, who was in charge of marketing arrangements, which would cost Rs. 2,280. Lastly it contained a proposal to buy two tri-cycles with carriers, costing Rs. 250 each, for taking goods, for want of which the canvassers were at present handicapped. The total cost of the schemes would be Rs. 11,780 and the permission of the Conference was required to enable this expenditure to be met from accumulated savings. No additional grant was asked for.

The Honourable Dr. Katju (United Provinces) hoped that the Central Government would pay due attention to the unanimous request



of the members of the Conference that the subvention scheme should be continued, preferably at the rate of 10 lakhs per annum rather than 5 lakhs. The main difficulty in the United Provinces was the marketing of handloom products, and one of the methods by which it was proposed to deal with this question was by insisting that the Stores Purchase Department in the United Provinces should give preference first to the hand-woven cloth from hand-spun yarn, secondly to hand-woven cloth, thirdly to cloth manufactured by Indian mills, before the purchase of foreign cloth was considered. He suggested that the Central Government would also probably be able to find suitable usage for hand-spun and hand-woven goods. A proposal to extend considerably the number of marketing centres was under active consideration by his Government. Centres for the distribution of yarn were also being established. He suggested that Indian mills should be compelled to produce yarn suitable for handloom weavers. In this connection he referred the Conference to a pamphlet issued by the Foreign Research Institute, which contained information that the entire Japanese home market was supplied by the handloom industries using yarn manufactured by the mills. In Japan, he said, the weaving mills generally speaking produce goods only for exports. (Dr. Matthai indicated dissent.) The Honourable Dr. Katju suggested that the same plan should be adopted in India. He added that the Governor General and the Governors of the Provinces might set an example by furnishing their residences with handloom products in order to assist the handloom industries. To deal adequately with the problem, State aid on a large scale was necessary.

The Honourable Rao Bahadur Chaudhri Sir Chhotu Ram (Punjab) agreed with the Honourable Mr. Patil that the hand-loom weaving industry should be protected against foreign cloth and against Indian mill made cloth. He was in favour of the proposal to levy an excise duty on Indian mill made cloth, from the proceeds of which grants to help the handloom industry could be made.

Mr. Dhar (Bihar) supported the Bombay and the United Provinces representatives. He mentioned that Bihar had supplied large quantities of their textiles in the past for the furnishings in the Viceroy's House. Referring to the question of the continuance of the existing grant he said that it would be a pity if the grant was discontinued at this stage.

As regards the sales of the handloom products, he said that the English market was now taking half the goods it previously took. New Zealand market, however, had increased by 50 per cent. Sales in India were also on the increase. Ground had been lost in the European market due to lack of new designs, and it was proposed to bring out an expert from Europe for six months at a cost of Rs. 10,000. A kier costing

Rs. 2,800 was also required. He also said that, since the memorandum of the Bihar Government had been submitted, a boiler of the finishing plant had unfortunately burst and that Rs. 2,500 would be required to replace it. The Bihar Government therefore asked for the total additional grant of Rs. 15,300.

The Central Provinces and Berar and the Assam representatives had nothing to add to the memorandum submitted by their Governments. The Assam representative, however, objected to the demand of the Bihar Government in connection with the proposed expert. In his opinion this went beyond the original scope of the scheme.

The Honourable Khan Mohd. Abbas Khan (N. W. F. P.) referred to the backward state of his Province and appealed for additional financial help.

Mr. Thadani (Sind) said that the memorandum submitted by his Government contained full details of the progress made.

The Honourable Mr. Kanungo (Orissa) said that in his opinion hand spinning was one of the remedies for the existing unemployment. In Orissa, marketing facilities had been provided only for handloom cloth woven from hand spun yarn. The scheme in Orissa had only just been started and without further financial assistance it would be difficult to continue it.

Mr. Pillay (Travancore) gave an account of the way in which the problem had been tackled in the Travancore State.

Captain Dhanda (Indore) said that the problem had two main aspects in the State. One was the reform of the well established saree industry at Maheshwar in which various defects like the use of katcha dyes had crept in. He described the steps taken by his Government in improving this industry as a result of which production had gone up by more than 60 per cent. The other aspects, he explained, was the popularising of handloom products other than sarees in which case keen competition of the mills at Indore had to be faced. He said that his Government were watching with interest the steps taken by the other Governments in solving this problem.

Lala Ramjidas Vaishya (Gwalior) said that attempts had been made in the State to revive the old handloom industries which had died out.

Dr. Mehta (Baroda) said that radical steps were necessary to place the handloom weaving industry in a vigorous and flourishing condition. He gave an account of the action being taken in Baroda.

Mr. Ramchendra Rao (Mysore) referred the Conference to the memorandum submitted by his Government. He said that in spite of the

action already taken, the condition of the handloom weavers was still deplorable. He considered that some action by the Central Government to provide protection against the mill industry was essential.

Mr. Crofton (Hyderabad) said that in Hyderabad the handloom industry was not in such a bad condition as appeared to be the case in other parts of India. The industry did not suffer from any intense competition from the mills and in Hyderabad the *per capita* consumption of handloom products was higher than in any other part of India. He raised the question whether, in view of the fact that the money available for subvention to the handloom industry resulted from the import duty on imported yarn, as the Hyderabad State was a consumer of imported yarn and was therefore adversely affected by the duty, the State had a claim on the funds available for distribution.

The Chairman observed that these questions had also been discussed at Lahore and with regard to some aspects of them the Government of India undertook to investigate the matter and the Conference may like to know what had happened. The matters were specifically pressed upon the attention of the Government of India—one was the difficulty experienced with regard to the supply of yarn and particularly the difficulty in connection with the short-reeling of yarn, and the second was the question of the reservation of certain counts of yarn for the handloom industry.

With regard to the first matter, this was referred to Mr. R. K. Nehru, who had been appointed to report on certain proposals for the revision of the Merchandise Marks law. He had submitted his report, which was some time ago circulated to the Governments concerned, and the observations of most of them had already been received. The matter was still under the consideration of the Government of India.

With regard to the second matter, he thought that perhaps the best way of taking it up would be to entrust it to the next Tariff Board, which was likely to be appointed at a fairly early date to consider the quantum of protection to be continued to the textile industry. The present period of protection came to an end on the 31st March 1939. He was of the opinion that if there were no insuperable difficulties in the way, the matter must come through the Tariff Board. No doubt the views expressed in the Conference would be noted and would be specifically brought to their attention, but the matter is not as straightforward as some of the speakers had assumed. In this connection he referred to the questions arising between the States and British India, one aspect of which had been referred to by the representative of Mysore, who asked how a State was going to stop those counts, which it had prevented its mills from manufacturing, coming from British India. The reverse also

applied. He was not suggesting that the difficulties were insuperable, but that only if the Indian States came into line with any such action could the remedy be effective. Obviously this was a matter which could not be isolated from the rest of the problems affecting the industry on both sides—the mill industry as well as the handloom industry—and it would be of advantage for the Tariff Board to consider it as part of the scheme of protection, if any, that it might recommend to be continued to the textile industry. He therefore still adhered to the suggestion he made last year to the Conference, though he regretted that owing to the delay in setting up a Tariff Board, the matter had not been able to make further progress.

With regard to the continuation of the Central grant for the handloom industry, as he had already stated, the matter was also bound up with the question of protection to the textile industry.

*Additional Grants.*

The Chairman then invited the provinces which had applied for additional grants to give an account of the purposes for which these were required.

The Conference generally was in favour of granting the Bengal Government's request to be allowed to utilize the amount of Rs. 11,780 from accumulated savings.

Rai Bahadur Lala Ram Lal (Punjab) referred the Conference to the memorandum submitted by his Government. He said that in the Punjab finishing and calendering plants were urgent necessities. The Punjab Government had done a great deal to improve the state of the industry and as a result of the assistance given to the marketing organisation, the weavers' working days per annum had increased from 202 to 300. To continue the work the Punjab required an additional grant of Rs. 32,000.

Mr. Dhar (Bihar) referring to the subject of luxury designs, said that improvement in designs is part of the programme of all provinces.

Mr. Dow gave the Conference the views of an Indian business man interested in the marketing of handloom products in America, whom he had recently met. The gentleman in question was of the opinion that, as buyers in America purchased Indian handloom goods from either sentimental or artistic motives, it would be undesirable to import an expert from a Western country in order to change the designs, solely with a view to capturing the American market. The gentleman feared that the result of this would be that the Americans would cease to take an interest in these goods.

Mr. Dhar (Bihar) said that the intention was that the designer should improve the existing oriental designs without destroying their oriental character.

1939.]

*Handloom Weaving.*

173

Mr. Desai (Central Provinces and Berar) said that the Central Provinces and Berar had asked for a non-recurring grant of Rs. 10,000 for the purchase of a calendering plant.

The Chairman said that out of the grant of Rs. 32,400 available for distribution in 1939-40, the additional grants applied for were :—

	Rs.	
Delhi Province .. .. .	720	(Required for stipends for village boys to enable them to attend the Cottage Industries Institute at Delhi).
Punjab .. .. .	32,000	(For financing the general purposes of the scheme).
Bihar .. .. .	15,300	(Designer from :—
		Rs.
		Europe .. .. .
		10,000
		Kier .. .. .
		2,800
		New boiler .. .. .
		2,500)
C. P. & Berar .. .. .	10,000	(for calendering plant).

The Conference unanimously approved the grant to the Delhi Province of Rs. 720 (recurring).

The Conference also agreed to a non-recurring grant to the Central Provinces and Berar of Rs. 10,000.

The request of the Bihar Government of Rs. 2,500 for a new boiler and Rs. 2,800 for the kier was also approved.

The application of the Bihar Government for Rs. 10,000 to bring out an expert designer from Europe and the request from the Punjab for Rs. 32,000 to develop existing schemes were rejected.

The Conference decided that the Rs. 16,380 which remained for distribution should be divided *pro rata* according to the ordinary basis on which recurring grants had been allocated.

The Conference also held that there would be no objection to the Bihar Government utilizing its share of this amount for the entertainment of an expert designer.

**VI.—UTILIZATION OF THE SERVICES OF THE INDIAN TRADE COMMISSIONERS WITH SPECIAL REFERENCE TO COLLECTION OF INFORMATION IN REGARD TO THE RUNNING OF SMALL INDUSTRIES IN JAPAN AND EUROPEAN COUNTRIES, AND OTHER MATTERS.**

**MEMORANDA.**

**Bombay.**

In the year 1937, the Government of India, Department of Industries and Labour, brought to the notice of the Provincial Government that the Indian Trade Commissioners appointed in Hamburg, Milan and Japan will be glad to supply information in regard to the running of small industries in Japan and European countries. As a result of this the Director of Industries, Bombay, addressed a letter to the Indian Trade Commissioners at London, Hamburg, Milan and Japan, asking those officers information on the following points :—

- (a) What industries are carried on on a small scale ?
- (b) How they are organized, whether as cottage industries or as co-operative societies or as small factories, etc. ?
- (c) How do they secure the raw materials required by them. Do they buy the same direct in the market or through some special organization ?
- (d) How do they effect sales of finished product, each concern individually or through a collective or co-operative marketing organization ?
- (e) How are they financed ?
- (f) How do they secure technical advice and assistance ?
- (g) To what extent and in what directions does the Government help these small scale industries.

2. As a result of this, the Indian Trade Commissioner in Japan addressed the Government of India stating that the information required by the Director of Industries, Bombay, will have to be collected and stated that extra expenditure will have to be incurred by the Trade Commissioner in Japan. The Government of India in their turn addressed the Provincial Government whether the Provincial Government would be prepared to pay the cost for the collection of such information. The Director of Industries, Bombay, consulted all the provincial Directors of Industries in the matter and all have agreed that the information in question should be collected and their Governments will be prepared to share the cost of collection.

1939.]

*Trade Commissioners.*

175

3. It is proposed to collect information on the points referred to above for the following industries :—

- (1) Mechanical Toys.
- (2) Rubber Balloons.
- (3) Wooden Toys.
- (4) Pottery.
- (5) Hosiery, Knitted Goods.
- (6) Cutlery.
- (7) Articles of stationery (excluding papers), that is, fountain pens, and stationery fitments, lead pencils and crayons and inks, etc.
- (8) Celluloid Toys.
- (9) Celluloid articles other than toys.
- (10) Buttons.
- (11) Toilet requisites.
- (12) Glasswares including glass bangles.
- (13) Clocks and watches.
- (14) Bicycles and tricycles.
- (15) Smoker's requisites.

#### Punjab.

It is recommended that the conclusions of the Fifth Industries Conference relating to utilization of services of Indian Trade Commissioners may be re-examined with a view to the improvement of India's industry and export trade.

The development of the export market for Indian goods is the principal function of Trade Commissioners. In actual practice, it has been found that there has been no improvement in respect of the development of provincial export trade or in respect of enquiries from foreign importers in consequence of the appointment of Trade Commissioners. A few stray copies of the replies sent by the Director General of Commercial Intelligence and Statistics, Calcutta, and correspondence regarding some disputes involving claims by merchants in this province in certain foreign countries, constitute all the record of our connection with the Indian Trade Commissioners.

2. In 1937-38, our exports fell off by over 15 crores as compared with 1936-37 while the imports increased by over 48 crores. In several commodities, the foreign importers of Indian raw materials have gone to other markets for their requirements and our trade has

been paralysed. It is in this connection that the Indian Trade Commissioners can and should help. They should study the factors which adversely affect the Indian exports. They should furnish us with the necessary commercial intelligence and stimulate inquiries regarding Indian goods. To create interest in Indian goods in foreign countries, it would for instance be necessary to exhibit samples of the commodities and manufactured goods in such countries. For this purpose, it would be necessary for them to establish representative trade museums of the raw materials and manufactured goods chiefly in demand in the countries concerned. We have such a foreign trade museum in India, *viz.*, the Indo-Japanese Commercial Museum at Calcutta, the chief object of which museum is to act as an intermediary for the development of commercial and industrial enterprises of India and Japan through the mutual introduction of their products and commodities. The museum exhibits a large variety of samples and specimens of Japanese goods "so that the visitors may have the opportunity of studying them". The museum is not intended to do any direct business, but it may effect trial sales for the benefit or at the request of the exhibitors. It is stated to have the function of an intelligence office and will supply any information or reports regarding the economic conditions of India and Japan and generally facilitates business relations between the two countries. The museum takes upon itself the task of investigating the Indian market and its demands. It aims at bringing into closer touch merchants and manufacturers of both countries. The Indian Trade Commissioners should be similarly live bodies : they should have suitable museums and should undertake more intensive and effective propaganda to further the industrial and commercial interests of India than they have hitherto done.

#### **Mysore.\***

##### *Collection and Supply of Information Regarding Silk Industry in Japan.*

Japan is the largest silk producing country in the world and spends a large amount of money annually for the improvement of the silk industry. A good deal of research work in sericulture is done there and much useful information on the subject is regularly published, mostly in Japanese language.

There is a Trade Commissioner for India in Japan and he would appear to be in a position to collect and supply information from time to time about improvement work undertaken in that country.

Recently in connection with the enquiry entrusted to the Silk Tariff Board the Government of India obtained from the Trade Commissioner in Japan a special report regarding the silk industry in Japan and made it available for the Tariff Board.

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\*Circulated in Bombay.



1939.]

*Trade Commissioners.*

177

It would be helpful if similar reports are obtained regularly, say once a quarter, and circulated to the Provinces and States in India.

**Discussion.**

*Tuesday, January 24th, 1939.*

The Chairman pointed out that two points had been raised with regard to the utilization of the services of the Indian Trade Commissioners :—

(1) That the heads of Departments under the Provincial Governments should be able to obtain information direct from the Indian Trade Commissioners. At one time a suggestion was made that express instructions should be issued to the Trade Commissioners to that effect. It was, however, pointed out that their present set of instructions were presumed to cover that matter, and it was then discovered that as a matter of actual practice such enquiries had been made from Trade Commissioners by heads of Departments direct and that the Trade Commissioner had actually supplied them with information. That point therefore had lost its importance.

(2) The more important question was whether Indian Trade Commissioners abroad, particularly Japan, should supply information about small and cottage industries in other countries. On a request received from the Director of Industries, Bombay, the Indian Trade Commissioner, Japan, had pointed out that he could not undertake such an enquiry without a considerable addition to his staff, as the information was not readily available in published documents. This was pointed out to the Government of Bombay, and they did not press the matter further. Subsequently the Director of Industries, Bombay, got into touch with the other Directors and Provincial Governments had agreed to bear the cost of any enquiries made at their request. A list of 15 small industries had been sent up on which information was required. So far as the Government of India were concerned, they would only be too happy to do what they could, so that existing machinery could be utilized for the purpose in the manner desired by the Provincial Governments. One matter he wished to bring to the notice of the Bombay Government was that it would perhaps be more useful to specify the order of priority of items on the list sent up by them, so that each item or a group of items might be separately dealt with rather than that the Trade Commissioners should be asked for information on all the items together.

The Honourable Dr. Katju (United Provinces) stressed the need for increasing the ambit of the Trade Commissioners' duties. He advocated that the Trade Commissioner organization should be utilized to put exporters in touch with reliable sale agents abroad. Reliable commercial

houses interested in particular Indian products should be set up. Regarding small and cottage industries in Japan, he referred the Conference to a book published by the Foreign Industrial Research Institute (Oxford University Press) on the subject of the small industries of Japan. This publication, he said, contained probably most of the information which would be required regarding certain small industries.

Rai Bahadur Lala Ram Lal (Punjab) said that he had addressed the Trade Commissioner in Osaka on the subject of the training in Japan of a young Punjabi in a Japanese woollen yarn spinning factory. The reply he received was that nothing could be done unless special permission was obtained from the Japanese Government. He criticised the reports of the Trade Commissioners, which he said gave no indication that Indian products were being pushed in foreign markets. The American and Japanese Consular representatives were very active in India in the matter of exploring the Indian market for Japanese goods, but no such activity by the Indian Trade Commissioners was apparent. Nothing was done by them to keep in touch with the Directors of Industries in order to find out which particular goods should be pushed and ostensibly nothing effective had been done by them in this connection. It was the enterprising industrialist who was doing more than the Trade Commissioner.

Mr. Dhar (Bihar) complained that Trade Commissioners were not willing to keep for show exhibits sent to exhibitions in foreign countries.

Dr. Matthai said that Rai Bahadur Lala Ram Lal appeared to attribute the decline in India's export trade to lack of activity on part of our Trade Commissioners. He pointed out, however, that if an allowance was made for the decline in prices, the actual volume of exports have not appreciably decreased. The real point was that the Conference was concerned chiefly with industrial products, whereas the main work of the Trade Commissioners lay in pushing forward India's export trade in agricultural commodities. As far as industrial commodities were concerned, he found from published returns of artware, sports goods, etc., that there had been a very considerable increase during the past few years.

The procedure followed by the Indian Trade Commissioners was somewhat as follows: Rai Bahadur Lala Ram Lal complained that he had only seen a few stray references made by Trade Commissioners to his Department. What generally happened was that the Trade Commissioner sent an enquiry on to the Office of Commercial Intelligence in Calcutta. There they had a register of exporting Indian firms. If they were able to find a reliable name on that register, they passed it on to the Trade Commissioners. It was only in cases where there was not sufficient information on their records, that they found it necessary to address Provincial authorities, Directors of Industries, etc. So that if the references were few, it did not necessarily mean that the Trade Commissioner was not sufficiently interesting himself with regard to the trade conditions of India.

As regards trade museums, there was a well-equipped show-room in the Office of the Trade Commissioner in London which contained a representative collection of staple articles of Indian exports. As far as the Offices on the Continent were concerned, they had no organized show rooms, but when they took part in international fairs and exhibitions, it often happened that the samples exhibited in these fairs and exhibitions were not returned. There was a good collection both at Hamburg and at Milan of exhibits which had not been either sold or returned, and they formed the nucleus of a standing collection of Indian exhibits. At Mombassa, judging from the list of products exhibited, though he had not himself seen them, he thought that the Trade Commissioner had been able to organize quite a good show room. Active steps were being taken also by the Trade Commissioner in Japan and the Trade Agent at Kabul to have a collection of exhibits.

Regarding the Indo-Japanese Commercial Museum in Calcutta he could speak as one who had first hand knowledge of it. In the first place, it was not connected with the Office of the Japanese Consul General at Calcutta. It was run by the Nippon Trading Agency. It was started on rather ambitious lines, but if any member paid a visit to the Museum to-day, he would hesitate before holding it up as a model to Indian Trade Commissioners.

Rai Bahadur Lala Ram Lal (Punjab) read certain extracts from the reports of Trade Commissioners regarding the deterioration of India's export trade.

Mr. Advani (Bombay) referred to the memorandum submitted by the Bombay Government on the subject of collecting information regarding small industries in other countries. He said that he had obtained the views of other Directors of Industries and it was generally agreed that the Provinces would have no objection to bearing the cost involved in the collection of the necessary information, which would be small. However, as a matter of principle and procedure he urged, that Trade Commissioners existed to serve Provinces and that the small cost involved ought to be met by the Central Government. He pointed out that the collection of small subscriptions from provinces would involve a troublesome procedure.

As to the question of principle raised by Mr. Advani, the Chairman explained that each Trade Commissioner had his own budget sanctioned with due regard to the duties laid upon him by the Government of India. He enquired how the money was to be found if a Trade Commissioner received half a dozen requests to conduct certain enquiries. Could the Government of India be expected to be ready at all times to sanction additional grants as and when the enquiries came up? If that was the

proposal, he was very much against it. The obvious course would seem to be that if the expenditure was likely to be substantial, the Governments interested might agree to share it, as in the case of the particular enquiry now required to be made by the Government of Bombay, and if the amount was not likely to be substantial, it should be borne by the Province itself.

Mr. Advani (Bombay) presumed that the Central Government would be the co-ordinating authority.

After further general discussion, the Chairman, summing up, said that these matters of detail could be settled later by correspondence. Obviously the Government of India could not provide for expenditure of this nature. If current information was required and the information was easily available, no question of payment would arise, but if the Trade Commissioner had to compile a report, he could not do so without incurring extra expenditure, and surely the Government which made the request should meet it.

As regards the criticism of the work of the Indian Trade Commissioners put forward in the memorandum of the Punjab Government and amplified on their behalf in the Conference, the Chairman promised that the Government of India would look into the matter and see whether any further instructions were necessary or whether it would be necessary to draw the attention of the Indian Trade Commissioners with regard to the matters that had arisen.

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1939.]

*Industrial Fair.*

181

## VII.—HOLDING OF AN ANNUAL ALL-INDIA INDUSTRIAL FAIR.

### MEMORANDUM.

#### Punjab.

Industrial fairs have become a very common feature of the industrial and commercial life practically all over the world. There is hardly a country of any industrial importance in Europe, which does not hold such an industrial fair at least once a year, in order to enable the industry of the country to adjust itself to the demands and requirements of the Home markets as well as overseas trade. A limited amount of trade may come and does come more or less automatically, but the business that expands is the one which seeks out its customers, studies their requirements and organizes itself to meet them. Such is the function of an Industries Fair. It is hardly necessary to state how successful some of these annual fairs have been in other countries. The British Industries Fair in London attracts an almost unbelievable number of visitors both from England, Scotland, Ireland and from other overseas countries and it is claimed that the orders booked on the stalls in the British Industries Fair amount to 30 to 40 per cent. of the total annual industrial activity of Great Britain. Similar is the case of the Leipzig Fair in Germany and the Lyons Fair in France and so forth. Now that India is taking an increasing share in the industrial development of its resources and occupies a definite status in the international economic life, it seems desirable that she should make her activities known in a form which should help inter-provincial trade, and at the same time be easily appreciated by foreign visitors to the country. It is proposed, therefore that all the Provinces and States in India should co-operate in holding such an Industries Fair under the aegis of the Government of India. The details of this co-operation and of the help which the Government of India should give to such a venture, can be worked out by a Sub-Committee of the Conference, but the question is of such vital importance that it should be discussed in the coming Industries Conference. To start with, this Fair should be a representative display of the agricultural, mineral and industrial resources of the country, showing how far India has succeeded in transforming these resources into finished goods and articles of common utility.

Later this fair should function on the lines of the British Industries Fair, inviting all nations under the British Commonwealth to participate in the Fair.

2. It will be relevant to this question if a few of the economic and social advantages of such an Industries Fair are briefly described in this memorandum :

- (a) *Economic.*—The proposed Industries Fair would provide an opportunity of comparing standards of production.

both agricultural and industrial as they are current in different parts of India and would enable India to improve her own methods by observations of what other advanced countries are doing. Indian manufacturers, merchants and agriculturists would have an opportunity of understanding their own deficiencies and of learning lessons of great importance from the leading manufacturers and merchants from other parts of India and those of the British Empire. The Fair would be a veritable boon to those who for reasons of economy or religious prejudices are not in a position to travel in foreign lands.

- (b) *Engineering.*—The demonstration of modern machinery and appliances by foreign manufacturers coming from various parts of the British Empire will lead to the discovery of better and cheaper apparatus for field and factory purposes. This Fair will afford a unique opportunity to producers in India of seeing working models which represent the latest advance in engineering and industry. In addition, they will receive a large number of suggestions from foreign experts for future constructive work in India—a consideration which alone may be worth a very large sum of money.
- (c) *Commercial.*—The Fair would indicate to our industrialists and commercial houses the requirements of the Home markets and many unexplored fields and markets abroad. It would provide India with new outlets for her unutilized economic resources and would strengthen her hold on existing world markets. It would further provide an opportunity for the organization of better international marketing methods and for our merchants and business houses to understand the true meaning and significance of international standards.
- (d) *International Relations.*—India is a vital part of the British Empire and it is highly desirable that the India of the future should have a higher position in the economic position of the British Empire than she now holds. Diplomacy and trade are today more closely inter-connected than ever before, and the new contact points and new friendships which the Fair would bring about, would tend to give India a better economic footing in the British Commonwealth.
- (e) *Traffic.*—The Fair should prove a great boon to the railway and shipping companies, who would reap a big harvest in freightage and in passenger fares. Furthermore, the railways could organize conducted tours and

thus increase their own earnings by many lakhs of rupees. Visitors from other countries would also spend money freely in India.

- (f) *Fine Arts*.—A section dealing with fine arts should prove one of the very popular departments of the Fair and would lead to the better appreciation of India's cultural and aesthetic standards, besides being productive of good business.

3. Delhi appears to be the best site for such a venture firstly, it has all the attractions of being the ancient and modern capital of India ; secondly, it is centrally situated ; and thirdly, it is annually the scene of popular social functions and of sittings of the Central Legislature and of the Chamber of Princes during the winter months. It would be advisable to open this Fair during Christmas and keep it going until the end of January. Such a Fair should be housed in a permanent building, which might comprise the following :—

- (1) A palace for Indian exhibits, built to an oriental design.
- (2) Great Britain House.
- (3) Dominions House.
- (4) A palace of Engineering.
- (5) A saloon of fine arts.
- (6) A sports and athletic games stadium.
- (7) An European countries house other than Great Britain.
- (8) An Asiatic countries house other than India.

#### Discussion.

*Tuesday, January 24th, 1939.*

Referring to the memorandum submitted by the Punjab Government on this subject, the Chairman pointed out that it had been suggested that the fair should be held every year and, at the same time, that it should afford opportunities for other parts of the Empire as well as other countries to exhibit. If that was an essential part of the scheme, the difficulty would be that they could not have an international fair every year under existing international law.

Rai Bahadur Lala Ram Lal (Punjab) referred to the advantages of having a regular exhibition at the seat of the Central Government. Permanent structures could be erected and the Central Government should be able to supervise the property effectively. The holding of fairs in various provincial headquarters meant considerable wastage as semi-permanent structures had to be erected.

As regards the proposal of the Punjab Government that foreign countries should be allowed to participate, the Chairman pointed out that this was not possible under the present International Convention.

Rai Bahadur Lala Ram Lal (Punjab) suggested that an increase in industrial activity would lead to additional revenue from income tax and that on the analogy of help to agriculture, animal husbandry, etc., the Central Government should treat industries equally liberally. The Central Government should therefore shoulder the expense involved in running an annual exhibition.

The Chairman pointed out that as no money was available it was for consideration whether it would be any use at this stage appointing a sub-committee to examine the question.

Rai Bahadur Lala Ram Lal (Punjab) stressed the fact that the existing method of holding exhibitions at provincial centres was wasteful and said that the probable cost of running an exhibition at Delhi would only be from five to ten lakhs.

Mr. Advani (Bombay) was in favour of the proposal made by Rai Bahadur Lala Ram Lal. He stressed the difference between the trade fairs such as the British Industries Fair and the industrial fairs now held at provincial centres in India. Regular fairs intended to be of value to the commercial community would not require an amusement park in order to attract the public. Invitations to the British Industries Fair were issued by the United Kingdom Government and the cost of the Fair was borne by the Government. The Fair was for trade purposes only and provided for the display of improved manufactured articles. The fairs now held at provincial centres in India were run on haphazard lines. As the fairs were held in different places, it was not possible to build up a tradition. No big orders were booked and the fairs were merely a collection of bazar shops. In order to prevent the fairs being run at a loss, the amusement side was unduly stressed to attract the public. He was therefore in favour of a periodic central exhibition around which a tradition could be built up and he supported the proposal to appoint a sub-committee to explore the possibilities of establishing such a fair on a permanent and co-operative basis. The question of the allocation of the expenditure involved between the various Provinces and the Central Government might also be considered by the sub-committee.

The Chairman said that if it was the general desire to put the proposal to the Conference, he would be glad to do so. But he made it perfectly clear on behalf of the Central Government that, having regard to the financial stringency through which they were passing, they would not be able to contribute any portion of the cost of such a fair at present.

Mr. Ramakrishna (Madras) supported the principle underlying the proposal, as it was in consonance with the policy of his Government.



They had taken steps to establish a commercial museum at Madras and museums cum emporia at the various district centres. As regards the question of finance, he thought it would be for the committee to explore the possible avenues.

Mr. Mitter (Bengal) was extremely doubtful as to whether the country had been industrialised sufficiently to make an industrial fair a paying concern. He did not support the proposal of the Punjab Government. The Government of Bengal had very recently been organizing a permanent commercial and industrial museum in Calcutta where indigenous articles had been displayed. He suggested that as a first step every Provincial Government should organize a permanent commercial and industrial museum first and then the time would arrive for organizing a central permanent fair of the character indicated.

The Honourable Dr. Katju (United Provinces) and the Honourable Dr. Saiyid Mahmud (Bihar) also supported the proposal for the appointment of a sub-committee.

It was generally agreed that a sub-committee should be set up to go into this question, with Mr. Advani, Rai Bahadur Lala Ram Lal a representative of the United Provinces Government and a representative of the Mysore State, both to be nominated later. The Conference also expressed a desire that there should be a representative of the Government of India on it.

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**VIII(a).—THE NEED FOR OCCASIONAL CONFERENCES OF EXPERTS AND ACTUAL WORKERS ENGAGED IN THE SERICULTURAL INDUSTRY IN THE DIFFERENT PROVINCES AND STATES.**

**MEMORANDUM.**

**Bengal.**

During his tour to Mysore in March 1938, the Deputy Director of Sericulture, Bengal, had opportunity of discussing with responsible officials of the Governments of Mysore and Madras, means for the development of the industry in all its branches as well as the economic condition of the workers engaged in the industry. All these officials are reported to have approved of the idea of holding occasional conferences of experts and workers actually engaged in the Sericultural industry in the different Provinces and States of India at places to be mutually settled beforehand. The authorities of the Mysore State are even prepared to convene the first conference if the proposal meets with general approval.

2. In the opinion of the Deputy Director of Sericulture, Bengal and the officials of Mysore and Madras, the proposed conference will afford ample opportunity for—

- (a) interchange of ideas and exchange of views,
- (b) demonstration of actual methods of sericultural operations in all the stages of the industry,
- (c) dissemination of the results of researches and investigations, etc., etc.

It will also serve a very useful purpose in effecting all-round and simultaneous improvements in all the branches of the industry besides being of immense benefit to all actually engaged in the industry.

3. Development of the silk industry being an All-India problem, it has been suggested that the subject can best be considered at the tenth Industries Conference so that the matter may be discussed by the representatives of all the Governments and a final decision arrived at at an early date.

4. The matter has also been suggested in the evidence tendered by the Director of Industries, Bengal, before the Tariff Board enquiring into the case for protection to sericultural industry in India.

1939.]

*Sericultural Industry.*

187

*Discussion.**Tuesday, January 24th, 1939.*

The Chairman suggested, and it was agreed, that this subject might be referred to the Imperial Sericultural Committee.

**(b) MINUTES OF THE FOURTH MEETING OF THE IMPERIAL SERICULTURAL COMMITTEE.**

*Discussion.**Tuesday, January 24th, 1939.*

The minutes were unanimously adopted.

**IX.—MINUTES OF THE THIRD MEETING OF THE WOOLLEN  
INDUSTRY COMMITTEE.****Discussion.**

*Tuesday, January 24th, 1939.*

The minutes were unanimously adopted.

Mr. Ramachandra Rao (Mysore) extended an invitation on behalf of his Government to hold the next Conference at Bangalore.

The Chairman expressed the grateful thanks of the Conference to the Mysore Government for extending the invitation to them. So far as the Conference was concerned, they had no objection to the next Conference being held at Bangalore, but he said that as he would not be presiding over the next Conference, the decision did not rest in his hands, but that the Commerce Department would get in touch with the Mysore Government in due course on this matter.

The Chairman announced that those representatives of the States who wished to attend the meetings of the Sericultural and Woollen Industry Committees to be held the following morning would be welcome to do so.

The Chairman then thanked all the members present, some of whom had come from distant places, for their full co-operation in the deliberations of the Conference.

On the proposal of the Honourable Mr. Patil (Bombay), a vote of thanks was given to the Chair.

---

1939.]

Appendix

189

## APPENDIX.

*Statement showing the action taken by the Government of India on the various recommendations of the Ninth Industries Conference held at Lahore on the 15th and 16th December 1937.*

Subject matter and recommendations.	Action taken.
<i>I.—Handloom Industry.</i>	
(a) Allotment of the grants-in-aid for the development of the handloom industry during 1938-39.	The following sums were allotted to the various provinces, etc., during 1938-39—
	Rs.
	Madras 68,800
	Bombay 39,000
	Bengal 96,000
	United Provinces 88,400
	Punjab 45,600
	Bihar 54,800
	Central Provinces and Berar 24,400
	Assam 24,400
	North West Frontier Province 5,400
	Sind 12,400
	Orissa 13,400
	Delhi 6,000
	Total 4,76,600
(b) Recommendation that the period during which the grants-in-aid for the development of the handloom industry is to be spent may be extended in the case of the United Provinces and Sind to the 31st March 1941 and 31st March 1942, respectively.	Accepted by the Government of India subject to certain conditions and orders issued on the 3rd May 1938.
(c) Grant of a sum of Rs. 40,000 to the Government of the Punjab for holding an All-India Hand-weaving Exhibition and Competition along with the All-India Exhibition of Arts and Industries, Punjab, at Lahore from December 1937 to January 1938. (Approved by a majority).	Sanctioned by the Government of India on the 18th January 1938.

\*Includes a non-recurring grant of Rs. 9,000 (Rs. 4,000 for the purchase of a hydro-extractor, a sewing machine and a hand trolley and Rs. 5,000 for the printing of an illustrated catalogue of handloom products in Bihar).

## Subject matter and recommendations.

## Action taken.

(d) Scheme for financing the establishment of a Women's Co-operative Industrial Home in Calcutta out of the handloom grant allotted to Bengal. (Approved by a majority.)

Accepted by the Government of India and orders issued on the 18th January 1938.

(e) Competition between mills and handloom weavers—

The following three points were raised for the consideration of the Conference:—

- (i) difficulty regarding short feeling of yarn;
- (ii) duty on yarn linked with the question of an excise duty and reservations of certain counts of yarn for the handloom industry;
- (iii) grant for conducting research for the production of fancy and new types of yarn and for purchasing patents.

As regards (i) above, the majority opinion of the Conference was in favour of the matter being dealt with departmentally by the Government of India. The chairman stated that the matter would be investigated by the Government of India and that they would incorporate in the Merchandise Marks (Amendment) Bill any proper remedy suggested for the purpose.

As regards (i), the matter was referred to Mr. E. K. Nehru, I.C.S., Officer on Special Duty, Department of Commerce, who has dealt with the question in paragraph 27 of his report on certain proposals for the revision of the Merchandise Marks Law. This Report has been circulated to the Provincial Governments and through them to Commercial bodies for opinion.

With regard to the point at (ii) above, the chairman thought that the only feasible way of taking the matter up was to entrust it to the Tariff Board who would be charged with the question of determining the extent of the protection to be continued to the cotton textile industry and as part of their terms of reference they might be asked to look into the question of the

As regards (ii), the consideration of the question has been deferred till the conclusion of the Indo-British Trade Agreement and the settlement of the question whether there is to be a Tariff Board enquiry into the question of continuing protection to the cotton textile industry.

As regards (iii) it has been held that the proposal is not practicable as no money is available for the purpose.

1939.]

*Appendix.*

191

Subject matter and recommendations.

Action taken.

handloom industry. He, however, made it clear that he was giving no undertaking on behalf of the Government of India one way or the other, and further explained that Government were charged with the responsibility of safeguarding all aspects of the textile industry. The Conference did not specifically discuss the question at (iii) above.

*II.—Middle-class un-employment.*

(a) The development of schemes of apprenticeship—

The conclusion of the Conference was that the matter should be further discussed at the next Industries Conference when there would be further progress with experimental schemes and more matter for discussion.

The Provincial Governments were addressed by the Department of Labour on the 7th September 1938 and requested that any further progress or any fresh proposals in the matter should be communicated to the Government of India in the form of memoranda to be placed before the next Industries Conference. The memoranda received from the Provincial Governments have been circulated to the members of the next Industries Conference.

(b) Scheme for helping educated young men in starting small industries.

The conclusion of the Conference was that such administrations as had not already sent in their memoranda on this subject should be asked to send them which, when received, should be circulated to other Governments. It was not considered possible to do any thing more than to leave the question at that stage for the time being. The Conference also decided that the rates of interest charged on advances granted as State aid to industries and the question of the suitability of such rates should be referred to Provincial Governments.

The Provincial Governments concerned were addressed on the 7th May 1938. The memoranda received from them and the information regarding the rates of interest charged by the Provincial Governments on advances granted by them as State aid to industries were circulated to the Provincial Governments on the 21st December 1938.

Subject matter and recommendations.

Action taken.

III.—Publication of a handbook containing information regarding industrial and technical institutions in India including Indian States.

The proposal was withdrawn.

IV.—Minutes of the third meeting of the Imperial Sericultural Committee.

The minutes were adopted unanimously.

V.—Minutes of the second meeting of the Woolen Industry Committee.

The minutes were adopted unanimously.

VI.—Matters arising out of the proceedings of the third session of the Industrial Research Council.

A. Industrial surveys—

It was agreed that the matter should be put before the Provinces for consideration in the light of the points raised in the discussion.

B. Drawing up of a regular plan or programme for the establishment and development of industries of national or economic importance and inception of 'key' industries—

It was suggested that the Provinces should first be consulted and the necessary material obtained from them before giving the matter further consideration.

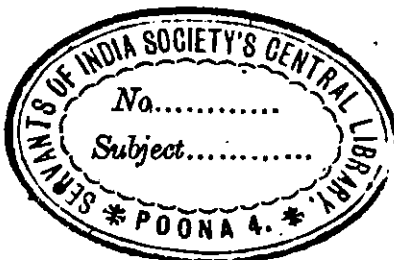
C. Industrial research—

It was suggested that the scope of the Industrial Research Bureau should be enlarged considerably, larger funds being placed at its disposal for industrial research. It was also suggested that in addition to co-ordination, the Bureau should initiate new schemes. The Chairman observed that the views expressed would be noted for consideration by the Government of India.

In letter No. 141-S. (7)/38, dated the 5th October 1938 the Provincial Governments were asked to furnish separate memoranda on each of these subjects to enable copies of them to be circulated to the members of the Tenth Industries Conference. This has since been done.

In view of the present financial outlook, it has not been possible to provide additional funds for the expansion of the activities of the Industrial Research Bureau.

MS170D—330—22-5-39—GIPS



6