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Monday,
14th December, 1953



PARLIAMENTARY DEBATES

HOUSE OF THE PEOPLE

OFFICIAL REPORT

PARLIAMENT SECRETARIAT
NEW DELHI

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THE
PARLIAMENTARY DEBATES
(Part I—Questions and Answers)
OFFICIAL REPORT

1151

HOUSE OF THE PEOPLE
Monday, 14th December, 1953

*The House met at Half Past One of
the Clock*

[MR. SPEAKER in the Chair.]

ORAL ANSWERS TO QUESTIONS

CAPITAL ISSUES

***893, Shri S. N. Das:** (a) Will the Minister of Finance be pleased to state the total number of applications received for capital issues and the number disposed of during 1953 giving the total amount under each category?

(b) How many of the applications involved the investment of foreign capital in companies in India and what was the amount covered by them?

(c) How many of them were sanctioned and how many were refused?

The Deputy Minister of Finance (Shri M. C. Shah): (a) 285 applications were received from 1st January to 30th November, 1953, for permission to issue capital of a total value of Rs. 68.7 crores. During the same period 210 applications of a total value of Rs. 47.4 crores were disposed of.

(b) Of the applications received, 67 (for a total issue of Rs. 15.3 crores) involved foreign investment of the value of Rs. 5.7 crores.

(c) (i) Out of the disposals at (a) above, 184 applications of the total value of Rs. 43.3 crores were consented to, and 23 applications of the value of Rs. 3.3 crores were refused.

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(ii) Out of the receipts at (b) above, 45 applications involving a total foreign investment of Rs. 3.2 crores were sanctioned, and 7 applications for Rs. 20 lakhs were refused consent.

Shri S. N. Das: May I know whether statistics relating to actual floatations of new issues are available; and if so, what percentage of the consents for capital issue given by the Controller of Capital Issues were floated?

Shri M. C. Shah: The quarterly statistics are available. They are placed in the Library.

Shri S. N. Das: May I know whether there is any machinery to collect data in regard to capital issues that do not come under the purview of the Capital Issues Control Act?

Shri M. C. Shah: There is no such machinery.

Shri S. N. Das: Of the total amount, what percentage was for industrial issues and what were the industries for which consents were given?

Shri M. C. Shah: There were 22 applications for new companies. 66 applications amounting to Rs. 12.3 crores were for the issue of bonus shares. 13 applications amounting to Rs. 6.7 crores were for the issue of debentures. 63 applications amounting to Rs. 17.3 crores were for the issue of additional capital by existing companies.

Our policy is that, whenever there is an application as regards scheduled industries under the Industries (Development and Regulation) Act,

if the application complies with the provisions of the Indian Companies Act, it is automatically given consent to. As regards other industries, we broadly follow the principles laid down for the programme of industrial development in the Five Year Plan. Applications which are outside these categories are generally refused permission.

Shri Meghnad Saha: Will the hon. Minister kindly give the information as to how much of foreign capital already invested in India has flown out of the country on account of the purchase of those foreign concerns by Indian capitalists?

Shri M. C. Shah: This does not arise out of this question. I require notice.

Shri Meghnad Saha: I could not quite follow.

Mr. Speaker: We will go to the next question.

INDIAN INSTITUTE OF TECHNOLOGY

*894. **Shri S. N. Das:** Will the Minister of Education be pleased to state:

(a) whether the Department of Industrial Management at the Indian Institute of Technology, for which an Educational Expert from the U.K. was invited, has been fully organised and is functioning;

(b) what is the scope and capacity of this Department;

(c) the total number of persons that have been admitted for training;

(d) whether it is open to the public; and

(e) if so, what are the terms and conditions for admission?

The Deputy Minister of Natural Resources and Scientific Research (Shri K. D. Malaviya): (a) to (e). A statement giving the required information is laid on the Table of the House. [See Appendix IV, annexure No. 47.]

Shri S. N. Das: May I know what-time it will take to start the section for industrial management in this Institute?

Shri K. D. Malaviya: The Department of Industrial Management Studies has been organised completely, but we have not been able to get the head of the Department. We are trying to get him—an expert from outside.

Shri S. N. Das: Referring to the provision that has been made for the admission of the public, may I know whether any member of the public has been admitted into this Institute?

Shri K. D. Malaviya: Although opportunities for such study have been open to the public also, we generally give preference to people who are already in employment in industries or other institutions, because they are likely to derive more profit from such studies.

Sardar Hukam Singh: The expert referred to in part (a) was initially invited for six months. Has he left, or was his term extended?

Shri K. D. Malaviya: He fell ill here, and he did not want to stay any more. After his six months term was over, he left.

Shri N. M. Lingam: May I know who are the members of the governing body of this Institute?

Shri K. D. Malaviya: I have not got the details here.

Shri S. N. Das: May I know whether the post of the head of the Department has been advertised in India or in foreign countries also?

Shri K. D. Malaviya: No, Sir. It has not been advertised. We are trying to select a man by ourselves.

Shri Muniswamy: May I know whether all the tools and instruments in this Institute were purchased by our Government or any part of them was obtained free from institutions abroad?

Shri K. D. Malaviya: They were mostly purchased.

UNIVERSITY DEVELOPMENT SCHEMES

*895. **Shri S. N. Das:** (a) Will the Minister of Education be pleased to state whether the development schemes submitted by Central and other Universities have been considered by Government under the Five Year Plan or otherwise?

(b) If so, what are the important features of the development schemes that have been approved and sanctioned by Government?

(c) What is the recurring and non-recurring expenditure that the Central Government will bear?

The Deputy Minister of Natural Resources and Scientific Research (Shri K. D. Malaviya): (a) to (c). A Statement is laid on the Table of the House. [See Appendix IV, annexure No. 48.]

Shri S. N. Das: Arising out of the answer to part (c) of the question, may I have the separate figures for the Central Universities and other Universities?

Shri K. D. Malaviya: The break-up of this sum which has been indicated in the answer is as follows. The All-India Council of Technical Education recommended help for 14 technical institutions, whose non-recurring cost was Rs. 85,38,000; recurring expenditure Rs. 15,32,000; and loans and advances under the scheme to them would be Rs. 17 lakhs. Under the Five Year Plan, for technical education Rs. 8,20,000 have been sanctioned as non-recurring expenditure; there is no recurring expenditure or loans. For higher scientific education and research, the amount is Rs. 74,81,900 non-recurring, recurring Rs. 39,700 and loans nil. For subjects under humanities Rs. 56,48,000 have been sanctioned as non-recurring and Rs. 15,66,000 as recurring.

Shri S. N. Das: May I know whether the scheme for the extension of

facilities for the teaching of foreign languages of the Near, Middle and Far East in Viswa-Bharati has been sanctioned?

Shri K. D. Malaviya: I cannot say anything just now specifically in regard to this query.

Shri Radhelal Vyas: How many development schemes have been submitted by the Agra University and out of them, how many are to be executed in Madhya Bharat?

مستتر اف ایجوکیشن ایڈ

ہیچل ڈیویسز ایڈ سائنٹیفک ڈیویسز

(مولانا آزاد): اس وقت تو ان کا جواب

نہیں دیا جا سکتا۔

[The Minister of Education and Natural Resources and Scientific Research (Maulana Azad): This cannot be answered at present.]

Mr. Speaker: He wants notice.

Shri Jethalal Joshi: May I know whether Government proposes to take over collegiate education under its supervision and control in order to establish a uniform standard in our system of education?

Shri K. D. Malaviya: It does not arise out of this question.

SURVEY OF RAW MATERIALS

*896. **Shri Nageshwar Prasad Sinha:** (a) Will the Minister of Natural Resources and Scientific Research be pleased to state whether Survey of Raw Materials by the Rare Minerals Survey Unit of India has been in progress in Bihar?

(b) Has any rare mineral been discovered in Bihar?

The Deputy Minister of Natural Resources and Scientific Research (Shri K. D. Malaviya): (a) and (b). Yes, Sir.

Shri Nageshwar Prasad Sinha: In reply to one of my starred questions during the last session, the hon.

Minister was pleased to say that large deposits of uranium have been discovered in Bihar. May I know in what part of Bihar, in which district, and to what extent?

Shri K. D. Malaviya: A large tract in Bihar has been found to have deposits of uranium and beryllium, but it will not be proper just now to specify the exact place where uranium has been found.

Sardar Hukam Singh: May I know whether only the survey has been completed or any future prospecting has also been done so far as uranium is concerned?

Shri K. D. Malaviya: Detailed prospecting in certain areas is also going on with a view to make a correct assessment of the quantity of uranium and beryllium.

Shri B. S. Murthy: May I know whether any survey has been carried on in the Chittoor District, formerly in the Madras State and now in the Andhra State, where it is said gold is found?

Mr. Speaker: Gold?

Shri K. D. Malaviya: Gold has nothing to do with uranium or beryllium.

डा० राम सुभग सिंह : बिहार में जो सर्वे किया गया है वह किन किन जिलों में हुआ है ? और कहाँ कहाँ यूरेनियम पाया गया है ?

श्री के० डी० मालवीय : मैं ने अभी कहा कि किन जिलों में यूरेनियम की यह लम्बी लकीर पाई गई है इस का बताना बहुत युक्तिसंगत नहीं होगा ।

Shrimati Kamlendu Mati Shah: In what other parts of the country has the survey taken place or is the survey taking place?

Shri K. D. Malaviya: Wherever geological experts consider that there is likelihood of finding these minerals.

APPEALS UNDER THE PREVENTIVE DETENTION ACT

***897. Shri Nageshwar Prasad Sinha:**
(a) Will the Minister of Home Affairs be pleased to state how many cases under the Preventive Detention (Second Amendment) Act of 1952 went up to the Supreme Court of India up till now?

(b) In how many of such cases decision of the lower Court was upheld and in how many it was set aside by the said Court?

The Deputy Minister of Home Affairs (Shri Datar): (a) The number of cases under the Preventive Detention Act which came up before the Supreme Court since the coming into force of the Preventive Detention (Second Amendment) Act, 1952, viz., 30th September 1952 up to 15th November 1953 was 335.

(b) Detention orders were upheld in 74 cases and set aside in 83 cases. The Government of India have no information how many of these cases were appeals against the decisions of the High Courts. Some of the cases may have come up to the Supreme Court direct under Article 32 of the Constitution.

In addition, 20 cases were pending on 15th November 1953, and in 158 cases the detention orders were revoked by the State Governments before the petitions came up for hearing.

Shri Nageshwar Prasad Sinha: Arising out of part (a) of the answer that 335 cases went up to the Supreme Court, may I know whether those 335 cases were reviewed by the Advisory Board?

Mr. Speaker: I think the Minister has circulated a note on this point already.

Shri Datar: The matter is coming up for discussion, Sir.

Shri V. G. Deshpande: May I know, Sir, how many *habeas corpus* petitions were made by the Delhi State to the Supreme Court and in how many cases release was ordered?

Shri Datar: So far as Delhi State is concerned, they had before the Supreme Court 28 cases, and detentions were upheld in 5 and set aside in 13, and 10 detenues were released by the State Government before the decision of the Supreme Court.

PALAM AIRPORT

*898. **Shri T. B. Vittal Rao:** (a) Will the Minister of Defence be pleased to state whether it is a fact that the Air Lines Companies using the Palam Airport have complained that the pilots are experiencing considerable amount of difficulty in landing, due to inadequate lighting?

(b) If so, what steps do Government contemplate to take in the matter?

The Deputy Minister of Defence (Sardar Majithia): (a) Yes.

(b) Government propose to instal high intensity lighting in accordance with International Civil Aviation Organisation standards.

Shri T. B. Vittal Rao: May I know, Sir, if it is a fact that the question of adequate lighting was hanging fire for the last four years?

Sardar Majithia: No, Sir, it was not for the last four years, but this was brought up much later—as late as the 6th March 1953—by Commander Galpin.

Shri Joachim Alva: The K.L.M. disaster took place in Bombay in 1949. I want to know between 1949 and 1953 what steps Government have taken to make our airports up-to-date in the matter of meteorological information, lighting and stretch of runway.

Sardar Majithia: I am replying it offhand because this question relates to the Ministry of Communications, but certain improvements have been made. Instead of the old goose neck flares, we did instal a portable electrical lighting system which did improve matters but still they are not up to the mark. As I said, we are taking necessary action.

Shri T. B. Vittal Rao: May I know when the Ministry of Communications is going to take control of this airport?

Mr. Speaker: That is a question for the Ministry of Communications.

Shri T. B. Vittal Rao: This is under the Ministry of Defence and it has to be transferred to the Ministry of Communications, Sir.

Sardar Majithia: As you have rightly pointed out, Sir, if he puts the question to the Minister of Communications, he will get a proper answer to that.

ADMINISTRATIVE DELAYS

*899. **Shri Dabhi:** Will the Minister of Home Affairs be pleased to state:

(a) whether it is a fact that in the opinion of the Planning Commission one of the most important sources of corruption in public administration is delay in the disposal of cases; and

(b) if so, what specific steps have Government taken to remove this delay in the various branches of administration?

The Deputy Minister of Home Affairs (Shri Datar): (a) Yes. This view has been expressed in the first Five-Year Plan, and it has been suggested that in each organisation the source of delay should be carefully examined and necessary action taken.

(b) The Plan also contains further recommendations for the establishment of an Organisation and Methods Division and also for a regular system of inspections. It has already been decided to set up the Organisation and Methods Division. A system of Office Inspection has also been initiated. It will be the responsibility of the Organisation and Methods Division to ensure that such inspections are carried out systematically and thoroughly and to see that sources of delay are kept under constant examination and review.

Shri Dabhi: May I know to what extent the steps taken have proved effective?

Shri Datar: The steps are now in the last stage of implementation.

Kumari Annie Mascarene: May I know, Sir, how many cases are pending and for how long are they pending?

Shri Dabhi: Is it not a fact that the delay in the issue of the necessary permits to licensees in several cases has compelled people to offer bribes to the officers concerned?

Shri Datar: I am not aware.....

Mr. Speaker: Order, order.

Shri Nanadas: May I know, Sir, by what time all these measures will come into force?

Shri Datar: They will come into force within a few days.

ELECTORAL ROLLS FOR PEPSU

*902. **Shri Ajit Singh:** Will the Minister of States be pleased to state:

(a) whether it is a fact that the electoral rolls for the next general elections in PEPSU have been published; and

(b) if not, when these will be published?

The Minister of Home Affairs and States (Dr. Katju): (a) and (b). Arrangements have been completed by the PEPSU Government for the publication of the final electoral rolls on the 15th December, 1953, that is tomorrow.

Shri Ajit Singh: May I know, Sir, the date of holding of the elections in PEPSU?

Dr. Katju: I expect to make an announcement about this tomorrow or possibly the day after. The elections will be held some time towards the end of February.

Shri Ajit Singh: May I know, Sir, the number of objections and claims

received by the Government and the action taken thereon?

Dr. Katju: I want notice of that question.

FLEXIBLE STONE

*904. **Sardar Hukam Singh:** Will the Minister of Natural Resources and Scientific Research be pleased to state:

(a) whether any 'flexible' stone is found in Mohindargarh District of PEPSU State; and

(b) whether it has been exploited for any particular use?

The Deputy Minister of Natural Resources and Scientific Research (Shri K. D. Malaviya): (a) Yes, Sir.

(b) No, Sir. Exploitation of mineral resources is the responsibility of the State Governments. The Government of PEPSU have reported that the stone in question has not been exploited for any particular use so far. No commercial use of the stone except as a curio piece is yet known.

Sardar Hukam Singh: Do the State Government or the Central Government contemplate making an enquiry into the potentialities of the further uses that it may be put to?

Shri K. D. Malaviya: We have already made some enquiries and our experts inform us that there is no particular use for this stone except that in certain cases it was used as building material.

Shri Ajit Singh: May I know, Sir, what are the qualities of this flexible stone?

Shri K. D. Malaviya: I do not know, Sir.

WHOLESALE PRICES INDEX

*905. **Shri S. C. Samanta:** Will the Minister of Finance be pleased to state the index number of wholesale prices in India in the first and second quarters of 1953?

The Parliamentary Secretary to the Minister of Finance (Shri B. R. Bhagat): A statement giving the required information is laid on the

Table of the House. [See Appendix IV, annexure No. 49.]

Shri S. C. Samanta: May I know how far the import and export policy of the Government affect these index prices?

Shri B. R. Bhagat: The price index is the result of a number of forces, and it is difficult to say precisely quantitatively the effect of Government import and export policy on this. But generally, as I said earlier, it is the result of a number of factors governing the economic policy of the Government.

Shri S. C. Samanta: May I know, Sir, if Government have made any comparison with the economic index prices of foreign countries for this period?

Shri B. R. Bhagat: The price situation is under the continuous study of the Reserve Bank as part of its normal duty as a Central Bank and such comparison is always made by it as part of its study.

Shri Nanadas: There has been a continuous rise in the whole-sale price index during the first half of 1953. May I know, Sir, the reasons for that rise in price?

Shri B. R. Bhagat: As I said, Sir, it is difficult to give any precise reasons for this rise in price. The probable reasons are the smaller output of some crops in 1952-53 season, especially in respect of cotton, groundnuts and tea, secondly, the steep fall in import and some increase in export through the demand for cotton textiles, and thereby the revival in the speculative interest in some commodities. So, the rise in price may be the cumulative effect of all these forces.

Shri Mohiuddin: May I know whether Government have under consi-

deration the revision of the whole-sale index of prices by changing the weights and the base year?

Shri B. R. Bhagat: No, Sir.

MOUNTAINEERING SCHOOL

***907. Dr. M. M. Das:** Will the Minister of Education be pleased to state:

(a) whether a plan for the establishment of a mountaineering school in Darjeeling with Shri Tenzing as the Chief Instructor, has been received by Government; and

(b) if so, the main features of the plan?

The Deputy Minister of Natural Resources and Scientific Research (Shri K. D. Malaviya): (a) No.

(b) Does not arise.

श्री भक्त दर्शन : क्या मैं जान सकता हूँ कि किसी और संस्था ने भी गवर्नमेंट के पास इस प्रकार का आवेदन पत्र भेजा है कि उसे भी सहायता दी जाय ?

श्री के० डी० मालवीय : जी, हाँ, जो सूचना हमारे पास है उस से मैं यह कह सकता हूँ कि एक और सरकारी संस्था दार्जीलिंग में कायम की जा रही है। तेनसिंह और ग्लैथर्ड, जो स्विस् माउंटेनियरिंग स्कूल के विशेषज्ञ हैं, वह मिल कर एक योजना बना रहे हैं। केन्द्रीय सरकार और प्रादेशिक सरकार भी इस में सहायता करने वाली है।

Dr. M. M. Das: May I know, what will be the contribution of the Central Government towards the starting of this institution?

Shri K. D. Malaviya: Nothing has been decided just now.

SILVER REFINERY PROJECT

***908. Dr. M. M. Das:** Will the Minister of Finance be pleased to refer to starred question No. 1404 answered on the 17th April, 1953 and state:

(a) whether the order for the plant required for the Silver Refinery Project has already been placed; and

(b) if so, when the machineries are expected to arrive?

The Deputy Minister of Finance (Shri A. C. Guha): (a) Yes, Sir.

(b) These machineries are to be supplied by the manufacturers in 3 instalments, the expected dates for the instalments being May, July and September, 1954.

Dr. M. M. Das: In view of the fact that silver has been removed completely from the currency of the country, may I know for what particular purpose this refinery is going to be set up?

Shri A. C. Guha: Apart from its being utilized in currency, silver has its own value which Government will not like to lose. Particularly, during the war, India received a certain amount of silver from the United States on lend-lease arrangement, and within a certain period that has to be returned, and so this silver has to be recovered from the coins in which the silver was used.

Dr. M. M. Das: May I know whether the whole of the mint building in Calcutta will be taken up by this refinery plant or a portion of that building alone will be used for this purpose, and if so, what is that purpose?

Shri A. C. Guha: I think, at present, it is premature to say, but it may be that the whole building may not be required. Until the machinery is set up and the refinery starts working, I think it would be premature to say how much space will be occupied by the plant.

WARSHIPS

***909. Shri Nanadas:** Will the Minister of Defence be pleased to state what steps have been taken for building Warships in our country?

The Deputy Minister of Defence (Sardar Majithia): Investigations are proceeding with a view to build certain types of ships in Hindustan Shipyard at Vizagapatam and the small craft, which are for coastal work, at suitable small ship-building concerns elsewhere in India.

Shri Nanadas: May I know, Sir, whether the small-scale industries in our country would help ship-building in this country?

Sardar Majithia: As I said, Sir, we are checking up the possibility of these small-scale producers building ships to our requirements.

Shri Nanadas: May I know, Sir, from which country we are getting our warships now?

Sardar Majithia: I think every one knows it is from the U.K.

AID TO KASHMIR

***910. Shri Gidwani:** Will the Minister of States be pleased to state the total amount of loan made available to the Kashmir and Jammu Government during the current year?

The Minister of Home Affairs and States (Dr. Katju): Rs. 94.5 lakhs.

Shri Gidwani: What is the total amount that has been paid as loan so far during last year?

Dr. Katju: I think it may be Rs. 15 lakhs, in the current year.

Shri Gidwani: During the last five years?

Dr. Katju: I would like to have notice so that I might give you exact figures and make no mistakes.

Shri Gidwani: May I know whether any interest is charged on the loan?

Dr. Katju: All these matters will be settled in due course. My hon. friend knows all about these matters.

Shri V. G. Deshpande: May I know what are the terms on which these loans were advanced?

Dr. Katju: I want notice. I am not sure about the terms. It will have to be referred to.

Shri Sarangadhar Das: I want to make a submission, Sir. The Minister was saying that the hon. Member has the information, but we do not have it. If any information is to be given to the Member, will it be information for the whole house?

Mr. Speaker: The Minister said, "at present he wants notice". Next question.

DEFICIT FINANCING

*913. **Shri N. M. Lingam:** (a) Will the Minister of Finance be pleased to state whether Government have decided to resort to deficit financing for the implementation of the National Plan?

(b) If so, what is the extent to which such financing will be undertaken?

The Deputy Minister of Finance (Shri M. C. Shah): (a) and (b). A matter of this kind has necessarily to be considered in connection with the annual budget, and conclusions can be drawn from each year's budget as presented.

No advance estimate can be given about the extent of deficit financing. The amount will depend on the circumstances from time to time such as the internal resources available, the amount of external assistance received and the general economic conditions of the country.

Shri N. M. Lingam: May I know if the Government made a re-assessment on the resources with reference to the external assistance received so far, the small savings and borrowings in the country and the efforts of the State Governments to raise the revenue? If so, what is the position today?

Shri M. C. Shah: I think the question should be addressed to the Planning Commission. If I should give all the details, it will take much time. If the hon. Speaker permits me, I will read the whole statement.

Mr. Speaker: It may be supplied to the hon. Member.

Shri N. M. Lingam: The Planning Commission had said last year that loans and grants received from abroad amounted to Rs. 156 crores and that if this deficit financing was to be avoided, further external assistance amounting to Rs. 655 crores should be necessary. What is the quantum of external assistance that Government expect during the remaining periods of the plan?

Shri M. C. Shah: That is 98 crores.

PEPSU EMPLOYEES

*914. **Sardar Hukam Singh:** (a) Will the Minister of States be pleased to state what is the total number of Government employees retired, dismissed or retrenched in the PEPUSU State since the assumption of Government by the President?

(b) What is the number of (i) temporary employees and (ii) permanent Government servants out of the number in reply to part (a) above?

(c) What is the total amount saved monthly by this action?

The Minister of Home Affairs and States (Dr. Katju): (a) 1051;

(b) Temporary: 757; Permanent: 294;

(c) About 1;2 lakhs per mensem.

Sardar Hukam Singh: Out of those who have retired, how many have retired before time?

Dr. Katju: The number of people who have retired was 12. Out of these, the decision to retire before the President assumed control was 9, and three were retired afterwards.

Sardar Hukam Singh: Are we to understand that these twelve were asked to retire before time?

Dr. Katju: I imagine so.

Sardar Hukam Singh: Was any compensation or proportionate pension given to any of them?

Dr. Katju: I do not know. It all depends: if they were retired before time and they were entitled to compensation, I assume they would have got it. If they were retired for good reasons before time, probably they were entitled to make representations.

Shri Ajit Singh: May I know, Sir, from how many such employees representations were received against improper retrenchment, dismissal or retirement and what action Government have taken on them?

Dr. Katju: I want notice. My difficulty is this. I get a question and I get the information collected. Sometimes it becomes difficult to go into the various branches.

Shri B. S. Murthy: How many out of these 1057 were Class IV employees?

Dr. Katju: I am afraid I do not possess that information. I have not got the break-up.

Sardar Hukam Singh: Will the hon. Minister be in a position to tell us the number of employees against whom enquiries have been made during this regime, or are being made just now?

Dr. Katju: I want notice.

The Deputy Minister of Finance (Shri A. C. Guha): I suggest I may be permitted to answer questions No. 915 and 916 together.

Shri Gidwani: I have no objection, provided you give me more supplementaries.

Mr. Speaker: I will give him three more supplementaries.

SMUGGLING OF DIAMONDS

***915. Shri Gidwani:** (a) Will the Minister of Finance be pleased to state whether it is a fact that some diamonds were confiscated by the customs authorities at Bombay as these were smuggled by certain parties?

(b) Is it a fact that these were auctioned by the customs authorities and the highest bid was rejected and a lower offer was accepted?

The Deputy Minister of Finance (Shri A. C. Guha): (a) Yes, Sir; in August 1950 a lot of uncut diamonds was seized by the Customs authorities in Bombay and was confiscated under the Sea Customs Act.

(b) It is a fact that these diamonds were auctioned in January 1953 by the Customs authorities, but it is not a fact that the highest bid was rejected and a lower offer was accepted.

AUCTION OF CONFISCATED DIAMONDS

***916. Shri Gidwani:** (a) Will the Minister of Finance be pleased to state whether it is a fact that with regard to the confiscated diamonds auctioned at Bombay a complaint was lodged by a party against the acceptance of the lower offer alleging that the same diamonds were sold on the same day at a much higher price than the price accepted by the Customs authorities at the time of auctioning?

(b) Is it a fact that the party who had purchased the diamonds was asked to pay a further amount subsequently?

(c) Is it a fact that an enquiry has been instituted and a number of officers who have been involved in this affair have been charge-sheeted?

(d) If so, at what stage is the enquiry?

The Deputy Minister of Finance (Shri A. C. Guha): (a) No complaint against the acceptance of the offer was received by Government, but a report alleging that the same diamonds were re-sold soon after the auction at a much higher price, was received.

(b) Yes, Sir.

(c) Yes, Sir.

(d) The enquiry has not yet been completed.

Shri Gidwani: May I know, Sir, whether, while the bid was for Rs. 24,000 only Rs. 24 was accepted?

Shri A. C. Guha: Rs. 29,850 was the bid for the uncut and the cut diamonds together. Of course, our estimate was much higher than that.

Shri Gidwani: That means a lower bid was accepted.

Mr. Speaker: There was no bid for the higher amount.

Shri A. C. Guha: This was the highest bid.

Shri Gidwani: Then, why was a report lodged against the bid and money recovered from the auctioneer?

Shri A. C. Guha: Sir, if you will permit me I will make a short statement.

This matter came up to us and we thought there was something wrong in that. We have already instituted an enquiry and several officers have been charge-sheeted. The difficulty is there is a sort of ring among the diamond merchants. Though the auction was properly advertised and there was a fair attendance of auction bidders in view of the fact that there is something like a ring among the diamond merchants there was no higher bid than that, and the diamonds were sold at that price. The Collector of Bombay Customs was also not present there at that time; he was away from Bombay. When, on return, he came to know this, he realised Rs. 7,000 more from the bidders and that has now been credited to Government account. Anyhow, the case has appeared to us to be quite unsatisfactory and several officers have been charge sheeted on this and an enquiry is going on.

Shri Gidwani: What was the total amount which was demanded from

the party which had purchased the diamonds?

Mr. Speaker: I think it is better to leave it to the enquiry.

Shri Gidwani: During the last session I put certain questions regarding smuggling of liquor in the same Department. I was promised an enquiry not only by the Finance Minister but also by the Prime Minister. Has any enquiry been made and what is the result of the enquiry?

Shri A. C. Guha: That is a separate question. I may state there is an unstarred question in today's list on the same subject. There also an enquiry is going on. Government has taken certain provisional decisions regarding that officer who was convicted of violation of the Prohibition Act. We have found that there is a *prima facie* case that he was guilty at least of abetting smuggling. I may state that any decision in this matter has to undergo so many formalities. Until and unless those formalities are completed, it will be premature to state what action Government is going to take in the matter.

Shri Gidwani: Is he still in service?

Mr. Speaker: We will go to the next question.

SOCIAL WELFARE BOARD

*917. **Shri Heda:** Will the Minister of Education be pleased to state how many applications have been received by the Social Welfare Board for monetary assistance from Social Welfare Organisations?

The Deputy Minister of Natural Resources and Scientific Research (Shri K. D. Malaviya): About 700.

Shri Heda: Are Government aware of the fact, of a new development, that many organisations are being brought into existence simply to get this monetary aid?

Shri K. D. Malaviya: Yes, Sir, there is such a likelihood and Government are quite conscious of it and they will

take reasonable steps to prevent aid to such organisations as do not deserve these grants.

Shri Heda: When are Government going to decide these applications?

Shri K. D. Malaviya: About 454 applications received till the end of October have been considered in the November meeting of the Social Welfare Board, not by Government—Government has nothing to do with the consideration of applications. Out of these 454 about 239 applications have been sanctioned and a sum of Rs. 8.6 lakhs has been allotted to these 239 applications.

Shrimati Renu Chakravarty: Does it mean that new efforts to fulfil the demands in new areas where there is no such welfare effort will also be barred by the answer which the hon. Minister just now gave?

Shri K. D. Malaviya: Not at all.

Shri Raghavaiah: What is the criteria observed by the Social Welfare Board for making these grants to organisations which call themselves social welfare organisations?

Shri K. D. Malaviya: The basis on which help is given is (1) for the relief of handicapped and delinquent children; (2) for organisations for the welfare of children in general and (3) organisations for the welfare of women.

Shri Heda: Is there any condition stipulated by the Government that organisations which seek this aid should also spend an equal amount, or a proportionate amount?

Shri K. D. Malaviya: Yes, Sir, generally the help is on a contributory basis.

SCHOLARSHIPS FOR TRIBAL STUDENTS

*918. **Shri Rishang Keishing:** Will the Minister of Education be pleased to state the number of scholarships reserved by the Government of Manipur for tribal students for under-Matric and post-Matric studies?

The Deputy Minister of Natural Resources and Scientific Research (Shri K. D. Malaviya): A statement is laid on the Table of the House. [See Appendix IV, annexure No. 50.]

Shri Rishang Keishing: Have Government at any time considered the question of abolition of reservation of scholarships for Tribal people in Manipur?

Shri K. D. Malaviya: No, Sir.

Shri Rishang Keishing: May I know, Sir, whether in view of a large increase in the number of schools and students, Government contemplate to increase the number of scholarships?

Shri K. D. Malaviya: It is for the State Government to increase the number of scholarships; but I may inform the House that the Government of India also give scholarships in the general scheme for students of the Scheduled Castes, Scheduled Tribes and backward classes. Under this about 40 students from Manipur applied, out of which 38 received scholarships.

SCHOOLS IN MANIPUR

*919. **Shri Rishang Keishing:** Will the Minister of Education be pleased to state whether Government have sanctioned Rs. 17,000 in 1952-53 and propose to sanction another Rs. 47,000 in 1953-54 for the schools started by Shri Adhikari in Manipur from the fund allotted for the development of the tribal areas of Manipur?

The Deputy Minister of Natural Resources and Scientific Research (Shri K. D. Malaviya): Yes, the State Government sanctioned Rs. 17,000 in 1952-53. The grant for 1953-54 is under examination.

Shri Rishang Keishing: May I know the organisation with which he is connected and on what condition these grants were made?

Shri K. D. Malaviya: Shri Deshbandhu Adhikari has been running three basic schools through the medium of Hindi. These institutions partially contain students who are

given free lodging, boarding and clothing. And as Government consider that they are being run satisfactorily, this help is being given.

Shri Rishang Keishing: I wanted to know whether Shri Adhikari is connected with any social organisation in India?

Shri K. D. Malaviya: Yes, Sir, there is a local organisation known as Adam Jathi Sevak Sangh and he is connected with that organisation.

Shri Rishang Keishing: Is it a fact that his behaviour towards students, particularly female students, is extremely objectionable and that many of them have left the school?

Shri K. D. Malaviya: We are not at all aware of this.

Shri Rishang Keishing: Is it a fact that the names of many students were changed from their original names into new names, like Sushila, Shanti Devi and so on and that many students were stopped from attending churches?

Shri K. D. Malaviya: We have absolutely no information. But the question put by the hon. Member will presumably receive notice from the State Government.

Shri Rishang Keishing rose—

Mr. Speaker: He is going into details which it is not possible to go into here.

SPECIALISTS (MEDICAL) IN ARMED FORCES

*920. **Shri Gadilingana Gowd:** Will the Minister of Defence be pleased to state:

(a) whether it is a fact that the list of Specialists (Medical) for all the three services of the Armed Forces is revised periodically; and

(b) if so, whether a statement showing the number of Specialists by categories attached to each service could be placed on the Table of the House?

The Deputy Minister of Defence (Sardar Majithia): (a) Yes.

(b) A statement is laid on the Table of the House. [See Appendix IV, annexure No. 51.]

SPECIALISTS AND TECHNICAL TRADES IN THE ARMED FORCES

*921. **Shri Gadilingana Gowd:** (a) Will the Minister of Defence be pleased to state whether it is a fact that Government have been considering the addition of a few more specialist courses and technical trades for all the three services?

(b) If so, when will the matter be finalised?

The Deputy Minister of Defence (Sardar Majithia): (a) and (b). As knowledge of military science and tactics advances, existing trades are reorganised and fresh trades introduced to meet the growing requirements of a modern fighting force. There can be no finality in a matter of this type and the examination of specialist trades is a continuous process.

Most of the specialist courses in the Army and many of the courses in the Navy and the Air Force are now held in India. Where possible additional courses are being progressively organised within the country.

Shri Gadilingana Gowd: What are the terms and conditions for the appointment of these specialists?

Sardar Majithia: These are categorised according to their various trades. You have got quite a number of them. It is a long list. For instance Gunners; there are various categories of them. The same is the case with the ordnance factories. According to the various trade groups they are variously categorised as specialists.

Shri Gadilingana Gowd: Sir, the hon. Minister says it is a long list. Could I be supplied with a copy of it?

Mr. Speaker: Will the hon. Minister supply him a copy of that long list?

Sardar Majithia: Yes, Sir, certainly.

RETRENCHMENT OF TRIPURA STATE
EMPLOYEES

*922. **Shri Biren Dutt:** Will the Minister of States be pleased to state:

(a) whether a large number of employees of Tripura State will be retrenched in the near future; and

(b) if so, the reason therefor?

The Minister of Home Affairs and States (Dr. Katju): (a) and (b). As a result of the re-organisation of the administrative set up and the introduction of new scales of pay, grading and screening of the existing personnel will be necessary which may result in a certain number of employees being retrenched. These persons will be given retrenchment concessions according to rules.

Shri Biren Dutt: May I know whether it is a fact that many of the employees have already been stopped of the payment of their salaries and that they had not been served with any notice of retrenchment?

Dr. Katju: I do not know whether there have been any dismissals or retrenchments so far. What I have been assured is that only those will be retrenched or retired who are found educationally or otherwise unfit.

Mr. Speaker: The question that he put is that in the case of many of them without being given any notice their payments are stopped—whether that is a fact.

Dr. Katju: I gave the answer. I said I am not aware.

Shri Biren Dutt: May I know whether it is a fact that yesterday the Employees' Association met and represented that the payment of the salary of many of the employees had been stopped for the last month?

Dr. Katju: This comes from Tripura. Will my friend kindly send me the questions or see me privately and I will look into it. The whole House is not interested in this (*Interruption*).

Shri Gidwani: Sir, are we to get replies privately?

Mr. Speaker: The real objection to all these questions, to my mind, is that they are going into too many details.

Shri Gidwani: Even to me he said he will supply privately.

Dr. Katju: I thought that was a proper course.

Mr. Speaker: It is no use taking the time of the House over such questions.

TRAINING OF EX-SERVICEMEN

*923. **Shri V. Missir:** (a) Will the Minister of Defence be pleased to state the details of the arrangements made in the year 1951-52 with the Ministry of Labour (D.G.R. & E.) and State Governments for training the ex-servicemen?

(b) If so, which are the States who have benefited their ex-servicemen by the said agreement?

(c) What are the trades in which they are getting training?

(d) What is the criterion for selecting the candidates for imparting the said training?

(e) What is the future of the trained ex-servicemen under the above agreement?

The Deputy Minister of Defence (Sardar Majithia): (a) At the instance of Ministry of Defence, the Directorate General of Resettlement and Employment, Ministry of Labour, during 1951-52 reserved five hundred seats for training ex-servicemen in their Vocational-cum-Technical Training Centres. The State Government also agreed to train ex-servicemen in their institutions. A stipend of Rs. 25/- p. m. per trainee was sanctioned by the Ministry of Defence.

(b) During 1951-52, Hyderabad Government trained 60 ex-servicemen in their institutions. In other States ex-servicemen did not volunteer for training.

(c) The ex-servicemen of Hyderabad referred to in (b) above were

trained in carpentry, machnics, ceramics and textiles.

(d) Ex-servicemen below 50 years of age possessing an aptitude for Vocational-cum-Technical subjects who can read and write are selected for training.

(e) Ex-servicemen who are trained in Vocational-cum-Technical trades either join Government or Private service or set up an independent business. The Employment Exchanges assist them in securing suitable jobs.

श्री भक्त दर्शन : क्या मंत्री महोदय को ज्ञात है कि जिन भूतपूर्व सैनिकों ने इस प्रकार की ट्रेनिंग पाई है, उन में से बहुत से आज कल भी बेकार हैं और क्या उन की सहायता के लिये प्रयत्न किया जा रहा है ?

Sardar Majithia: I am sorry, Sir, I cannot follow the question.

Mr. Speaker: He says: a number of people who have been trained are still unemployed. Have Government tried to give them any employment?

Sardar Majithia: Well, Sir, to give you some figures, out of 241 trained between the years 1950 and 1953, 172 have already been employed. Apart from this, quite a number have set up their own business. Certainly whenever it comes to the notice of the Government that they require aid, Government helps them.

Shri B. S. Murthy: May I know whether any monetary help is given to these trainees to set up their own trade, and if so what are the conditions for such monetary help?

Mr. Speaker: One question at a time.

Sardar Majithia: Not to the individual.

CUSTOMS RESTRICTIONS

*925. **Shri Muniswamy:** Will the Minister of Finance be pleased to state:

(a) whether Government are aware that the residents of the Indian Union

villages near Gangananguppam out-gate of the Pondicherry Border have been put to great difficulties in bringing foodstuffs and agricultural requirements for their own use to their villages from Indian Union towns owing to the restrictions imposed on them by the customs officials at the gate;

(b) whether it is a fact that a memorandum was submitted by those villagers to the Collector of Customs, Madras representing their grievances;

(c) if so, what action was taken thereon;

(d) whether the question of shifting the gate at Gangananguppam to another place nearby has been considered; and

(e) if so, whether any decision has been arrived at?

The Deputy Minister of Finance (Shri A. C. Guha): (a) to (c). A memorandum of grievances was submitted to the Collector of Central Excise and Land Customs, Madras and a copy was sent to the Central Government. *Prima facie* it seems that some of the difficulties complained of are genuine. The Collector has visited the place personally and made enquiries on the spot. As a result, certain relaxations of the rules which had been allowed upto 1952 and subsequently withdrawn, have been restored pending detailed examination.

(d) and (e). This was considered and it was decided that the outgate could be moved a few yards away from its present position.

Shri Muniswamy: May I know when the actual shifting of this gate will take place?

Shri A. C. Guha: It will be done very soon.

Shri Muniswamy: Are Government aware that the officials at this gate do not observe any rules in allowing the Indian Union village people to move their necessaries from Indian Union towns to the Indian Union villages?

Shri A. C. Guha: I do not think it will be correct to say that they are not observing any rules. If the hon. Member has got any particular case, he may kindly report to us and we shall take proper action if that is the position.

Shri Muniswamy: Are Government aware that more than 50 villages with a population amounting to more than 20,000 people are suffering because of the troubles that they have to undergo at this out-gate?

Shri A. C. Guha: As I have already stated, a certain number of people have made representations, I am not sure of the number of people or the number of villages.

ACQUISITION OF LAND

*926. **Shri C. R. Iyyunni:** (a) Will the Minister of Defence be pleased to state whether the three items of property acquired for the establishment of anti-aircraft gun emplacement during the last War in Travancore-Cochin State and which have not been made use of for any purpose, are still with the military authorities or whether they have been disposed of or leased?

(b) If leased, how much is the rent?

The Deputy Minister of Defence (Sardar Majithia): (a) The property is still with Government. It has not been leased out, but the usufruct of trees standing thereon is being disposed of by auction annually.

(b) Does not arise.

Shri C. R. Iyyunni: May I know what is the amount of money that is realised by way of leasing?

Sardar Majithia: 1950-51—Rs. 2936; 1951-52—Rs. 2830; 1952-53—Rs. 1445.

Shri C. R. Iyyunni: May I know whether any tenders were called for?

Sardar Majithia: Yes, Sir. Tenders are called for and it is given according to auction.

Shri Achuthan: May I know whether Government are going to dispose of this property instead of disposing of the usufructs?

Sardar Majithia: Out of these lands, the Government of Travancore Cochin is interested in a small portion and that is being transferred to them. The remainder will be disposed of.

Mr. Speaker: Next question.

Shri Feroze Gandhi: One point of clarification, Sir.

Mr. Speaker: I am going to the next question.

Shri Feroze Gandhi: The hon. Minister said....

Mr. Speaker: He may have it later; not now.

अक्रीम की खेती

*१२७. श्री आर० एन० सिंह : क्या वित्त मंत्री यह बताने की कृपा करेंगे :

(क) उत्तर प्रदेश के वह जिले जिन को इस वर्ष अक्रीम की खेती करने के लिए अधिकृत किया गया है; तथा

(ख) अक्रीम की खेती का अनुमानित क्षेत्रफल एकड़ों में ?

The Parliamentary Secretary to the Minister of Finance (Shri B. R. Bhagat):

(a) Poppy cultivation during the 1953-54 season has been authorised in the districts of Ghazipur, Banaras, Azamgarh, Gorakhpur, Faizabad, Basti, Bara Banki, Bareilly and Shahjahanpur of Uttar Pradesh.

(b) Approximately 18,750 acres have been placed under poppy cultivation during the current season.

TOBACCO EXCISE DUTY

*928. **Shri Bibhuti Mishra:** (a) Will the Minister of Finance be pleased to state whether it is a fact that demand notices have been served on tobacco growers in the district of Champaran (Bihar) for payment of tobacco excise duty in spite of the fact that their crops were damaged by hailstorm in January, 1953?

(b) Are Government aware that these demand notices have been served on the growers without the tobacco being dried and weighed in the presence of growers?

(c) If the reply to parts (a) and (b) be in the affirmative, do Government propose to cancel the demand notices?

The Deputy Minister of Finance (Shri M. C. Shah): (a) The tobacco crop in the Champaran district suffered some damage as a result of hailstorm in January, 1953. Central Excise duty is chargeable only on tobacco which has been cured and made fit for marketing or manufacture. Where the tobacco was completely destroyed, no duty is chargeable and no demand notices were served on the growers; but where a part or the whole of the crop escaped damage, the growers have been required to pay the duty in the usual course on the quantity of tobacco actually cured by them.

(b) No, Sir. Weighments were invariably made in the presence of the growers before demand notices were issued.

(c) Does not arise.

श्री विभूति मिश्र : क्या सरकार बतला सकती है कि जिन लोगों को नोटिसें दी गयी हैं, उन के खेतों पर जांच नहीं की और भोलों से तम्बाकू की उन की फसल के नष्ट हो जाने पर भी उनके खिलाफ नोटिसें दी जा रही हैं ?

Mr. Speaker: His allegation is that there has been no varification on the spot and duty is being demanded from the people who have suffered on account of the hailstorm.

Shri M. C. Shah: According to our information, it is not so. We will enquire into the matter.

Shri Sarangadhar Das: May I know if there had been cases in Orissa where, as soon as tobacco is planted, it is estimated what the yield will be and duty collected on that basis?

Shri M. C. Shah: That is the usual procedure. Surveyors go to the field when a plantation is made, make an approximate estimate of what the crop will be, and so on, and so forth.

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श्री विभूति मिश्र : क्या सरकार विचार कर रही है कि जब तक जांच न कर ले, तब तक जो डिमांड नोटिसेज जारी की गई हैं, उन को बन्द रक्खा जाय ?

Mr. Speaker: The question is, will collection be suspended till the enquiry is made.

Shri M. C. Shah: We will enquire. I cannot say that it will be suspended. We will enquire immediately.

Shri Sarangadhar Das: My question has not been replied to.

Mr. Speaker: The hon. Member's question relates to Orissa. Here, the question relates to Bihar.

Shri Sarangadhar Das: The hon. Minister said that that is the regular procedure. My question was whether an estimate is made and duty collected.

Mr. Speaker: I am saying that the question is outside the scope of the present question. Next question.

Dr. Ram Subhag Singh: But, he should give some assurance.

SMUGGLING OF GOLD AND CURRENCY

*929. **Shri Raghunath Singh:** Will the Minister of Finance be pleased to state:

(a) whether gold and currency are smuggled freely from India into Ceylon; and

(b) if so, what steps Government are adopting to check it?

The Deputy Minister of Finance (Shri M. C. Shah): (a) Sir, it is not clear what the honourable Member means by the expression 'smuggled freely'. If he desires to know whether smuggling is very frequent and is on a large scale, then the answer is in the negative.

(b) No special steps are called for but the usual precautionary steps are taken.

श्री रघुनाथ सिंह : चूंकि उत्तर बिल्कुल स्पष्ट नहीं है, इस लिए मैं साफ शब्दों में यह

पूखना चाहता हूँ कि हिन्दुस्तानी सोना लंका में स्मगल कर के यहाँ से बाहर ले जाया जाता है और लोग बाहर उस को बेचते हैं, क्या यह बात ठीक है, अखबारों में जो इस प्रकार के समाचार छपे हैं, वह ठीक हैं या नहीं ?

Shri M. C. Shah: As I have already replied, smuggling is not free as assumed by the hon. Member. We are taking all precautions to prevent smuggling. We have got our own arrangements and we try to prevent. There are certain cases of smuggling. They are caught and dealt with according to law.

श्री रघुनाथ सिंह : सोने का भाव लंका में और हिन्दुस्तान में क्या है, क्या यह बात सही है कि सोने का भाव लंका में हिन्दुस्तान से अधिक है, इस वास्ते हिन्दुस्तान का सोना लंका में स्मगल होता है ?

Shri M. C. Shah: The prices in India are higher. There is no doubt that smuggling was resorted to because there was difference between the prices elsewhere and in India. Now, that difference has narrowed down since the last few months and so there is very little prospect of smuggling because that will not be profitable.

ASSAM OIL COMPANY SCHOLARSHIPS

***930. Shri Beli Ram Das:** (a) Will the Minister of Natural Resources and Scientific Research be pleased to state whether it is a fact that the Assam Oil Company has granted seven overseas scholarships for 1953-54 for training of students abroad?

(b) If so, who are the recipients?

The Deputy Minister of Natural Resources and Scientific Research (Shri K. D. Malaviya): (a) Yes, Sir.

(b) A statement giving the desired information is placed on the Table of the House. [See Appendix IV, annexe No. 52.]

Shri Beli Ram Das: May I know whether there were any *bona fide* Assamese candidates for these scholarships?

Shri K. D. Malaviya: I have not got the names of the candidates, who were considered and rejected. But, I have got the list of selected candidates here. I do not think there are any Assamese on this list.

Shri Beli Ram Das: What were the requisite qualifications for these scholarships?

Shri K. D. Malaviya: There was an advertisement in the paper, and these scholarships have been awarded by the Assam Oil Company under an arrangement with the Council of Scientific and Industrial Research. We have not got the qualifications specified by Government.

Shri Raghavaiah rose —

Mr. Speaker: The Question hour is over.

Short Notice Question and Answer KOSI CONTROL SCHEME

SNQ 6. Shri L. N. Mishra: (a) Will the Minister of Irrigation and Power be pleased to state whether it is a fact that the expert committee that was asked to examine the latest proposal for control of river Kosi has submitted its report?

(b) If so, what is its opinion?

(c) What are the main features of the latest proposal for the control of the Kosi?

The Minister of Planning and Irrigation and Power (Shri Nanda): (a) to (c). With your permission, Sir I shall answer the question in the form of a brief statement which will provide information asked for by the hon'ble Member and in view of the wide interest evinced in the question touch on other related aspects also.

A project report was prepared in June 1950 which envisaged the construction of the project in seven stages at a total cost of Rs. 177 crores. The report was referred to an Advisory Committee of engineers. As under the

earlier stages of the project, flood control was given a secondary place, the Advisory Committee recommended that a low level storage dam should be constructed at Belka Hill at a cost of Rs. 28 crores for providing partial flood control in the first stage itself. Further investigation by the C.W.P.C. showed that the cost of the Belka Dam would be in the neighbourhood of 49 crores. There was further a general consensus of expert opinion that Belka Hill would silt up in a relatively short period of time. The whole question was therefore re-examined and the C.W.P.C. were asked to work out an alternative scheme. As a result of further detailed investigation, the C.W.P.C. have prepared a comprehensive plan for irrigation and flood control, the main features of which are as follows:—

(i) Construction of a barage at Hanuman Nagar, a short distance north of the Bihar-Nepal border for diverting supplies into the Eastern Kosi Canal for irrigating areas in Bihar and for providing a control point on the river to which the dykes can be tied up;

(ii) flood banks to be constructed on either side of the river. On the right side, the bank will start from the barrage and extend nearly 70 miles upto Jamta. On the left side, the flood bank will start from high ground near Belka and extend upto Bangaon, 77 miles lower down;

(iii) diversion of flood waters into some of the old channels of Kosi for flushing and thus reducing the intensity of floods in the Kosi main streams.

The total cost of the scheme as estimated by the C.W.P.C. is of the order of Rs. 37 crores the break-up of which is as follows:—

Hanuman Nagar Barrage 13.27 crores.
Flood banks and protecting measures 10.67 crores.

Eastern Kosi Canal from Hanuman Nagar 13.37 crores.

It is feasible to construct a canal taking off from Chatra at a cost of about 3 crores to irrigate an area of 1.8 lakh acres within the Nepal Territory. It will be for the Nepal Govt. to decide whether or not this work should be undertaken.

The Project report drawn up by the C.W.P.C. was considered by the Planning Commission who approved of it subject to the condition that it should be scrutinised by an Expert Committee of Engineers.

The Expert Committee is in agreement with the scheme as drawn up by the C. W. P. C. and has suggested that the question of increasing the capacity of the diversion works from 50,000 to 1,00,000 cusecs might be further examined.

As a part of the barrage lies in Nepal territory, the Nepal Govt. who were already consulted in connection with the first project report will now be consulted again. After the Bihar Govt. approves of the Scheme and the consent of the Nepal Govt. is obtained to the construction of works within their territory, work will be undertaken on the project.

Preliminary operations can start in the near future. From the date of commencement of the works, it is expected that the embankments will be completed within three years. This by itself will ensure a large measure of flood protection to the areas affected. The barrage will take six years to complete.

With the completion of the barrage, and the diversion works, full protection from floods will be secured to the area for a reasonable period and irrigation will be provided for 13.97 lakh acres.

In the course of the week, I shall lay on the Table of the House a copy of the Report on the project submitted by the C.W.P.C. to the Planning Commission along with a copy of the Expert Committee's Report.

Shri L. N. Mishra: May I know the machinery that will be in charge of the execution of this project?

Shri Nanda: That machinery will have to be set up by the Bihar Government. Of course, every possible assistance will be given by the Central Government.

Shri L. N. Mishra: May I know whether the construction of any Railway line will be taken to the barrage side of Hanuman Nagar?

Shri Nanda: This is not part of this project.

Shri B. Das: Will the Government of Nepal undertake to finance their share of the project, or will the Government of India give them a loan?

Shri Nanda: This is a matter for negotiation between the two Governments.

Shri B. Das: But it is a foreign Government.

श्री रघुनाथ सिंह : इस योजना से उत्तर प्रदेश के भी किसी भू-भाग को पानी दिया जा सकता है या नहीं ?

Shri Nanda: This is not part of the project.

Shri Meghnad Shaha: Can I put a question?

Mr. Speaker: Not now. It is a long statement, and then it is a matter for study.

The House will proceed to the next business.

WRITTEN ANSWERS TO QUESTIONS

DEPRECIATION ALLOWANCES

*900. **Shri H. N. Mukerjee:** Will the Minister of Finance be pleased to state the attitude of Government to the demand for higher tax free depreciation allowances on the basis of the present replacement costs of the capital assets and also for certain relief in the case of undistributed profits?

The Deputy Minister of Finance (Shri M. C. Shah): No change in the

present basis of depreciation allowance is possible. A rebate on the undistributed profits ploughed back into industry is already being given. The Government do not favour any change pending consideration of the recommendations of the Taxation Enquiry Commission who are examining the problem.

INSURANCE CONCERNS

*901. **Shri H. N. Mukerjee:** Will the Minister of Finance be pleased to state whether it is a fact that the provision of the same expense ratio for small and medium insurance concerns as for the big insurance concerns, is hitting the former category of companies?

The Deputy Minister of Finance (Shri M. C. Shah): The Insurance Act, 1938 and the Insurance Rules, 1939, provide different expense ratios for small, medium and big insurers.

A. M. C. CENTRE, POONA

*903. **Shri Punnoose:** (a) Will the Minister of Defence be pleased to state how many clerks GD were called to the A.M.C. Centre, Poona during the month of July, 1953 for release?

(b) How many of those called were actually released and how many reposted again to different units?

(c) How many were further called for release again from among those in (a) and (b) in September, 1953?

(d) What is the expenditure incurred by Government on the transport of these people to and from different stations in India?

The Deputy Minister of Defence (Sardar Majithia): (a) 83.

(b) 30 were released and 53 were reposted to different units. The latter figure includes 12 clerks who volunteered for remustering as Sanitary Assistants in which category the A.M.C. was deficient of its authorised strength, and 1 clerk who volunteered for transfer to infantry.

(c) 40.

(d) The information is being collected and will be laid on the Table of the House.

SOUTHERN REGIONAL DEVELOPMENT COMMITTEE

*906. **Shri Madhao Reddi:** Will the Minister of Education be pleased to state whether the visiting committees of the Southern Regional Development Committee of the All-India Council for Technical Education, have completed their work of inspecting the technical institutions and have submitted their report to the Council?

The Minister of Education and Natural Resources and Scientific Research (Maulana Azad): Yes. The Visiting Committees have completed the work and have submitted their reports to the Southern Regional Committee.

CHANGING NAMES OF PLACES

*911. **Shri Bughhikotaiiah:** Will the Minister of Home Affairs be pleased to state:

(a) whether it is a fact that the Centre have instructed the State Governments that they should not change the old names of villages and towns frequently; and

(b) if so, the reasons therefor?

The Deputy Minister of Home Affairs (Sri Datar): (a) Yes.

(b) To have a uniform procedure for changes of names and their spelling and to ensure that the names of villages and towns, etc. to which people have got used or which have a historical significance should not be changed unless there are compelling reasons to justify the change.

MINERAL CONCESSION RULES

*912. **Shri Amjad Ali:** Will the Minister of Natural Resources and Scientific Research be pleased to state:

(a) the broad lines on which the Government of India are contemplating modifications in the mineral concession rules for the economic and

scientific utilisation of mineral resources of the country; and

(b) whether Government propose to compel every mine concession holder to employ technical experts whose instructions would be binding on the operators?

The Minister of Education and Natural Resources and Scientific Research (Maulana Azad): (a) The Mineral Concession Rules are not concerned with the economic and scientific utilisation of the mineral resources of the country. This is the purpose of the rules under Section 6 of the Mines and Minerals (Regulation & Development) Act which are under consideration and will be promulgated shortly. It would be premature at this stage to make any disclosure of their contents since final decisions on a number of important issues involved have yet to be taken.

(b) A suggestion to this effect has been made to Government and is under consideration.

OCCUPANCY TENANTS IN P. E. P. S. U.

*924. **Shri Gopala Rao:** Will the Minister of States be pleased to state:

(a) whether it is a fact that the revenue staff of Pepsu are trying to realise compensation from occupancy tenants in full without fixing instalments; and

(b) whether instructions have been issued by Government to the revenue staff in the matter of implementation of agrarian legislation regarding occupancy tenants?

The Minister of Home Affairs and States (Dr. Katju): (a) No.

(b) Yes.

WIRELESS LINK WITH HINDNAGAR

*931. **Shri Bhagwat Jha:** Will the Minister of Defence be pleased to state:

(a) whether it is a fact that a wireless link between Hindnagar, Korea and India has been established;

(b) what would be approximate strength in words that could be transmitted in a day;

(c) whether the equipment has been taken from India or some other arrangements have been made; and

(d) what is the approximate cost of this venture?

The Deputy Minister of Defence (Sardar Majithia): (a) Yes.

(b) 5000 words per day.

(c) The equipment has been provided from India.

(d) Additional expenditure incurred on the scheme is approximately Rs. 27,000/-. Recurring expenditure on maintenance, etc. is estimated to be Rs. 1000 per month.

ENTRY INTO INDIA

***932. Shri P. Subba Rao:** Will the Minister of States be pleased to state:

(a) whether permanent residents of Kashmir have to obtain permits for entry into India; and

(b) if the answer to part (a) above be in the affirmative, the reasons therefor?

The Minister of Home Affairs and States (Dr. Katju): (a) Yes.

(b) The restriction has been imposed under the Egress and Internal Movement (Control) Ordinance, 2005 which was issued by the Jammu and Kashmir Government under their powers. It is understood from the State Government that this was done mainly for security reasons after the State was attacked and infiltration continued.

NATIONAL SAMPLE SURVEY STAFF

***933. Shri H. N. Mukerjee:** Will the Minister of Finance be pleased to state whether it is a fact that many of the employees in the Field Branch of the National Sample Survey directly under the Ministry, are employed on *ad hoc* terms from month to month?

The Deputy Minister of Finance (Shri M. C. Shah): The staff of the

National Sample Survey Directorate has been sanctioned, like other temporary establishments under the Government of India, up to the end of February, 1954. Most of the posts have been brought on the regular scales of pay. The remaining posts will also be brought on the regular scales of pay in the near future.

INCOME-TAX ASSESSMENT

***934. Shri M. L. Agrawal:** (a) Will the Minister of Finance be pleased to state when and why Pilibhit District (U.P.) was excluded from the Income-Tax Assessment Circle of Bareilly and included in the Income-Tax Assessment Circle of Shahjehanpur?

(b) What are the principles governing the formation of Income-Tax Assessment Circles and the Income-tax Appellate Regions?

The Deputy Minister of Finance (Shri M. C. Shah): (a) The District of Pilibhit was excluded from the Income-tax Circle of Bareilly in June, 1948 and included in the Income-tax Circle of Shahjehanpur in the same month. The change was dictated by considerations of economy and administrative expediency as it was found that while the Income-tax Officer, Bareilly had too many cases to deal with, the Income-tax Officer, Shahjehanpur did not have sufficient number of cases to keep him busy throughout the year. But this did not mean that assesseees of Pilibhit had to go to Shahjehanpur for assessment.

(b) The main principles governing the formation of Income-tax Circles and the Income-tax Appellate Regions are—

(i) the number of tax-payers in an area; and easy accessibility of headquarters to all concerned;

(ii) administrative expediency resulting in an equitable distribution of work among the assessing and appellate authorities.

ITALIAN SCHOLARSHIPS

*935. **Shri M. D. Ramasami:** Will the Minister of Education be pleased to state:

(a) for which course or courses of study five Italian Scholarships were recently awarded to Indian students;

(b) whether applications were called for from all the States for these scholarships; and

(c) the basis on which the selection of the candidates was made?

The Minister of Education and Natural Resources and Scientific Research (Maulana Azad): (a) Agriculture, Architecture, Cultural History, Engineering, and Technology.

(b) Yes.

(c) The selection was made on the basis of merit and the importance of the subject of study/training and the facilities available in Italy.

BACKWARD CLASSES COMMISSION

*936. { **Shri Muniswamy:**
Shri Ganapati Ram:
Shri Rishang Keishang:

(a) Will the Minister of Home Affairs be pleased to state how far the Backward Classes Commission appointed by the Government of India has progressed in its work?

(b) How many States have been visited by the Commission so far?

(c) Has the Commission submitted any interim report?

The Deputy Minister of Home Affairs (Shri Datar): (a) and (b). The Backward Classes Commission commenced its work on the 18th March 1953. To ascertain public opinion, it has drawn up a very elaborate questionnaire which has been widely circulated. Replies to the questionnaire are being received and are under examination. The Commission has so far visited six States for the collection of necessary data by taking written or oral evidence and by investigating on the spot the conditions of socially and educationally backward classes.

(c) No.

RESERVATION OF POSTS FOR SCHEDULED CASTES AND SCHEDULED TRIBES

*937. **Shri B. N. Kureel:** Will the Minister of Home Affairs be pleased to state whether Government have taken any action on the recommendations made by the Commissioner for Scheduled Castes and Scheduled Tribes in his report of 1951, regarding "Setting up of a Special machinery to ensure proper implementation of orders issued by Government regarding reservation of posts etc., for Scheduled Castes and Scheduled Tribes"?

The Deputy Minister of Home Affairs (Shri Datar): Instructions have since been issued for the regular submission of annual returns regarding the appointment of Scheduled Castes/Scheduled Tribes candidates to reserved vacancies. Arrangements have also been made for their scrutiny, and for inadequate observance of the reservation rules, wherever found, being brought to the notice of the Ministries concerned. Government are still considering what further action is necessary to ensure strict implementation of the reservation orders.

UNEMPLOYMENT

*938. **Shri M. D. Ramasami:** Will the Minister of Education be pleased to state when the scheme of employing educated and unemployed youngmen as teachers in rural areas put forward by the Government of India as a means of affording unemployment relief will be put into effect in respect of States that have agreed to the scheme so far?

The Minister of Education and Natural Resources and Scientific Research (Maulana Azad): The scheme in question has already been put into effect with effect from 2nd October, 1953.

HALI OSMANIA PAPER CURRENCY

*939. **Shri H. G. Vaishnav:** (a) Will the Minister of Finance be pleased to state the total amount of Hali Osmania paper currency in Hyderabad State that was returned to the treasury from

the 1st July, 1953 to the 31st October, 1953?

(b) What is the approximate value of the Osmania currency in circulation at present in that State?

The Deputy Minister of Finance (Shri A. C. Guha): (a) O. S. Rs. 8.05 crores including one-rupee notes.

(b) O. S. Rs. 18.42 crores including rupee coins and small coins as on the 28th November, 1953.

TRIBES ADVISORY COUNCILS

407. Shri Soren: Will the Minister of Home Affairs be pleased to state whether a Tribes Advisory Council for Scheduled Tribes has been established in West Bengal?

The Deputy Minister of Home Affairs (Shri Datar): Yes.

I. M. S. EMERGENCY CADRE OFFICERS

408. Dr. N. B. Khare: (a) Will the Minister of Defence be pleased to state the number of I.M.S. Emergency Cadre Officers recruited during the last War direct from Medical Colleges from among the Government of India stipendiary students who have not yet been confirmed in the regular cadre of A.M.C.?

(b) What has been the policy regarding confirmation of these officers?

The Deputy Minister of Defence (Sardar Majithia): (a) No separate statistics have been maintained in respect of stipendiary students recruited through the Emergency Cadre of the late IMS, as they got merged with other Emergency Commissioned Officers of the Cadre on being granted the Commission.

(b) These officers were given the same opportunities to apply for a permanent commission in the AMC as other Emergency Commissioned Officers of the late IMS; permanent regular commissions were granted only to those among them as were found suitable by the Selection Boards on the basis of merit.

TERRACE CULTIVATION

409. Shri Rishang Keishing: Will the Minister of States be pleased to state:

(a) the amount of money sanctioned and spent in order to encourage terrace cultivation in the hill areas of Manipur during the years 1952-53 and 1953-54;

(b) the sub-division-wise number of applications received and accepted by the Government of Manipur; and

(c) the areas of land brought under cultivation during the same period?

The Minister of Home Affairs and States (Dr. Katju): (a) In 1952-53 six demonstrators were appointed for carrying out propaganda work and for exploring suitable areas in the Hills where terrace cultivation could be introduced. They covered 80 villages and discovered an area of 1000 acres which was suitable for terrace cultivation. An amount of Rs. 2,000/- was spent for the purpose.

Again, during 1953-54 demonstrators have been appointed for the same purpose.

A lump sum is proposed for Chief Commissioner's discretionary grant under the Tribal Welfare Scheme and it is intended that financial help for such purposes should be met from that fund.

In 1952-53 a sum of Rs. 4,000/- was spent from Chief Commissioner's discretionary grant as contribution to the Chingjaori village in Ukhrol area for construction of an irrigation channel.

(b) Applications received—

Ukhrol	3
Sadar	2
Tameglong	3
Churachandpur	1
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	9
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All these applications are under examination.

(c) Precise information is not available. It will be collected and placed on the Table of the House, when received.

OPIUM

410. Shri U. M. Trivedi: (a) Will the Minister of Finance be pleased to state the quantity of opium processed for local consumption at (i) Neemuch factory and (ii) Ghazipur factory?

(b) What it costs the Government of India to so process it and what is the cost of the processed opium to the Government of India?

(c) What are the rates at which it is supplied to the various States?

(d) Is it a fact that the various States sell such opium to the public at their own several rates?

(e) Are Government aware that difference in rates in various States encourages illicit smuggling of Government opium?

The Deputy Minister of Finance (Shri A. C. Guha): (a) 2,361 maunds of opium at Gazipur Factory and 805 maunds of opium at Neemuch were manufactured during the opium year 1952-53.

(b) The information is being collected and will be laid on the Table of the House as soon as possible.

(c) The present rate at which the opium is supplied to State Governments is Rs. 56/1/- per seer.

(d) Yes, Sir. A statement showing the rates at which the State Governments sell opium is appended. [See Appendix IV, annexure No. 53.]

(e) No, Sir, not to any extent worth mentioning in present conditions. The supplies to State Governments are being progressively reduced at the rate of 10 percent annually over the basic figure of supplies in the financial year 1948-49 and have now reached such low levels as to be hardly enough to meet the requirements of the State Governments themselves. The control by State Governments has, therefore, become more stringent than ever and

the danger of inter-State smuggling has been considerably reduced.

परीक्षाएं

४११. सेठ गोविन्द दास : क्या शिक्षा मंत्री उन विद्यार्थियों की सम्पूर्ण संख्या बताने की कृपा करेंगे जो सन् १९५३ में निम्नलिखित परीक्षाओं में उत्तीर्ण हुए हैं;

(१) मैट्रिकुलेशन अथवा उसकी समकक्ष;

(२) इन्टरमीडियेट अथवा उसकी समकक्ष;

(३) बी० ए०, बी० एस० सी० अथवा उन की समकक्ष;

(४) एम० ए०, एम० एस० सी० अथवा उस की समकक्ष;

The Minister of Education and Natural Resources and Scientific Research (Maulana Azad): (i) to (iv). The number of students passing the Annual examinations held in 1953 was: Matriculation and its equivalent 3,04,400; I.A./I Sc 80,700; B.A./B.Sc. 33,200; and M. A./M. Sc. 7,500.

C. O. D. DEHU ROAD, POONA

412. Shri Gidwani: (a) Will the Minister of Defence be pleased to state whether it is a fact that some Defence employees in the C.O.D., Dehu Road, Poona, have been discharged from service without assigning any reasons?

(b) Is it a fact that when any employee is discharged from service, he is to be given a charge sheet and also an opportunity to defend himself?

(c) Is it a fact that the employees referred to in part (a) above were active Trade Unionists?

The Deputy Minister of Defence (Shri Satish Chandra): (a) Two temporary employees were discharged with due notice, as their services were no longer required.

(b) Charge sheet is given only in cases where Government servants are

discharged in pursuance of disciplinary proceedings. No charge sheet is required in cases where the services of temporary employees are terminable by notice on either side.

(c) One of the employees was an ordinary member of the C. O. D. Kamgar Sangh while the other was a member of the Executive. The association of these two individuals with the Sangh had, however, nothing to do with their discharge.

POLICE ORGANISATIONS IN MANIPUR

413. Shri Rishang Kelshing: Will the Minister of States be pleased to state the different categories of the police organisations in Manipur and their respective present strengths?

The Minister of Home Affairs and States (Dr. Katju): The sanctioned strength of the Manipur Police force is as follows:

Armed (Manipur Rifles)

Designation	Sanctioned strength
Commandant	1
Subedar Major	1
Subedars	2
Jemadars	9
Havildars	18
Naiks	32
Lance Naiks	30
Riflemen	303
Head Constable	1
Chowkidar	1
Sweepers	8
Total	406

Unarmed (Civil Police)

Designation	Sanctioned strength
Superintendent of Police	1
Deputy Superintendents of Police	2
Inspectors	6
Sub-Inspectors	28
Assistant Sub-Inspectors	34
Head Constables	16

Constables	288
Head Clerk	1
Stenographer	1
Clerks	6
Cowherd	1
Sweeper	4
Beatman	1
Total	389

ALL INDIA RASHTRABHASHA SAMMELAN

414. Shri Gidwani: (a) Will the Minister of Education be pleased to state whether Government are aware that the Fifth All India Rashtrabhasha Sammelan held in Nagpur on the 10th November, 1953 passed a resolution stressing the need for standardisation of Hindi Examinations and urged that the Hindi Siksha Samiti appointed by the Ministry of Education should include such members as would represent the organisations propagating Hindi in the country?

(b) If so, what action do Government propose to take in the matter?

The Minister of Education and Natural Resources and Scientific Research (Maulana Azad): (a) Yes, Sir.

(b) The matter is under consideration. It may, however, be stated that the Hindi Shiksha Samiti, according to its present constitution, consists of, *inter alia*, representatives of three leading Hindi organisations, viz. (i) Hindi Sahitya Sammelan, Allahabad, (ii) Dakshin Bharat Hindi Prachar Sabha, Madras, and (iii) Hindustani Prachar Sabha, Wardha.

SALES TAX

415. Shri Gidwani: (a) Will the Minister of Finance be pleased to state whether it is a fact that a Committee of the officials met at Delhi on the 16th and 17th November, 1953 to consider the difficulties experienced in the administration of the Sales Tax laws in the various States?

(b) If so, were any decisions arrived at?

The Deputy Minister of Finance (Shri M. C. Shah): (a) Yes, Sir.

(b) The Committee made certain recommendations which have been circulated to all the State Governments.

CUSTOMS GATES ON BORDERS OF PONDICHERRY.

416. Shri Muniswamy: Will the Minister of Finance be pleased to lay on the Table of the House a list showing the Customs gates, outgates and choukies that are situated on the borders of Pondicherry?

The Deputy Minister of Finance (Shri A. C. Guha): A statement showing the Land Customs Stations (Choukies), outgates and ingates on the Pondicherry land frontier is laid on the Table of the House. [See Appendix IV, annexure No. 54.]

SMUGGLING OF LIQUOR

417. Shri Gidwani: Will the Minister of Finance be pleased to refer to the reply by the Prime Minister to a supplementary question raised on starred question Nos. 1229 and 1230 asked on the 11th September, 1953 and state:

(a) whether any further inquiry was made into the question of some customs officers of Bombay being involved in the smuggling of liquor; and

(b) if so, what is the result of the inquiry?

The Deputy Minister of Finance (Shri A. C. Guha): (a) and (b). The Member has presumably in mind the case of Shri George Dique of the Bombay Custom House, which the Prime Minister undertook to look into personally. The case has been reviewed by all the Ministries concerned and steps have been taken to give effect to the provisional decision of Government. Certain preliminary formalities have been already initiated.

अनुसूचित जातियों तथा अनुसूचित आदिम जातियों के आयुक्त का कार्यालय

४१८. ३० सत्यवादी : क्या गृह कार्य मंत्री बताने की कृपा करेंगे :

(क) अनुसूचित जातियों तथा अनुसूचित आदिम जातियों के आयुक्त के कार्यालय तथा उस की शाखाओं में कार्य कर रहे कर्मचारियों (श्रेणी वार) की संख्या; तथा

(ख) प्रत्येक श्रेणी में क्रमशः अनुसूचित जातियों तथा अनुसूचित आदिम जातियों के कर्मचारियों की संख्या ?

The Deputy Minister of Home Affairs (Shri Datar): (a) and (b). A statement is placed on the Table of the House. [See Appendix IV, annexure No. 55.]

2055

2056

HOUSE OF THE PEOPLE

Monday, 14th December, 1953

The House met at Half Past One
of the Clock

[MR. SPEAKER in the Chair]

QUESTIONS AND ANSWERS

(See Part I)

2-39 P.M.

DEATH OF SHRI H. N. SHASTRI

مستتر آف ایجوکیشن اینڈ نیچرل

دسورسز اینڈ سائنٹفک رسرچ (مولانا

آزاد) : جناب - اس وقت ہم سب کے دل ایک تازہ غم کے بوجھ سے بوجھن ہو رہے ہیں - دو دن ہوئے ہوائی جہاز کا یہ جو حادثہ ناگہور میں ہوا اس کی وجہ سے ۱۳ جانوں کا نقصان ہوا اور بڑے ہی دکھ کی بات ہے کہ ہمارے ایک عزیز ساتھی اور اس ٹھاس کے سرگرم ممبر شری ہری ہر ناتھ شاستری بھی اس حادثہ میں ہم سے جدا ہو گئے - شاستری مرحوم ماں کی آزادی کی لڑائی کے ایک بہادر سپاہی تھے - ابھی وہ تعام یا رہے تھے کہ مہاتما جی 588 PSD.

کی لہذرشپ میں تحریک شروع ہوئی۔ انہوں نے تعلیم چھوڑ دی اور مہدان میں آ کر کھڑے ہو گئے - وہ بار بار مہدان میں آئے اور بار بار قہدخانہ کا دروازہ کھٹکھٹایا - اس کے بعد انہوں نے بھارس میں اپنی تعلیم پوری کی - تعلیم کے بعد مرقع تھا کہ وہ اپنی فکر کرتے ، اپنے خاندان کی فکر کرتے ، کوئی ملازمت کرتے ، کوئی کاروبار کرتے ، مگر نہیں انہوں نے اپنی زندگی ملک کی خدمت کے لئے وقف کر دی اور خدمت کا بھی ایک ایسا مہدان چلنا جو بہت مشکل مہدان تھا - یعنی مزدوروں کی خدمت کا مہدان ، مزدوروں کے مقصد کو ، مزدوروں کے فائدہ کو انہوں نے اپنا مقصد بنایا وہ برسوں سے اس کام میں لگے ہوئے تھے - نہ صرف اس ماں کے ندر - بلکہ ماں کے باہر بھی جو انٹرنیشنل آرگنائزیشن ہیں ، وہ ان میں شریک ہوئے اور ہندوستان کی نمائندگی کی - مزدوروں کا فائدہ یقیناً ان کو عزیز تھا لیکن اس کے ساتھ ہی وہ ان لوگوں میں نہیں تھے جو کسی ایک ہی طرف بہہ جاتے ہیں - ان کے سامنے گورنمنٹ کی مشکلات - کارخانوں

[مولانا آزاد]

کی مشکلات اور اندہتری کی مشکلات
بھی تھیں اور وہ ہمیشہ کوشش کرتے
ہے کہ - مزدوروں کے فائدہ کو سامنے رکھتے
ہوئے اعتدال کا راستہ اختیار کیا جائے
تاکہ صحیح نقشہ بن سکے -

مجھ کو یقین ہے کہ ان کی
جدائی کا ہم سب یہاں طور
محسوس کر رہے ہیں اور ہاؤس کا ہر
ممبر ان کے پسماندوں سے دلی ہمدردی
رکھتا ہے -

[English translation of the above]

The Minister of Education and Natural Resources and Scientific Research (Maulana Azad): Sir, our hearts just now are borne down by a fresh grief. The air accident that occurred at Nagpur two days ago resulted in the loss of 13 lives and it is a matter of deep sorrow that one of our dear comrades, an active member of this House, Shri Harihar Nath Shastri was also a victim of this accident. The deceased had been a valiant soldier in the country's fight for freedom. He was still engaged in his studies when the movement started under the leadership of Mahatma Gandhi. He gave up his education and jumped into the field. He came into that field a number of times and courted imprisonment on a number of occasions. Then he completed his studies at Banaras. Thereafter, instead of worrying about himself or about his family and engaging in some service or business, as might have been expected, he dedicated his life to the service of the country and for that too he chose a field that was best with difficulties. He devoted himself to the service of labour. He made the good and the welfare of the workers his goal in life. For years he had been engaged in this work not only in this country but also abroad, where he

participated in the work of international organisations as India's representative. Although he certainly had the good of the workers at heart he was not one of those people who allowed themselves to be swayed over to any one side. He was also conscious of the difficulties of the Government, of the factories and of the industry and it was his constant endeavour, while keeping the good of the workers in view, to adopt the course of moderation and to see things in their right perspective.

I am sure we are all equally feeling the sorrow caused by his separation from us and that every member of the House has heartfelt sympathy for his survivors.

Mr. Speaker: I wholly associate myself with what has fallen from the hon. Deputy Leader of the House. Shri Harihar Nath Shastri played a very brave part in the struggle for independence and devoted his life to the cause of labour. He was president of the Indian National Trade Union Congress, and he was very helpful to this House, whenever there was any occasion for deliberating upon the problems connected with labour and industry.

We all mourn the loss of Shri Shastri, and I am sure this House will join me in conveying our condolences to his old mother and his wife. The House may stand in silence for a minute to express its sorrow.

The House then stood in silence for a minute.

PAPERS LAID ON THE TABLE

NOTIFICATION re INCOME-TAX INVESTIGATION COMMISSION

The Deputy Minister of Finance (Shri M. C. Shah): I beg to lay on the Table, under sub-section (3) of section 4 of the Taxation on Income (Investigation Commission) Act, 1947, a copy

of the Ministry of Finance (Revenue Division) Notification No. 71—Income-tax, dated the 2nd December, 1953, extending the term of appointment of the Income-Tax Investigation Commission up to the 31st December 1955. [Placed in Library. See No. S-207/53.]

NOTIFICATION re RESERVE BANK OF INDIA (NOTE REFUND) RULES, 1935

Shri M. C. Shah: I beg to lay on the Table, under the proviso to Section 28 of the Reserve Bank of India Act, 1934, a copy of the Reserve Bank of India Notification No. 22, dated the 29th October, 1953, making amendments to the Reserve Bank of India (Note Refund) Rules 1935. [Placed in Library. See No. S-208/53.]

ELECTION TO COMMITTEES

INDIAN CENTRAL COCONUT COMMITTEE

The Deputy Minister of Food and Agriculture (Shri M. V. Krishnaappa): I beg to move:

“That in pursuance of clause (g) of Section 4 of the Indian Coconut Committee Act, 1944, as amended by the Indian Coconut Committee (Amendment) Act, 1952, read with Rule 5 of the Indian Central Coconut Committee Rules, 1945, Members of this House do proceed to elect, in such manner as the Speaker may direct, a Member from among themselves to serve on the Indian Central Coconut Committee, in place of Shri P. T. Chacko, who resigned his seat in the House with effect from the 3rd July, 1953.”

Mr. Speaker: The question is:

“That in pursuance of clause (g) of Section 4 of the Indian Coconut Committee Act, 1944, as amended by the Indian Coconut Committee (Amendment) Act, 1952, read with Rule 5 of the

Indian Central Coconut Committee Rules, 1945, Members of this House do proceed to elect, in such manner as the Speaker may direct, a Member from among themselves to serve on the Indian Central Coconut Committee, in place of Shri P. T. Chacko, who resigned his seat in the House with effect from the 3rd July, 1953.”

The motion was adopted.

Mr. Speaker: I have to inform Members that the following dates have been fixed for receiving nominations and withdrawal of candidatures, and for holding an election, if necessary, in connection with the Indian Central Coconut Committee, namely:—

Date for nomination	Date for withdrawal	Date for election
15-12-53	16-12-53	21-12-53

The nominations for the Committee and the withdrawal of candidatures will be received in the Parliamentary Notice Office up to 4 p.m. on the dates mentioned for the purpose.

The election, which will be conducted by means of the single transferable vote, will be held in Committee Room No. 62, First Floor, Parliament House, between the hours 2-30 and 5 p.m.

SPECIAL MARRIAGE BILL

The Minister of Law and Minority Affairs (Shri Biswas): I beg to move:

“That this House concurs in the recommendation of the Council of States that the House do join in the Joint Committee of the Houses on the Bill to provide a special form of marriage in certain cases, and for the registration of such and certain other marriages and resolves that the following Members of the House of the People be nominated to serve on the said Joint Committee, namely: Shri Hari Vinayak Pataskar. Shrimati Indira

[Shri Biswas]

A. Maydeo, Shri Narhar Vishnu Gadgil, Pandit Balkrishna Sharma, Shri Nardeo Snatak, Shri Ram Saran, Shri Muhammed Khuda Buksh, Shrimati Sushama Sen, Shri Awadeshwar Prasad Sinha, Dr. Hari Mohan, Shri Dodda Thimmaiah, Shri G. R. Damodaran, Shri C. P. Mathew, Shri Viswanath Reddy, Shri Tek Chand, Shrimati Subhadra Joshi, Shrimati B. Khongmen, Shri B. N. Mishra, Shri N. Somana, Shri Purnendu Sekhar Naskar, Shri B. Pocker Saheb, Her Highness Rajmata Kamlendu Mati Shah, Shrimati Sucheta Kripalani, Shrimati Renu Chakravartty, Dr. A. Krishnaswami, Shri M. R. Krishna, Shri B. Ramachandra Reddi, Shri P. N. Rajabhoj, Shri K. A. Damodara Menon, and Shri Tridib Kumar Chaudhuri."

Some Hon. Members: What about the Mover? (*Interruptions*).

Mr. Speaker: Motion moved:

"That this House concurs in the recommendation of the Council of States that the House do join in the Joint Committee of the Houses on the Bill to provide a special form of marriage in certain cases, and for the registration of such and certain other marriages and resolves that the following Members of the House of the People be nominated to serve on the said Joint Committee, namely: Shri Hari Vinayak Pataskar, Shrimati Indira A. Maydeo, Shri Narhar Vishnu Gadgil, Pandit Balkrishna Sharma, Shri Nardeo Snatak, Shri Ram Saran, Shri Muhammed Khuda Buksh, Shrimati Sushama Sen, Shri Awadeshwar Prasad Sinha, Dr. Hari Mohan, Shri Dodda Thimmaiah, Shri G. R. Damodaran, Shri C. P. Mathew, Shri Viswanath Reddy, Shri Tek Chand, Shrimati Subhadra Joshi, Shrimati B. Khongmen, Shri B. N. Mishra, Shri N. Somana, Shri Purnendu Sekhar Naskar, Shri B.

Pocker Saheb, Her Highness Rajmata Kamlendu Mati Shah, Shrimati Sucheta Kripalani, Shrimati Renu Chakravartty, Dr. A. Krishnaswami, Shri M. R. Krishna, Shri B. Ramachandra Reddi, Shri P. N. Rajabhoj, Shri K. A. Damodara Menon, and Shri Tridib Kumar Chaudhuri."

Pandit Balkrishna Sharma (Kanpur Distt. South *cum* Etawah Distt.—East): With your permission, I would like to draw your attention and the attention of the House to the Resolution passed by the Council of States, in this connection. According to that Resolution, this Joint Committee will be governed by the Rules of Procedure followed by that House, which means that the chairman of this Committee will be from that House, and that this Joint Committee in which the majority of the Members will be from this House, will submit their report to that House. In these circumstances, should we, without going into this particular part of that Resolution, pass this motion?

Shri M. Khuda Baksh (Murshidabad): Sir, may I make a submission on the point raised by my hon. friend? I have seen the Resolution in the uncorrected copy of the proceedings of the other House. It is specifically laid down therein that the Rules of Procedure etc., as has been already mentioned by my hon. friend, will be those of the other House. He has also mentioned that the majority of the Members that shall serve on that Committee will be from this House. The Members from the other House, I understand, number 15, while the number of Members from this House is 30.

There is one other thing to which my hon. friend has not drawn your attention, *viz.* that the Resolution, when it was presented to this House, was not in its entirety, as passed by the other House.

We are here asked to give our consent or approval to the Resolution

passed by the other House. Therefore, Sir, I thought that it would be proper that the entire Resolution passed by the other House should have been presented to this House. Otherwise, we are not in the know; we are not in possession of the proceedings of that House. It was only because this matter was mentioned in the Lobby that my hon. friend and I had an opportunity of looking into the debate in the other House and we found that the Resolution as passed by that House was not presented before this House. Hence, Sir, this difficulty has arisen. We are not in possession of the Resolution passed by the other House. Therefore, I would suggest that the Resolution as passed by them—because we are not in a position to amend it—shall have to be passed over to the other House for amendment before we can accept it. Otherwise, we shall be bound by that Resolution as such, which, I think, would be in gross contempt of this hon. House.

Shri S. V. Ramaswamy (Salem): On a matter of clarification, Sir?

Dr. Lanka Sundaram (Visakhapatnam): Sir, I concur with the statements made by my hon. friends, Pandit Balakrishna Sharma and Mr. Khuda Baksh. You will see, Sir, that this question involves vast problems of constitution, procedure and privilege, and that is why, Sir, I gave notice of a substitute Motion to the Motion of my hon. friend, the Law Minister, so that if you in your wisdom consider it proper and necessary, you can have a full-dress debate upon the points of constitution, procedure and privilege involved before we go into the merits of the Bill. Frankly speaking, Mr. Speaker, you will see the Bill is not before this House at all. If you permit me, Sir, we may take up these points of constitution, procedure and privilege first and then go into the merits later on, if that is necessary. If you permit me, I will move my motion; otherwise, I will wait till such time as is necessary. It so happens

that mine is the only amendment in the Order Paper.

Mr. Speaker: There are two other amendments also.

Dr. Lanka Sundaram: They are amendments to my substitute Motion.

Mr. Speaker: I think he may move his Motion at this stage and then as the debate develops, we shall see actually what the position is.

Dr. Lanka Sundaram: Mr. Speaker, I beg to move:

That for the original motion, the following be substituted:

“This House takes note of the recommendation of the Council of States that this House do join in the Joint Committee of the Houses on the Bill to provide a special form of marriage in certain cases, and for the registration of such and certain other marriages, and resolves that the following members of the House of the People be nominated to associate with the said Committee:

Shri Hari Vinayak Pataskar, Shrimati Indira A. Maydeo, Shri Narhar Vishnu Gadgil, Pandit Balakrishna Sharma, Shri Nardeo Snatak, Shri Ram Saran, Shri Muhammed Khuda Baksh, Shrimati Sushama Sen, Shri Awadeshwar Prasad Sinha, Dr. Hari Mohan, Shri Dodda Thimmaiah, Shri G. R. Damodaran, Shri C. P. Mathew, Shri Viswanath Reddy, Shri Tek Chand, Shrimati Subhadra Joshi, Shrimati B. Khongmen, Shri B. N. Mishra, Shri N. Somana, Shri Purnendu Sekhar Naskar, Shri B. Pocker Saheb, Her Highness Rajmata Kamlendu Mati Shah, Shrimati Sucheta Kripalani, Shrimati Renu Chakravarty, Dr. A. Krishnaswami, Shri M. R. Krishna, Shri B. Ramachandra Reddi, Shri P. N. Rajabhoj, Shri K. A. Damodara Menon, and Shri Tridib Kumar Chaudhuri.”

[Dr. Lanka Sundaram]

If you permit me and if the House agrees, I should like to place my arguments before the House so that these constitutional and procedural points may be disposed of.

Mr. Speaker: Let me place the amendment. Amendment moved:

That for the original motion, the following be substituted:

"This House takes note of the recommendation of the Council of States that this House do join in the Joint Committee of the Houses on the Bill to provide a special form of marriage in certain cases, and for the registration of such and certain other marriages, and resolves that the following members of the House of the People be nominated to associate with the said Committee:

Shri Hari Vinayak Pataskar, Shrimati Indira A. Maydeo, Shri Narhar Vishnu Gadgil, Pandit Balakrishna Sharma, Shri Nardeo Snatak, Shri Ram Saran, Shri Muhammed Khuda Baksh, Shrimati Sushama Sen, Shri Awadeshwar Prasad Sinha, Dr. Hari Mohan, Shri Dodda Thimmaiah, Shri G. R. Damodaran, Shri C. P. Mathew, Shri Viswanath Reddy, Shri Tek Chand, Shrimati Subhadra Joshi, Shrimati B. Khongmen, Shri Bhupendra Nath Mishra, Shri N. Somana, Shri Purnendu Sekhar Naskar, Shri B. Pocker Saheb, Her Highness Rajmata Kamalendu Mati Shah, Shrimati Sucheta Kripalani, Shrimati Renu Chakravarty, Dr. A. Krishnaswami, Shri M. R. Krishna, Shri B. Ramachandra Reddi, Shri P. N. Rajabhoj, Shri K. A. Damodara Menon, and Shri Tridib Kumar Chaudhuri."

Shri M. S. Gurupadaswamy (Mysore): May I know whether the consent of all these Members has been taken.

Mr. Speaker: I presume it must have been.

Shri S. V. Ramaswamy: On a point of order, Sir.

Mr. Speaker: Let me first dispose of the amendment to this amendment.

Shri N. C. Chatterjee (Hooghly): I wanted to raise a point of order.

Mr. Speaker: Let me first dispose of this. Then I will hear all points of order.

Shri Kasliwal (Kotah-Jhalawar): I have an amendment to Dr. Lanka Sundaram's amendment.

Mr. Speaker: Yes, I am just looking into that. He wishes to move it

Shri Kasliwal: I wish to move it only to project attention on the question which has just been raised. I do not propose to say anything else on this particular aspect.

Mr. Speaker: Let him move the amendment.

Shri Kasliwal: I beg to move:

In the amendment proposed by Dr. Lanka Sundaram, printed as No. 1 in List No. 1—

for "and resolves that the following Members of the House of the People be nominated to associate with the said Committee," substitute—

"but regrets that it is unable to concur in the said recommendation."

Shri M. Khuda Baksh: On a point of order, Sir.

Mr. Speaker: Amendment moved:

In the amendment proposed by Dr. Lanka Sundaram, printed as No. 1 in List No. 1—

for "and resolves that the following Members of the House of the People be nominated to associate with the said Committee," substitute—

"but regrets that it is unable to concur in the said recommendation."

There is a further amendment to this motion by Mr. S. V. Ramaswamy. Does he wish to move it?

Shri S. V. Ramaswamy: I wish to raise a point of order before moving my amendment.

Mr. Speaker: My point is, let the main proposition, the amendments and the whole subject be in the possession of the House and then we shall hear all people who want to say anything in respect of any point of order on the constitution or procedure. That is why I am asking the hon. Member to move his amendment first and not raise his point of order. I shall hear his point of order also.

Shri M. Khuda Baksh: I wish to raise a point of order arising from the amendment which has been just moved by my hon. friend.

Mr. Speaker: First, let all the amendments be before the House.

Shri S. V. Ramaswamy: I would like to know, Sir, whether the main motion is itself in order.

Mr. Speaker: That will be different. I have not decided that.

Shri S. V. Ramaswamy: I am not moving an amendment to that motion which is itself not proper.

Mr. Speaker: Then he need not move it or may move it subject to the whole thing being in order.

Shri S. V. Ramaswamy: I am moving my amendment subject to the main motion being adopted by this House. My amendment reads:

In the motion, add the following at the end:

“which will work under the Rules of Procedure of the House of the People”.

Mr. Speaker: Amendment moved:

In the motion, add the following at the end:

“which will work under the Rules of Procedure of the House of the People”.

Mr. Speaker: So it seems, looking at the desire of a large number of hon. Members to raise points of order on the constitutional aspect, it is better that we first restrict ourselves to points of order on the constitutional position.

Dr. Lanka Sundaram: Mr. Deputy-Speaker, Sir.....(*Interruptions*).

Mr. Speaker: Order, order. I am going to vacate.

Dr. Lanka Sundaram: Coming events cast their shadows.

[*MR. DEPUTY-SPEAKER in the Chair*]

Mr. Deputy-Speaker, Sir, the House will realise that I have given notice of my motion seeking to substitute the motion of my hon. friend, the Law Minister, specifically to raise a debate on the constitution, procedure and privilege involved in the proposal of the Government that this House do agree to the nomination of certain people to serve on a Joint Select Committee originating in the other place. I would like to say straightway, Sir, that I do not propose to say anything about the merits of the Bill. Even though I have got one or two small points about the contents of the Bill, I am entirely in agreement with the Mover of the Bill. I say so because I heard with considerable amusement that certain Members opposite or the party in power, have sought to interpret my motion as constituting a sly attempt on the part of the mover to sabotage the Bill. I am here freely to confess that there is no intention of that type on my part.

Having said this, Mr. Deputy-Speaker, the House will not fail to be struck by a very extraordinary point involving even on a wider basis the question of the constitution, procedure and privilege involved in the motion of my hon. friend, the Law Minister. On the Order Paper, Sir, today you will see there are three distinct motions. One motion—apart from the motion

[Dr. Lanka Sundaram]

which is now under debate—is in the name of the Law Minister—on the recommendations of the Joint Committee of Parliament on allowances and abbreviations for Members of both the Houses. You will notice, Sir, that a Joint Committee of both the Houses appointed on a motion in this House reported in July last year—17 months ago—and made certain recommendations and the report came for disposal in this House, the designation or abbreviation “M.P.” has been appropriated by Members of the other House. I do not wish to comment on the implications of this. There will be other occasions when the motion proper is taken up. But I am drawing your attention to this point.

3 P.M.

Then there is the Prime Minister's motion on the Order Paper, seeking to resume the debate which was left unfinished on May 12th and 13th of this year. The motion relates to the association, on our invitation,—that means, the invitation of this hon. House—of seven elected Members of the other House with the Public Accounts Committee of this House. It so happens that I had spoken on the motion on 13th May last, and I do not wish to repeat any one of those arguments. But with your permission, I would request the House to remember that these three different motions on the Order Paper today, each in its own way, seeks to destroy, disrupt and derogate from our rights, privileges etc. guaranteed under the Constitution.

Shri B. Das (Jajpur-Keonjhar): No. no. Do not be alarmed.

Dr. Lanka Sundaram: The House will bear with me. In the case of the motion regarding the Special Marriage Bill, the Law Minister seeks the concurrence of this House with the recommendation of the Council of States for the election of Members to serve

on the Select Committee. If you see the motion on the joint committee on abbreviations and allowances, it wants the House to accept the recommendations seventeen long months after the report was made by the joint committee which was appointed on the motion of this House. And finally, the Prime Minister's motion attacks the same problem from another angle. It invites the other House to nominate seven Members to work on our Public Accounts Committee.

I regret to say this, Mr. Deputy-Speaker, but all this and many other things which are happening now in regard to the relationships between this House and the other House are done with a view to provoke a constitutional deadlock and crisis. I regret to have to say this, but I say it without any fear of contradiction. I wish these methods were straightforward, these methods were frontal, but these things are being sought to be done in an indirect way, in the most curious manner imaginable.

Having said this, I will address myself to my motion in relation to that of my hon. friend the Law Minister. You will recall that intervening in the debate on the 13th May of this year, the Prime Minister with reference to his motion on the Public Accounts Committee said as follows:—(I am quoting from page 17, 153—of the uncorrected debates)—

“It is desirable obviously that Parliament consisting of these two Houses should function in a smooth way, in a co-operative way, and that each should have as much opportunity to co-operate with the other as possible.”

I am sure that no hon. Member of this House would have any quarrel with the Prime Minister in this enunciation. Then the Prime Minister proceeded:—

“It was for this reason that we decided to have joint select committees for particular Bills wherever possible. Many of the arguments raised today may well be

raised in regard to those joint select committees. Not all; I say many of them can be raised."

Sir, I base my approach to this particular problem in terms of the statement made by the Prime Minister who, unfortunately, does not happen to be present with us today because he is out of town.

Without covering the ground I sought to cover when I spoke on the motion of the Prime Minister in May last, I would like to invite the attention of the House to the serious implications of the present move of my hon. friend the Law Minister, who has the motion in respect of the *Special Marriages Bill* in his name.

In the first place, Mr. Deputy-Speaker, the Constitution does not leave any doubt as to the relative powers, functions and procedure in respect of either House of Parliament. Article 105(3) clearly states the powers, privileges and immunities of each House of Parliament, and of the members and the committees of each House. They shall be such as may from time to time be defined by Parliament by law, and until so defined, shall be those of the House of Commons, or the Parliament of the United Kingdom, and of its members and committees.

My first point is with reference to Article 105(3). There is no rule so far made by mutual consent by both the Houses, governing this particular procedure. There is also no provision for a committee of this character in the *British Parliament*.

Article 107 clearly indicates that apart from money Bills which are disposed of in Articles 109 and 117 and in whose case the powers of the House of the People are supreme, the relative positions of both the Houses even in respect of other Bills are not left in doubt. Clause (1) of this Article provides for the originating of Bills in either House, but clause (5) lays down that Bills pending in the Council of States shall, subject to Article 108, lapse on the dissolution of the House

of the People. The implication is clear. Once the House of the People disappears from the scene for any reason, the other House is put out of operation.

Article 108 deals with the rejection of a Bill, disagreement to amendments on a Bill, or the lapse of six months time after the passage of a Bill by one House, and the President issuing summons for a joint session of both Houses. The language is, "unless the Bill has lapsed by reason of a dissolution of the House of the People". Of course, money Bills are completely outside the scope of this particular proposition. The main significance of this point is that even in respect of Article 108, which provides for joint sessions of both the Houses, there is no provision for a joint select committee even in the case of a joint session, and none at all about the Council of States transmitting a motion to this House for a joint select committee.

There is one more Article of the Constitution which I have to examine here, viz. Article 118, which makes provision for both the Houses making their own rules of procedure. Clause (3) of this Article empowers the President, after consultation with the Chairman of the Council of States and the Speaker of the House of the People, to make rules as to the procedure with respect to joint sittings of, and communications between, the two Houses. Clause (4) of this Article provides that the Speaker is to be the presiding authority at these joint sittings, or in his absence such person as may be determined by rules of procedure. In other words, the Speaker of the House of the People is the Speaker of Parliament—the Speaker of Parliament constituted by both the Houses of Parliament—and there is no question of this position being detracted from in any circumstances. That, so far, deals with the Constitution.

Now, with your permission, I will address myself to an examination—as

[Dr. Lanka Sundaram]

briefly as I can—of the rules of procedure of this hon. House and of the rules of procedure of the other place. Our rule 74(3) makes provision for the introduction of a motion in this House by the mover of a Bill that it shall be referred to a joint committee of the two Houses with the concurrence of the Council of States. Our rule 146, conferring rights on Members to move motions for select committees, clearly states: "if the Bill has not already been referred to a Select Committee of the Council or to a Joint Committee of both Houses, but not otherwise". It is here that the House must examine the rules of procedure of the other House. There is no provision there for a joint committee of the type which is envisaged in certain exceptional circumstances by the rules of procedure of this hon. House.

Pandit Balkrishna Sharma: Can it originate here?

Dr. Lanka Sundaram: I am glad that my hon. friend has made a reference to it. Actually, this hon. House since the first republican elections moved motions and got two joint committees appointed, namely, the joint committee on the Preventive Detention Bill and the Auxiliary and Air Forces Bill.

It is here that you must concentrate on the position of the other House. You, Mr. Deputy-Speaker, would recall as Chairman of our Rules Committee that an attempt was made by the other House last year by sending to us its draft rule 80-A. Section (4) of the draft rule 80-A makes it mandatory that the Chairman of such committees—for joint committees originating in the other place—shall be appointed by the Chairman of the Council from amongst the members of the committee, and that the Deputy Chairman of the Council of States, if he is a member of such committee, shall be appointed Chairman of the committee. Section (5) of this draft rule of the other House empowers the Chairman of the Council of States to

appoint the chairman of a joint committee if the original chairman was unable to attend. Then come two important provisions. Section (8) says that the time and place for the meeting of the joint committee shall be fixed by the Chairman of the Council. Section (9) says—

"In order to constitute a meeting of the Joint Committee the quorum shall be one-third of the number of members of the Council and one-third of the number of members of the House in the Joint Committee."

That means two quorums in a Joint Committee, on the motion of the other House, as adumbrated in these draft Rules. Finally, Sir, section 10 of the Rules provide for variations and modifications of the Rules to be made only by the Chairman of the Council of States, meaning thereby that the powers and functions of the Speaker of the House of the People are completely set at naught.

You are aware, Sir, that when this draft Rule was transmitted to this House, our Rules Committee have gone into it and have completely rejected it. Our grievance is that when the Government knows that the Rules Committee of this hon. House has totally rejected the propositions made one year ago by the other House, they are coming now through the back door to compel the House to accept them—a proposition rejected by the Rules Committee. Obviously, Sir, there cannot be two quorums. Our rule is to have one-third of the total members. You will see that at the moment a lot of confusion or complication will arise even about the technical point of quorum and also the manner in which the meetings are called and proceedings held. I consider, Sir, that the rejection by the Rules Committee of draft rule 80-A of the other House is sufficient notice to the Government that they shall not force a constitutional deadlock or crisis on this House, and I am sorry that the hon. Law

Minister has been obliged to bring this motion here through the back door. Now, Sir, I know most of my hon. friends would like to enter into this debate with as much sincerity and passion,—constitutional passion—as myself, and I would like to summarise the technical positions involved in a proposition of this character.

As regards the question of privilege, who will decide? 30 Members of this House, a majority working under a chairman nominated by the Chairman of the other House? Will Members of this House submit to the discipline, on questions of privilege, of the chairman appointed by the Chairman of the Council of States? That is the position. The Constitution says that the powers and privileges will be the same as in the House of Commons in the U.K. There is no precedent in the entire British Parliamentary history of a Joint Committee on the motion of the House of Lords, with a majority of the Members of the House of Commons functioning under the direction and control and rules of procedure of the other House. What about minutes of dissent? Every Member of a Joint Committee is entitled to write a note of dissent, and the Speaker has also the power to expunge from the proceedings phrases or statements which are unparliamentary or inappropriate. Supposing on this Committee, if my hon. friend's motion goes through, some Members of this hon. House submit a minute of dissent—it is not an academic question. You, Sir, have so much experience of Joint Select Committees. It so happens that I have recently experience of two Select Committees. We know there was an occasion only this year a few days ago about expunging of passages. Will this House submit to the indignity of being governed by the presiding officer of the other place? What about disturbances in a Joint Committee? Who will control?

Dr. M. M. Das (Burdwan—Reserved—Sch. Castes): Why should the Members create disturbances?

Shri S. S. More (Sholapur): Dr. Katju will control them.

Dr. Lanka Sundaram: I would like to be taken seriously, Sir, because we are trying to discuss the question quite comprehensively and with a sense of responsibility. In the event of indiscipline, whose jurisdiction is it to control it? Supposing a witness is recalcitrant, is the Speaker of the House to deal with him or the Chairman of the Council of States? What about payment of allowances, etc.? Is it from our budget or from their budget. There will be certain papers produced before the Joint Committee. The question whether they are to be kept secret or confidential has to be decided by the Speaker, or will this be done by the Chairman there? Then, proceeding to the difficulties regarding voting, there are many doubts regarding the manner in which the votes are to be cast. I know that at a particular meeting of a Select Committee of this House a Member declared that he was breaking the quorum, and he sat in the same room and broke the quorum.

An Hon. Member: Name him.

Dr. Lanka Sundaram: My hon. friend knows it. Actually an hon. Member of a Select Committee of this House declared that he was breaking the quorum, sat in the same room for half an hour and the proceedings could not be held. These, therefore, are not academic issues. Who is to take disciplinary action in such cases? It related to the Estate Duty Select Committee, of which I was a member.

Finally, there is a very important point. Even if the hon. House will not accept all my points, I think they will accept this at least. The practice in this House is this. The Chairman of a Select Committee is nominated by the Speaker on grounds of competence. The latest example is the Government Assurances Committee, and a Member of the Opposition is the Chairman of this Select Committee. It is something of extraordinary constitutional,

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procedural and even political importance. You know what happens now, and I say the reverse will happen in this case. Today, suppose, there is a 3 to 1 majority, and, suppose the reverse to be the case tomorrow or the day after in this Parliament or in one of the State Legislatures. What will be the position then? You cannot run a Select Committee on the basis of parties or political principles. Select Committees are committees which are the servants of the House, with certain special duties assigned to them, which they should perform before sending the issues for disposal by the House. Again, who will keep the records of the proceedings of the Joint Select Committee as adumbrated by the motion before this hon. House. These are some of the technical questions which the House must examine before this motion is allowed even to be considered.

There are two other points I would like to make. Whatever is done in the case of this Bill, there are two other Hindu Reforms Bills, and most of these points have been brought to the notice of the appropriate authorities in charge of the Bill. Are we to go through the same wrangling all over again before the House adjourns. And, all the three Bills must be referred to the Joint Select Committee before the House adjourns. It is something which is extraordinary and something which is unheard of. Having said this, I would like to say a couple of words on the theory of bicameral legislature. What is the position of the other House? It is a revising body and a body of elder statesmen, supposed to work in a calm atmosphere, an atmosphere completely divested from the rough and tumble of this House. Article 75(3) of the Constitution says that the Council of Ministers shall be collectively responsible to the House of the People. The position is clear. They are only to step in in cases where we go wrong. That revising position is now sought to be converted into a position of co-equal power.

An Hon. Member: Superior power.

Dr. Lanka Sundaram: Yes, superior in certain respects, with the result that the Rules Committee in its report to the House has brought out the position clearly, and said that the present position might be maintained and a step need not be gone further. I am raising this debate particularly with a view to laying down and putting beyond a shadow of doubt the procedure for the constitution of Joint Select Committees. I would like to say—I am sorry the Leader of the House is not here—that there seems to be a curious twist.....

Mr. Deputy-Speaker: What is the exact provision in the Resolution there? Have you got it here?

Shri Biswas: In the other House?

Dr. Lanka Sundaram: I shall finish my speech in a couple of minutes, Sir, before the Law Minister answers your point. I have seen the resolution, of course.

Shri Biswas: If you will please give me a minute, I will search it out from my papers here—I am sure I have brought it here with me.

Mr. Deputy-Speaker: All right.

Dr. Lanka Sundaram: There seems to be a curious twist about the manner in which the mechanism of party approach to cover the legislation has functioned in this regard. I am sorry to have to say this, but such of us in this House, irrespective of party, who are wide awake, know exactly what has happened. It is an attempt to sidetrack, it is an attempt to get things done by the back door when the right royal approach of amending the Constitution is there. The gravamen of my argument is this. My friend opposite wants to have the best of both the worlds. But our rules do not permit the motion for discussion in this House. And yet he brings it. Why do they not change the rules? I have tried to show it that the Constitution does not permit it—a position of this character. Why do not they amend the Constitution? These are questions which are not academic to my mind,

and I declare that posterity will judge us. Being the first republican Parliament, we have to set down very adequate, just and enduring rules of procedure, and without that parliamentary democracy cannot work. Very soon, through very important changes in some parts of the country, the party opposite may not be able to run the administration. It is not wishful thinking, but look at the danger; you are making it a pawn in the political game. For God's sake, do not do that. The rules of procedure should be binding for ever for all parties, and there must be a precedent of concrete value.

Finally, last time, I remember, Mr. Deputy-Speaker, the hon. Prime Minister brought in a motion about the Public Accounts Committee and all that. A three-line whip was issued by the party. It is their concern, but not mine, but even today, I appeal to my friends, especially the Law Minister, to leave the motion to the free vote of this House. Then you will know the result. This is a request which is not unreasonable, and if they want to exercise that party whip and mandate, I have no quarrel, because I do not belong to that party. This is a question which has nothing to do with any party controversy or quarrel. It is only a constitutional, procedural point, and that is why I gave notice of my amendment seeking to substitute the motion of the hon. Law Minister and to raise this discussion on constitutional procedure. If the vote is free, I am sure the result will not be in doubt at all.

Dr. N. B. Khare (Gwalior): I ask for an information: whether this House can consent to the appointment of a Select Committee to consider a Bill without at all agreeing with the principles of the Bill?

Mr. Deputy-Speaker: That will also be considered.

Shri Biswas: The resolution as passed by the Council of States and sent to this House is this:

"That the Bill to provide a special form of marriage in cer-

tain cases, and for the registration of such and certain other marriages be referred to a Joint Committee of the Houses consisting of 45 Members, 15 Members from the Council of States, namely,..."

the names are given in the resolution—

"and thirty Members from the House of the People; that in order to constitute a sitting of the Joint Committee, the quorum shall be one-third of the total number of Members of the Joint Committee; that in other respects, the rules of procedure of this Council relating to Select Committees will apply with such variations and modifications as the Chairman may make; that this Council recommends to the House of the People that the House do join in the said Committee and communicate to this Council the names of Members to be appointed by the House to the Joint Committee and that the Committee shall make a report to this Council within two months after its appointment."

Shri N. C. Chatterjee: Mr. Deputy-Speaker, Sir, I do maintain that this motion is thoroughly illegal, *ultra vires* and is repugnant both to the Constitution of India and the Rules of Procedure and Conduct of Business of the House of the People. There is no rule in the rules of procedure of our House which permits or sanctions any such motion. If you kindly turn to rule 74, you will find the heading is "Motions after introduction of Bills".

"When a Bill is introduced, or on some subsequent occasion, the member in charge may make one of the following motions in regard to his Bill, namely:—

(i) that it be taken into consideration; or

(ii) that it be referred to a Select Committee of the House; or

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(iii) that it be referred to a Joint Committee of the Houses..."
or

(iv) that it be circulated for the purpose of eliciting opinion thereon."

Now, Sir, this Bill has not at all been introduced in the House of the People. There has been no motion moved with regard to the introduction, and we have got nothing to do with this Bill. It is not pending before us, and therefore, I maintain that the motion of the hon. Law Minister is against the rule.

I now, take, Sir, more fundamental points. The constitution of this Parliament is bicameral, as my friend Dr. Lanka Sundaram has pointed out. Articles 79 to 81 make it clear that Parliament shall consist of two Houses. Law passed by Parliament means law passed by both the Houses followed by the assent of the President, subject, of course, to the paramount provision that money Bills should not be passed by the Council in which sphere the House of the People has the power. That is covered by article 109. Now, if you look at article 118(1), each House is to function under the rules to be framed by them. The Constitution provides that you have got the power to frame the rules and that rule shall be binding and we shall be governed by those rules. Article 118(1) says so. The Constitution, therefore gives us the authority to frame rules. "Each House may make rules for regulating, subject to the provisions of this Constitution, its procedure and the conduct of its business". Under that article we have framed rules and they are binding on us.

If a motion for leave to introduce a Bill is carried, then it may be referred to a Select Committee or taken up for consideration. After the Bill passes through all its stages, it has

to be passed by a House in which it was introduced.

Now, Sir, if you will kindly turn to article 108 of the Constitution, you will find—and I submit that it is the most relevant article—the following provision:

"If after a Bill has been passed by one House and transmitted to the other House—

(a) the Bill is rejected by the other House; or

(b) the Houses have finally disagreed as to the amendments to be made in the Bill; or

(c) more than six months elapse from the date of the reception of the Bill by the other House...."

Then, the President can take certain courses of action. Therefore, Sir, under this article, after a Bill has been passed by one House, only then it can be transmitted to the other House. Our rule also contemplates that course. If you look at rule 142, you will see that it is also in conformity with the Constitution. In the chapter relating to "Bills originating in the Council and transmitted to the House", it is clearly stated by rule 142 thus:

"When a Bill originating in the Council has been passed by the Council and is transmitted to the House the Bill shall, as soon as may be, be laid on the Table."

Then, Sir, rule 144 provides for motions for consideration, and rule 145 for discussion. I may submit, Sir, that the only way that this House can take cognizance of the Bill is by complying with the provisions of rules, 142, 143, 144 and 145. The condition precedent is, Sir, that it must be passed in one House, and then transmitted to this House. It is only then that you can take cognizance of it and you can then deal with the Bill. This Special Marriage Bill was introduced in the Council of States. It was

debated there fully. The Council approved of the Bill and it resolved that this Bill be referred to a Joint Committee of the two Houses. Now, Sir, I maintain that the hon. Law Minister's motion is not in order because it will constitute a bad precedent, a dangerous precedent and if I may quote what Mr. Khuda Baksh said, it is certainly discourtesy shown to this House if not contempt of this House.

Sir, I am using the word 'discourtesy' because it has been pointed out in May's Parliamentary Practice that a resolution like this is always resented by the House of Commons as discourtesy. I am reading, Sir, from the latest edition of May's Parliamentary Practice—15th edition—page 641. There it is put down:

"It was formerly the practice, when either House desired to refer a matter, or to commit a bill, to a joint committee, for that House to appoint a committee, and send a message to the other House to inform it of the appointment, and to request it to appoint an equal number of its members to join with the committee appointed by the first House.

This course is not only inconvenient, as in the event of the other House not complying with the request, the order for the appointment of the committee would have to be discharged, but now would be regarded as discourteous to the other House."

Sir, our rules do not permit it. It is an act of discourtesy and I submit, Sir, that this should be held out of order. It is a bad precedent. The House has got to discuss the Bill. It has not accepted the principle of the Bill. Yet, the Law Minister asks this House.....

Mr. Deputy-Speaker: I understood from the passage to mean that it is discourtesy to the other House—the Council.

Shri N. C. Chatterjee: No. Discourtesy to the House which is commanded. The other House says: "We

have discussed the Bill. We have approved the principles of the Bill. We appoint a Committee. We ask you to send some Members to the Joint Committee". That, Sir, is resented and is discourteous or contemptuous.

Now, I come to a more fundamental consideration. I maintain that the Council of States is not at all competent to ask this House to select representatives to serve on their Committee. Firstly, this Bill is not at all before them; secondly it is not pending before this House; thirdly no motion has been moved for the consideration of this Bill; fourthly no motion for consideration has been at all passed by this House. It is only after a Bill is on the Order Paper and the House is in possession of it and the leave for introduction of it has been moved and it has been granted, that there can be a request for reference to a Select Committee. Rule 74 envisages the question of reference to Select Committee will arise only on this condition.

We are not using the word "discourtesy" purely out of any inflated notion of our importance, or to dramatise any cleavage between the two Houses. We are not resenting this in a light-hearted manner. Really this House is being asked to send its nominees to a Select Committee which will in fact be a committee of the other House, functioning under the guidance of the Chairman of the Council of States, to discuss something which is not at all before the House. Therefore, this House should not at all entertain any such motion.

Article 108 of the Constitution envisages that one House can deal with a Bill only after the transmission stage is over. Under the same article the Bill has to be laid on the Table. Sir, rule 142 of our Rules of Procedure is perfectly clear on this point. It reads:

"When a Bill originating in the Council has been passed by the Council and is transmitted to the House the Bill shall, as soon as may be, laid on the Table."

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Then you can consider it and then you can discuss it. Now, this stage has not yet arisen. Therefore, we are not raising this merely as a debating point, a technical point, or legal disquisition. I am pointing out, Sir, that this kind of dangerous precedent, if accepted by the House, will lead to anomalous situations. It will be dangerous. Acceptance of the hon. the Law Minister's motion will mean that this House will really subordinate itself to the other House, and we should never be a party to that kind of subordination.

Although some members may be chosen from the House of the People, to participate in the Joint Committee, the report will be submitted to the Council of States. Sir, I do not know if we have got the printed report of the Council of States proceedings. It is headed, Council of States Debates, 16th May 1953 and 16th September 1953. On the 16th September the Law Minister moved the motion and it says clearly:

"In other respects (with respect to quorum, etc.) the Rules of Procedure of the Council of States relating to Select Committees will apply."

Therefore, Sir, our nominees, the nominees of the House of the People will be completely functioning under the Rules of Procedure of the Council.

Another amendment has been introduced: "with such variations and such modifications as the Chairman of the Council of States may make". This will completely be under their domination. The Joint Committee will make the report to the Council of States. Therefore, although we shall be nominating our men, our members, to serve on that Committee, that Committee's report will be made to the Council of States. The Council of States will then consider that report. It may reject it, or it may amend it. But what about this House? It won't come here; it is not coming here. A Select Committee

of this House will, therefore, be working purely under the direction and control of the other House.

Now, Sir, I would draw the attention of the House to our rules on Select Committees on Bills. Under rule 78:

"(1) The Chairman of the Committee shall be appointed by the Speaker from amongst the members of the Committee:

Provided that where the Deputy-Speaker is a member of the Committee, he shall be appointed Chairman of the Committee."

Mr. Deputy-Speaker: In case a Bill is introduced here and during consideration stage there is a motion for reference to a Joint Select Committee, under rule 75 "If a member in charge moves that the Bill be taken into consideration, any member may move as an amendment that the Bill be referred to a Select Committee of the House, or a Joint Committee of the Houses with the concurrence of the Council".

Therefore, when a Bill is introduced in this House and a motion for consideration is made as an amendment, it is open to any hon. member of this House to move that the Bill be referred to a Joint Select Committee of both Houses. If that motion is carried, the Chairman of that Joint Committee under rule 77 has to be appointed by this House. Is that the meaning?

Shri N. C. Chatterjee: Yes, by the Speaker.

In this connection I would refer the House to rule 84 which reads:

"The meetings of a Select Committee shall be held on such days and at such hour as the Chairman of the Committee may fix:"

If you are on that Committee, then you automatically become the Chairman of that Committee; you shall fix and regulate the proceedings of that Committee.

Mr. Deputy-Speaker: Therefore, in the Joint Select Committee I ought not to be nominated as a member?

Shri N. C. Chatterjee: You cannot be there as Chairman. Under Rule 88:

"A Select Committee shall have power to require the attendance of persons or the production of papers or records, if such a course is considered necessary for the discharge of its duties."

Then, kindly look at the proviso:

"Provided that if any question arises whether the evidence of a person or the production of a document is relevant for the purposes of the Committee, the question shall be referred to the Speaker whose decision shall be final."

Therefore, Sir, that power is being taken away.

Then again, please refer to rule 91 which reads:

"(1) The Speaker may from time to time issue such directions to the Chairman of the Committee as he may consider necessary for regulating its procedure and the organisation of its work."

That power is being taken away. Our Speaker cannot give any direction to the Chairman of that Committee which is going to be appointed.

Then, look at rule 91, sub-rule (2):

"If any doubt arises on any point of procedure or otherwise, the Chairman may if he thinks fit, refer the point to the Speaker whose decision shall be final."

These are very important provisions. The House is being asked to concur in a recommendation of the Council of States. Unfortunately we have not got the printed copy of the resolution passed by the other House. If one looks at the resolution carefully, he will find that it says clearly: "In other respects rules of procedure of this Council shall apply".

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Therefore, all our rules regarding proceedings of Select Committees are being abrogated, are being made inapplicable. The Law Minister's motion seems to be very innocuous. Accept the recommendation and kindly come and join the Joint Committee. Kindly wipe out all your rules, all your privileges, all your Speaker's prerogatives, all your self-respect and come and join as a subordinate functioning completely under the domination of the other House.

Mr. Deputy-Speaker: If it open under the Rules of Procedure of the other House by a resolution to say that the Speaker of this House may appoint a Chairman?

Shri N. C. Chatterjee: Let the other House pass that, then we shall consider it. But the recommendation, as it stands, simply means: you concur in the appointment as envisaged in this resolution of the Council of States; you shall have to function according to the rules of procedure of the Council of States; those rules can be varied, can be modified, can be altered at any time that the Chairman of the Council of States may choose to and the Joint Committee shall make a report to the Council of States.

Not only that. If we accept this motion what happens? According to the Law Minister's motion the Rules of the other House will come into play. Only one rule is abrogated, that is rule 61, which deals with quorum. Apart from that, all the other rules have full play. Under rule 60 the Chairman of the Committee shall be appointed by the Chairman of the Council of States from amongst the members of the Committee. However eminent and desirable a person may be chosen, he cannot be appointed Chairman; it must be from among their Members.

Mr. Deputy-Speaker: Let us understand things correctly. It is a joint committee that is envisaged. "From amongst the members of the Committee" in a joint committee, may mean Members of both Houses.

Shri N. C. Chatterjee: No, Sir. Kindly see the resolution passed. The resolution is that "in other respects the Rules of Procedure of this Council relating to Select Committee shall apply". The Rules of Procedure relating to Select Committees begin from rule 59 of that House. 59, 60, 62 and so on, every rule applies, except rule 61 relating to quorum which is *pro tanto* varied or superseded.

Then look at rule 62. "If a member is absent from two or more consecutive meetings of the Select Committee, without the permission of the Chairman of the Select Committee, a motion may be moved in the Council of States for the discharge of such member from the Select Committee". A very peculiar position for any of our Members to accept!

Then rule 66 says "The meetings of a Select Committee shall be held on such days and at such hour as the Chairman of the Committee may fix".

Rule 68 says "If notice of a proposed amendment has not been given before the day on which the Bill is taken up by the Select Committee, any member may object to the moving of the amendment and such objection shall prevail unless the Chairman of the Committee allows the amendment to be moved". If you put in thirty Members from here they will be completely at the mercy of their Chairman.

Then rule 70 says "If any question arises whether the evidence of a person or the production of a document is relevant for the purposes of the Committee, the question shall be referred to the Chairman of the Council of States whose decision shall be final".

An Hon. Member: It is their committee.

Shri N. C. Chatterjee: They have deliberately put in a clause which is candid and clear that the Chairman of the Council of States shall decide all questions—of privilege, procedure, relevancy or irrelevancy, production of documents etc.

And then rule 73 says "The Chairman of the Council of States may from time to time issue such directions to the Chairman of the Committee as he may consider necessary for regulating its procedure and the organisation of its work". Therefore, not only the Speaker cannot do it, but the Committee also must function under the directions of the Chairman of the Council of States. They have deliberately taken these powers.

Mr. Deputy-Speaker: What is the harm?

Shri N. C. Chatterjee: Sir, your question gladdens the heart of the Law Minister.

Dr. Lanka Sundaram: May I recall, Sir, that in the Rules Committee over which you presided you gave the answer in paragraph 5?

Shri Biswas: Sir, will you kindly direct the Secretary to produce before this House the copies of the Resolutions which were passed by this House referring two Bills, to which reference has been made, to a joint select committee of both Houses? In what terms were those resolutions framed? Compare those terms with the terms of the Resolution which the Council of States has passed to this House.

Shri N. C. Chatterjee: Therefore, they reciprocate it, Sir, in the proper spirit! It is a very illuminating point made by the hon. the Law Minister!

Shri Biswas: In discussing points of constitutional law and propriety you need not refer to the action you have already taken?

An Hon. Member: We are the people.

Dr. Lanka Sundaram: Will the hon. Law Minister kindly see article 118 of the Constitution?

Shri N. C. Chatterjee: Has he seen article 118?

Shri Biswas: Unfortunately I have.

Shri N. C. Chatterjee: Clause (4) of article 118 says that at a joint sitting

of the two Houses the Speaker of the House of the People shall preside. Therefore the Constitution makes the Speaker paramount, and even in a joint sitting of the two Houses he shall preside, and not the Chairman of the Council of States, however eminent he might be. That is what the Constitution says and that is what the Constitution-makers provided. Does my hon. friend suggest that it would be perfectly proper for anybody nominated by the Chairman of the Council of States to preside over a joint committee which ought to emerge from a joint sitting of the two Houses?

And then rule 77—that wonderful rule—of the Council of States says: "The Report of the Select Committee on a Bill together with the minutes of dissent, if any, shall be presented to the Council of States by the Chairman of the Committee or in his absence by any member of the Committee". You can never expect that with thirty Members there will be no minute of dissent; there may be fifteen. They will all have to be sent to that Chairman and they will then go to the Council of States. It says "shall be presented to the Council of States by the Chairman of the Committee or in his absence by any member of the Committee. It obviously means that the Chairman of the Committee must be a Member of that House. If you, Sir, are there as our nominee you cannot function as the Chairman.

Then there is another rule, rule 79, which says that after the presentation of the final report of the Select Committee on the Bill, the member in charge may move that the Bill be taken into consideration or be re-committed, etc.

Mr. Deputy-Speaker: Order, order. Let there be less of talk. The hon. Member is developing his point. Let us hear it.

Shri N. C. Chatterjee: The motion of the hon. Law Minister in my humble submission is certainly repugnant to the

letter and the spirit of the Constitution and the Rules of Procedure of this House. Under article 118(4) of the Constitution in a joint sitting our Speaker shall preside. He shall have the determining voice, on questions of privilege, procedure, etc. According to my interpretation of the Constitution a joint committee can really emerge out of a joint sitting. In that case our Speaker will have a dominant voice. And, obviously, our Speaker will nominate the Chairman of the Committee and all the procedure shall be decided by him. I submit, Sir, that this motion ought to be withdrawn. (*Several hon. Members: Withdraw, withdraw*). We are elected Members. We should have paramount powers. All our minutes of dissent must be submitted to you. Our Speaker and, in his absence, you, Mr. Deputy-Speaker should have all the power. The Members of this House must have the final and dominant voice. We are not going to function in a subordinate capacity as ancillary or auxiliary, at the behest of the Law Minister. (*An hon. Member: At their mercy*).

منسٹر آف ایجوکیشن و نیچرل

ریسرچ و سائنٹیفک ریسرچ (مولانا آزاد):
 میں یہ سمجھتا ہوں کہ بحث نے جو
 رخ اس وقت اختیار کر لیا ہے اس کو
 آگے بڑھانا بہتر نہیں ہوگا۔ بہتر یہ ہے
 کہ اس چمڑ کو اس وقت ملتوی کیا
 جائے اور دوسرا آئٹم لے لیا جائے۔ پھر
 اس کے بعد ہم ایک تہذیبی دماغ سے
 اس معاملہ پر غور کریں۔

[The Minister of Education and Natural Resources and Scientific Research (Maulana Azad): I think that in view of the trend the Debate has taken just now it will not be proper to carry it on any further. It would be better to postpone it for the present and to take up some other item, so that we might be in a position to consider the issue dispassionately at a later stage.]

Dr. Lanka Sundaram: Long live the Speaker.

Mr. Deputy-Speaker: Order, order. The matter has been taken up. May I suggest to the Deputy Leader to make a formal motion that this matter do stand over to some other date or be adjourned to some other date? The House must approve of that.

Shri S. S. More: He can make a motion.

Mr. Deputy-Speaker: The Law Minister may make a motion.

Dr. N. B. Khare: On a point of information, Sir, if I want to shine your shoe, who can prevent me?

Shri Biswas: I do not quite follow the suggestion that was made by the hon. Deputy Leader. Unfortunately, I could not understand the language.

مولانا آزاد : مہدی تجویز یہ نہی
کہ اس کو ملتوی کیا جائے۔ پوسٹپون
کیا جائے۔

[Maulana Azad: My proposal was that it should be postponed.]

Shri Biswas: If the suggestion is, Sir, that we might sit round a Table and discuss the matter and that the motion may stand over for a day or two, that is one thing that I can appreciate; instead of letting off air on the floor of the House, it is much better if we could examine and come to a sensible decision. (Interruption). And I am confident that the principle which is found here in this Resolution represents a sensible decision.....

Some Hon. Members: No, no.

Shri Biswas:.....emulating the action of this very House in this respect. However, I have no objection to the matter being held over if it is to be discussed in a cool atmosphere, and in an absolutely dispassionate attitude. It is no use bringing your closed minds to a question on the plea of taking time to discuss it.

Sardar Hukam Singh (Kapurthala-Bhatinda): Sir, I take objection to the

implications of the statement of the hon. Law Minister. He has heard us say that this House takes strong objection to the Resolution passed by the other House. At the same time, it has been stressed that that Resolution expresses a sensible decision which means that our objection is something else than sensible. I do not think it should be allowed to be stated here in regard to a discussion that has taken place.

Some Hon. Members: Withdraw.

Shri Biswas: I have said that what I have done, I have done as a sensible sentient being. (Interruption).

Shri K. C. Sodhia (Sagar): Is this not sensible?

Mr. Deputy-Speaker: Order, order.

مولانا آزاد : میں یہ باتاعدہ تجویز
کوٹا ہوں کہ اسے ملتوی کیا جائے۔

[Maulana Azad: I beg to move:

"That the debate on the motion may be adjourned."]

Shri M. L. Dwivedi (Hamirpur Distt.): On a point of order, Sir,.....

Mr. Deputy-Speaker: Order, order. Here is a motion for adjournment of this debate.

Shri M. L. Dwivedi: I have a point of order.

Mr. Deputy-Speaker: I have heard that point of order relating to the Resolution as sensible. I shall put this motion to the House first. Then, I shall come to the point of order later.

مولانا آزاد : کل تک یا دو دن
کہئے۔

[Maulana Azad: Till tomorrow or for two days.]

Mr. Deputy-Speaker: Today is the 14th. Until the 16th. All right:

Pandit Thakur Das Bhargava (Gurgaon): May I make an amendment to this motion. If they want postponement, let it be postponed for a week, so that our Speaker and the Chairman of the Council of States and some other persons may put their heads together and evolve some new rules for a Joint Committee of this kind if they are necessary or indispensable. There are no rules today. I do not want it to be postponed for a day. That would not serve any purpose. It may be postponed for a sufficiently long time so that there may be some decision.

Mr. Deputy-Speaker: The question is:

"That the debate on the motion be adjourned till the 16th December, 1953."

The motion was adopted.

Mr. Deputy-Speaker: The debate is adjourned to the 16th. Now, Shri M. L. Dwivedi: what is the point of order?

श्री एम० एल० द्विवेदी : I want to raise a point of order. भग्नी उपाध्यक्ष महोदय, हमारे विधि मंत्री महोदय ने यह बताया कि जो हमारे डिप्टी लीडर साहब ने बिल को पोस्टपोन करने की बात चीत की थी उसके बारे में उन्होंने कहा कि मैं उसकी भाषा को नहीं समझ सका। आप हमारे विधि मंत्री लग भग दो वर्ष तक रह चुके हैं। मैं यह जानना चाहता हूँ कि दो साल तक संसद के मंत्री होने के नाते जो हमारी राज्यभाषा हिन्दी है, उस को यह नहीं समझते हैं तो क्या यह ठीक है ?

Mr. Deputy-Speaker: There is no point of order. The Constitution has given 15 years. I am afraid, he has 10 more years or 13 more years.

श्री एम० एल० द्विवेदी : कम से कम मन्त्रियों को तो यह उदाहरण रखना चाहिये।

मिस्टर डिप्टी स्पीकर : क्या करें।

The House will now take up the next item in the agenda: the Coir Industry Bill.

BUSINESS OF THE HOUSE

Mr. Deputy-Speaker: There are other items in the agenda. The motion on the Special Marriage Bill has been adjourned. I must take up the other Resolutions unless the House agrees not to take them. Resolution regarding Members' salary and allowances.

The Minister of Parliamentary Affairs (Shri Satya Narayan Sinha): I request that that also may stand over.

Mr. Deputy-Speaker: Is it the general desire that discussion on this Resolution may also stand over?

Several Hon. Members: Yes.

Mr. Deputy-Speaker: That is the general desire. The debate is adjourned.

Then comes the motion regarding nomination of Members of the Council of States to the Public Accounts Committee. It is part heard. Should that also stand over?

Shri Satya Narayan Sinha: I request that that also may stand over.

Mr. Deputy-Speaker: That would also stand over. Now, Shri T. T. Krishnamachari.

COIR INDUSTRY BILL

Mr. Deputy-Speaker: The House will now take up the Coir Industry Bill as amended by the Council of States.

The Minister of Commerce (Shri Karmarkar): I beg to move:

"That the following amendment made by the Council of States in the Bill to provide for the control by the Union of the Coir industry and for that purpose to establish a Coir Board and levy a customs duty on coir fibre, coir yarn and coir products exported from India, be taken into consideration, namely:—

"That in sub-clause (4) of clause 17 of the Bill, for the words 'the House of the People' the words 'both Houses of Parliament' shall be substituted."

Sir, this is self-explanatory.

Mr. Deputy-Speaker: It requires that all the rules should be placed on the Table of the House. Now, they want that they should be placed in both the Houses of Parliament.

Shri Karmarkar: That is the effect of the amendment.

4 P.M.

Mr. Deputy-Speaker: This is a very formal one. Both Houses are necessary. The question is:

That the following amendment made by the Council of States in the Bill to provide for the control by the Union of the Coir Industry and for that purpose to establish a Coir Board and levy a customs duty on coir fibre, coir yarn and coir products exported from India, be taken into consideration, namely:

"That in sub-clause (4) of clause 17 of the Bill for the words 'the House of the People' the words 'both Houses of Parliament' shall be substituted."

The motion was adopted.

Shri Karmarkar: I beg to move:

"That the amendment made by the Council of States in the Bill be agreed to."

Mr. Deputy-Speaker: The question is:

"That the amendment made by the Council of States in the Bill be agreed to."

The motion was adopted.

INDIAN TARIFF (SECOND AMENDMENT) BILL

The Minister of Commerce (Shri Karmarkar): I beg to move:

"That the Bill further to amend the Indian Tariff Act, 1934, be taken into consideration."

Sir, the main objects of the Bill are three fold: first to grant protection to the power and distribution transfor-

mers industry; second, to continue protection to four industries mentioned in the Statement of Objects and Reasons; and third, to discontinue protection to the dry battery industry.

As required under Section 16(2) of the Tariff Commission Act, 1951, copies of the Commission's Reports in these cases and Government's resolutions thereon were laid on the Table of the House during the last session of Parliament. Copies have also been placed in the Parliament Library for purpose of reference by the Members.

I may state at the outset that the power and distribution transformers industry in India is of comparatively recent origin. It has special importance in the economy of the country. Transformers are essential links between generation and distribution of electricity and have a large and expanding market in the country. The principal units are fairly efficient and well managed. The industry has built up a nucleus of specialised technical personnel and it is now established on a sound basis. It has already achieved substantial success in manufacturing products of fairly good quality and has taken steps to utilise indigenous materials to a considerable extent. Its expansion will therefore encourage the development of ancillary industries. The House will recognise that the quantum of protection of 10 per cent. *ad valorem* does not impose any additional burden because it is merely a conversion of the existing revenue rate into a protective one.

I have given this brief resume of the development of this industry in the country not to give any assessment of its achievements but only to emphasise that we have to take into account the contribution which the industry has made towards employment and industrial development. I hope the House will agree that this is an industry which no one would wish to see languish for lack of such assistance as can be given without sacrifice of other equally important interests.

With regard to the other parts of the Bill, the Tariff Commission carried out a review of the manner in which protection to the Glucose, the Hydroquinone, the Plywood and battens for tea-chests, the Wood screws and the Dry battery industries had operated. In the case of the Glucose industry, Government have accepted the Commission's recommendations that protection should be continued for another year up to the 31st December, 1954. At the same time, Government have issued a warning to the effect that unless the industry makes good use of the opportunity for development and expansion since afforded by the imposition of a higher rate of 50 per cent. *ad valorem* and increased its output by the end of 1954, it may not be possible to continue to give any kind of protection beyond that date.

Protection is also continued for two years in the case of the hydroquinone industry and for four years in the case of two industries, *viz.*, plywood and battens for tea chests and the woodscrews. In the opinion of the Commission, these three industries have made satisfactory progress and have justified the protection granted to them. The Commission has also expressed the view that it is in the national interest to encourage their production. The Bill, accordingly, seeks to continue protection up to the periods recommended by the Commission. The quantum of protection recommended by the Commission in the case of the Glucose, the Hydroquinone and the Wood-screws industries has already been brought into force by notifications under Section 4(1) of the Indian Tariff Act, 1934.

As regards the dry battery industry, the Tariff Commission has estimated the fair ex-works price at Rs. 223 (Estrelas) and Rs. 218 (National Carbon) per 1,000 cells, while the ex-duty landed cost of imported product ranges from Rs. 191/4/- to Rs. 327/11/8 per 1,000 cells. The Commission has, therefore, expressed the view that the measure of protection needed by the industry is less

than that afforded by the normal revenue duty of 30 per cent. *ad valorem* and since the domestic industry is not exposed to any threat of foreign competition under the present import policy, the Commission has recommended that the protection granted to the industry need not be continued beyond the 31st December, 1953. Government accepted this recommendation and the Bill seeks to give effect to this decision. It will, however, be open to the industry to apply for protection if the considerations on which the Commission's recommendations are at present made do go wrong.

The Bill also seeks to regularise by law the enhancement of the customs duty on body panels including turret tops and sides for passenger cars as a result of the decision taken by Government on the Tariff Commission's report on the Automobile industry, copies of which are available in the Library of the House. I hope the Members are aware of the decisions reached by Government on the Commission's report on the Automobile industry which have already been given wide publicity. In short, I may mention that the present high prices of cars and trucks have inhibited demands and it is important that the prices should be reduced and demands stimulated. For this purpose, the high rates of duty on different categories of component parts and accessories of motor vehicles have been reduced to 40 per cent. on the average from the 31st May 1953. As a result of the reduction in import duties on components of motor vehicles, retail prices of vehicles have registered reductions. In the case of trucks, such reductions have gone to the extent of Rs. 2,000. I hope further reduction of prices of motor vehicles will gradually stimulate the demand for vehicles in the country.

Sir, I do not propose at this stage to dilate any more on the points raised by this Bill. I shall only be too happy to answer to such points as may be raised in this House in the course of the debate. I move.

Mr. Deputy-Speaker: Motion moved:

"That the Bill further to amend the Indian Tariff Act, 1934, be taken into consideration."

Shri Natesan (Tiruvallur): I wish to refer to the transformer industry.

Mr. Deputy-Speaker: I am coming to the hon. Member. I have called Mr. Kasliwal.

Shri Kasliwal (Kotah-Jhalawar): I welcome this Bill in so far as it gives an opportunity to this House to review the Tariff policy of the Government from time to time.

Coming to the Bill itself, I would like to refer especially to three industries which have certain common features and to which protection is proposed to be granted by this Bill. I refer to the Glucose industry, the Hydroquinone industry, and the plywood and battens for teacheasts industry. I am glad to say that in the case of all these three industries, the Tariff Commission have reported that the quality of goods has improved considerably, that the quality of goods is such that it can very easily compete with the goods produced in foreign countries. I must, at this stage, like to congratulate the Minister for Commerce and Industry for this.

The second point which I would like to make is this. The Tariff Commission have reported that in almost all these industries, there is no proper system of costing, i.e. to say, there is no proper correlation between the cost of production and the prices prevailing in the market. I must say that this is a very serious matter. Time and again, when the Indian tariff bills have come before this House, this question has been raised, and the Ministry has been urged to take up the matter with the various industries, and find out what is wrong with their management, so far as the question of costing is concerned. I hope that the Ministry will take up the matter with the industries, and

see that their management is improved in this regard.

There is one other matter which is equally serious, and is common to all these industries, and this also has been raised in this House again and again. In all these industries, the rated capacity is such that they can very well meet the entire demands of the country. But the actual production is very low. The Tariff Commission have pointed out that there are various units especially in the hydroquinone and glucose industries, which have never produced anything since 1948, but have continued to get protection. It is not that I have any objection to protection being granted to these industries, I know that hydroquinone and glucose are very important industries, but I cannot understand why the Ministry should not look into the matter and see that these industries produce up to their installed capacity. Why should not the Ministry warn them that if they do not produce up to the rated capacity, protection is likely to be withdrawn?

This matter was raised in this House last time, when the first Tariff Amending Bill came before this House, and I understand that the hon. Minister gave an assurance that he was going to appoint a committee to go into the question of the rated capacity of industries, and to make suggestions to see that these industries produce goods up to their full capacity. I would like to know whether such a committee has been appointed, and if so when they are going to submit their report.

In this connection, I would also like the hon. Minister to give an opportunity some time to this House to discuss the whole question of tariffs in relation to the GATT. The hon. Minister has been to one of the GATT conferences in Geneva, and in answer to a question, it was stated that the whole question of our tariff policy vis-a-vis the GATT was under consideration. I hope the hon. Minister

will give an opportunity to this House to know what exactly is the position.

With regard to the plywood and battens for teacheſts industries, I am very glad to say that these industries have progressed very satisfactorily, and are in a position to export to foreign countries. I hope the hon. Minister will give all facilities to this industry to see that the products of this industry are exported to foreign countries.

That is all I wanted to say.

Shri Natesan: Sir, I should only like to refer to the transformer industry. I am glad that Government are taking a keen interest in arranging to give all the support they possibly can to this industry. But I really cannot understand why a big factory put up by an European firm in Madras has had to close down. The Government of Madras have been buying hundreds of transformers, and in fact, only recently they have placed a big order with continental firms. I understand that the Government of India have got a ban on the import of transformers up to the capacity of 500 kva. because they are manufactured in this country. In spite of this ban on imports, the reason for the Government of Madras placing orders with continental firms is the question of price. If foreign firms can pay the customs duties, and clearing charges, and yet compete with Indian firms, obviously there must be something wrong with the costing of the transformers by the Indian manufacturers. There must be some machinery under the Government of India to check the working costs of the transformers that are manufactured in this country.

Mr. Deputy-Speaker: How many such manufacturing companies are there in India?

Shri Natesan: I think there are about three or four big manufacturers, but the Government of India have got much better information with them, than I have.

As a licensee responsible for big distribution works, I know that I am not in a position to get transformers at reasonable prices. If I ask for an import licence, the licence is refused. But I find that the Government of Madras are able to import transformers from foreign countries. If we are to buy from the Indian firms, we find that they quote a fabulous price. I am not complaining about the manufacturer himself, for I asked the manufacturers as to why their costs are so much, and why they should allow this business to go outside India, and they said that the Government were not coming to their help, in respect of raw materials. Evidently something has to be done to assist the industries in this regard. This is a matter which has to receive the attention of the Commerce Ministry.

My main point is why transformers are not allowed to be imported by private licensees, while the Government of Madras—I do not know about other State Governments—are allowed to import these from outside India, and why when foreign manufacturers can afford to pay the duty and clearing charges, and yet supply them at a cheaper price, the Indian manufacturers are not able to do so. I hope that the matter will be looked into by the Commerce Ministry. While they are welcome to give all the help they can to the industrialists here they must also see that the industrialists do not exploit the consumers by charging a higher price.

Shri M. S. Gurupadaswamy (Mysore): Mr. Deputy-Speaker Sir, the hon. Member who was speaking just now ventilated his own grievance about transformers. He stated that he was experiencing lot of difficulties in getting a licence for import of transformers from abroad. I feel that he should not have referred to his personal difficulties on this occasion. I want now to make one or two observations regarding transformers.

I come from a place where the shortage of transformers is felt acutely. Although very cheap electric power

[Shri M. S. Gurupadaswamy]

is produced in the Mysore State, it has become very difficult for Government to supply electricity to the rural areas and for the various industrial units, merely because there is an acute shortage of transformers. Of course, steps have been taken to get them manufactured in this country, but the industry is still in an infant stage, and it is necessary that we should protect it. While advocating protection to this industry, we must bear in mind that the consumers' interests also should not suffer.

The entire industrial programme of the country depends upon an adequate supply of electric power to the various industries. Although we have got an ample production of electric power, we are not able to utilise it fully. That is the very bad situation in which we are finding ourselves today. So it is very necessary that we should take immediate steps to increase the production of transformers in this country. If that is not possible, I would urge upon the Government to permit import of transformers for some time at least from abroad. Otherwise, the industrialisation of the country will suffer. The Government should therefore adopt a policy which will help the rapid industrialisation of the country, by permitting the import of transformers until the demands can be met internally.

This transformer industry is a very important industry. Both the installed capacity and the consumers' interest should be taken into consideration. Above all this, I urge upon the Government to take another thing into consideration, i.e. as far as possible, while manufacturing transformers in the country, raw materials found in India should be utilised. Nowadays we are finding that many of the raw materials which go into the manufacture of these transformers are imported from abroad. By stopping the import of raw materials from abroad and by utilising our own indigenous raw materials, we will be saving a lot of foreign exchange. So it is very

necessary that a proper study of the transformer industry should be made. It is also very necessary that steps should be taken to increase the production of transformers.

Another point I want to refer is with regard to the glucose industry. This industry has been there in our economy for sometime, but so far it has not impressed very much. The price of glucose is far from the reach of the ordinary man. When compared to the price of the foreign product, this price is far high. So though the industry has been in our country for sometime, it has not been able to supply the consumers with cheap glucose. So it is very necessary that steps should be taken by Government to look into this matter. Possibly if they enquire into the cost of production of glucose and if they adopt more advanced methods of production, they might be able to reduce the cost of production and thereby reduce the price of glucose. So, Sir, I feel that enough has not been done by Government in this regard and Government has been a little slack and has not taken much interest in this matter. It is very necessary that glucose must be made cheap.

With regard to the other industries I have nothing to say.

Shri K. K. Basu (Diamond Harbour):
Mr. Deputy-Speaker, Sir, this short Bill seeking to make certain amendments to the Indian Tariff Act with a view to grant protection to the Power and Distribution transformers industry and to continue or discontinue protection to certain other industries seems to suggest that it is not very much other than routine business. Sir, it is true that Government come forward with amendments to the Tariff Act now and then and try to pass on that they have come here to give protection to certain national industries.

Sir, we all urge that the paramount necessity of our country is industrialisation, and therefore, any Government action which might seek to

improve the process of industrialisation in our country is commendable. But as some of the speakers have already said, when Government have brought forward this Bill, they should have given a report as to the action they have taken for the development of these particular industries. You know, Sir, and I want to emphasise it, that by mere continuation of the protective duty for all time to come, it is not possible to industrialise our country. We have to go to the basic needs of the industry. Sir, as the hon. friend who spoke first on this Bill said, Government promised that they were going to appoint a committee to go into the entire cost structure and see whether there was any possibility of the further development and further utilisation of the productive power of this particular industry. Therefore, I feel when the Government have come forward with such an amendment, they should give us a comprehensive report as to what action they have taken and whether they actually appointed a committee to look into all these problems.

Sir, the first point has been already discussed by some of the friends here about the power and distribution transformers industry. You know that electrical energy is very necessary and is one of the appendages of our productive force. It is absolutely necessary for us to see that we have more electric power. Therefore, the development of the power and distribution transformer industry for the manufacture of distribution transformers is absolutely necessary. Here some allegations were made—I do not know personally how far they are true—but we have got to see that the type of transformers that we manufacture here must be given to the people of India at the price which they can afford. It is true that for sometime in certain categories of industries it may be necessary for us to pay more than what we would have paid to buy the foreign product, because the very basis of protection is to protect our national industries

against foreign competition. But we must also see that these industries must be developed properly and they must not take advantage of the protective duties or the national feeling of the consumers of our country. Therefore, Sir, I feel that some attempts have to be made to see whether the transformers that are produced here are having a good market or not. All these factors must be taken into consideration before Government bring forward an amendment to protect a particular industry. Mere protection is not enough. They must see that the industry develops and to that end, steps must be taken.

Then another thing which is sought to be protected is body panels including turret tops and sides for cars. This Bill seeks to legalise the notification made by the Commerce Ministry to this effect. Sir, in moving this amending Bill, the hon. Minister said that he hoped that because of this protection, cars here would sell cheaper than foreign cars imported here. We know that, in comparison, after taking into account the duties the foreign cars have to pay, the cars assembled here are cheaper. But that is not enough. It is nearly four or five years since this industry has been established and we have to see to what extent it has been able to satisfy the needs and requirements of the consumers of the country at large. Sir, we saw reports about a year or so back that the Hindustan factory wanted to close down because its production had no market. Since then the Government have taken some steps to protect the Indian manufactures against foreign competition. But I feel, Sir, that their policy should be so guided that in the case of those articles which can be produced or for which substitutes can be produced, an attempt should be made and direction should be given to the manufacturers to go in for them. Otherwise, it will mean unnecessary protection to industries which will mount up the cost for the consumer. Therefore, I hope Government will consider all

[Shri K. K. Basu]

these aspects and put a limit up to which protection is to be given.

We know about the sugar industry. I do not want to go into detail. The sugar industry has been protected for more than 20 years and yet we do not know whether it can stand on its own legs.

Sir, in this connection—I do not know whether I should go into detail—I find that the policy of Imperial Preference is still being continued. Last time, in the last session, when we were discussing some amendments to the Indian Tariff Act, there was a talk that the Government were going to review the GATT *de novo*. Some Government representative went to attend that conference and it was said that they would review the entire position for the last several years. We do not yet know what has been the result of the Government's discussion with the other signatories to that agreement. We feel the time has come when we must definitely and positively do away with this Imperial Preference. All the appendages and legacies of the past must disappear immediately.

Then, my hon. friend Shri Gurupadaswamy has referred to the glucose industry. We know that glucose is necessary for the production and manufacture of something else. But then we must see that those industries which are protected for several years do develop and the costs are reduced, so that the consumer may have to pay less. I agree that in the initial stages, in order to bring about the industrialisation of the country, the consumer may have to pay more, but the consumer has a right to know that the industry behaves in a way that enables the consumer to reap the benefit by having to pay less for the indigenous produce in comparison with the foreign produce.

Another point that I would like to emphasise is this. The glucose industry has been taking advantage of this

protective duty, and foreign concerns have come here and settled down to exploit our cheap labour and our home market. Therefore, mere protection is not enough. We have to see that foreign competitors, coming openly or in the garb of "India Ltd." or by working in partnership with their Indian counterparts, do not prejudice our indigenous industry. We do not want factories to be established here which are directly or indirectly controlled by Britishers or Americans or other foreigners. We want a purely national industry to grow. Apart from imposing the protective duty for a year or so and coming to the Parliament to renew it at the end of that period, if Government seriously mean to industrialise our country and protect the national industry, they must do away with all the foreign concerns who come in directly or indirectly in partnership with their Indian counterparts.

Then there are two other industries for which protection is sought to be extended. I refer to the plywood and tea chest industries and the iron or steel wood screws industry. Repeatedly, questions have been asked. From the reports, we find that the tea manufacturers, who are predominantly foreigners instead of using Indian-manufactured tea chests prefer to import them from outside, on the plea that Indian tea chests are not good enough. We have to go into it and find out whether the Indian product is really not good enough, and whether the foreign concerns are trying to import tea chests from outside only to help their own brethren. We must see that our manufacturing units produce at the optimum rate; otherwise, it is not possible for them to sell their products at a reasonable rate.

The plywood industry had to face a crisis some one and a half years ago, because all the tea manufacturers—who are essentially Britishers—imported their requirements of plywood chests from outside. It is therefore the duty of our Government to step in on such occasions, and help not merely by the

protective duty but if necessary by banning the imports. So long as similar types of products are available in our country, nothing should be allowed to be imported. If that is done, our manufacturing units would be able to produce at a price which would compare favourably with the imported article.

Then, take the screw industry. There are many factories in my State. Allegations were made that they are not good enough and that foreign-manufactured-screws are better and cheaper. In spite of our spirit of nationalism, some of us have the feeling that even if we pay a little more, we may prefer the foreign manufactured article. Government should not sit tight, thinking that their responsibility is over with the imposition of the protective duty. But so long as our Indian manufactures are available, and they are more or less of the same type as the foreign manufactures and can be sold in the market, Government should completely ban the import of such manufactures from outside.

Therefore, in regard to the plywood and screws industries, although Government want to extend the protection for a further period, they should not be satisfied with the imposition of the protective duty. They should take some positive steps, so that our industry can be saved and the process of industrialisation will be facilitated.

In conclusion, it is high time that we did away with imperial preference. Our national interests should be supreme. The consumer should not be called upon to pay more to protect the British industry. If the prices of the foreigners are competitive, let them come in; otherwise, why should we help them? I urge upon Government that they should have a positive policy, apart from imposition of protective duties. They should not allow British or other foreign interests to come in in the name of "India Ltd." or by joining a partnership firm. Our industries are facing a crisis. They are not coming forward to expand,

because of dearth of capital. These protective duties should not be treated as a routine business to be gone through on the basis of the recommendations of the Tariff Commission. This should be taken as a part of our fiscal policy and as a step to help and save the national industry and bring about the industrialisation of the country. Government should appoint a committee to go into the details of the working of protected industries. The committee should not be appointed with the view with which it was appointed during British days, but with the view that industries which have been protected under this Tariff Act are able, in the near future, to stand on their own legs, and help the development and industrialisation of the country.

Shri Jhunjhunwala (Bhagalpur Central): Mr. Deputy-Speaker, Government has come forward with a small Bill for giving protection or continuing protection to certain industries, e.g. the glucose industry, the plywood industry, the iron and steel screws, etc. So far as the question of extending the period is concerned, of course after the protection these industries are making headway and making some progress. But still, we do not understand why in spite of so much protection foreign manufactures are being imported.

The Tariff Commission, no doubt, reviews the position from year to year and simply comes to the conclusion that the protection should be continued for such and such industries. But then, we have no material to go by. We want to know why a particular industry has not yet been able to compete with the foreign industry. Just as my hon. friend Shri Basu said, so far as the tea chest industry is concerned, we are making tea chests here and still tea chests are being imported from outside. All the Britishers who have tea interests are purchasing foreign tea chests. Why should they purchase foreign tea chests?

Shri M. S. Gurupadaswamy: Because they are foreign-made.

Shri Jhunjhunwala: Even if our product is inferior, I would say that we should give them more protection. I do not like Government to encourage inefficiency. We should see that these units are not inefficient, but if there are some special difficulties in their way by which they cannot compete with the foreign manufacturers, it is the duty of the Government—apart from simply coming to the House and saying that protection should be continued for such and such industries for a period of one or two years—to place before the House the facts, and say “These are the difficulties; if necessary, we should increase the quantum of protection.” If necessary, for some time we should ban the import of such material, so that at least when our industry is in its infancy, everybody may be compelled to purchase the products of Indian industry.

Shri Karmarkar: I should say that I am very thankful to hon. Members for this debate because amongst the points that they have raised are only a few that require to be answered.

The first point that was raised by my esteemed friend, who spoke first, was that in spite of protection there is such a great disparity between installed capacity and actual production, particularly so in the case of the glucose industry. In fact, imported maize was costly and they had to pay a higher degree of price than what was normally expected of them. Apart from that, as my hon. friend rightly observed, in some of the industries the installed capacity is something bigger than the actual production and he was asking as to what action Government have taken in respect of having an assessment of the surplus installed capacity. My friend doubtless knows that at the moment this enquiry is being made, especially with respect to the engineering section of the industry, and we propose to take it by and by and we thought that

the best method of taking it is in sections. We are looking forward to the report of this enquiry which is being made in respect of the engineering section of the industry. We are quite sure that such information and such observations by this enquiry unit will be very helpful to us to see that production is stepped up.

My hon. friend Shri Natesan wanted to know as to why the Madras Government has placed indents for foreign transformers. I should like to clear away one misunderstanding—the impression seems to be that there has been a total ban in respect of transformers, because he also asked why a big factory had to be closed down. I have before me a statement of our policy regarding import of transformers. Of course, we have based it upon the necessities of the case. For instance, in respect of transformers upto 1500 k.w., we have permitted only 25 per cent. to the established importers and other types of transformers 100 per cent. to established importers. Actually, the import has not been banned, because the local production is not sufficient to meet the demand. Of course, my hon. friend can take up the matter with the Madras Government as to why they have placed an indent for foreign products. There must be some good reason for that and I am quite sure that my hon. friend will elicit the information from the other quarter.

My hon. friend Shri Gurupadaswamy made a very relevant observation, apart from a few others, and said that the consumer's interest should not suffer. I think, Sir, that is one of the principal considerations before us. For instance, when the old Tariff Board, now the Tariff Commission, dealt with an industry, it sets up before itself certain principles to guide its work in respect of the protection to be given to an industry, and one of the important considerations is that the industry is given protection if it can stand on its own legs within a

reasonable time. But I must say that a few of the industries have given us difficulties. Take for instance the production of raw silk. That industry has been receiving protection ever since 1934 and we have still to cover a long way. One of the difficulties that we have found in respect of that particular section of our industry is that there has not been competence in production on par with the units in Japan, for instance. Both in respect of cocoons and spinning of silk and all that processing work, the world has gone far ahead of us, and somehow partly because our industry has been a cottage industry and in the present state at home, hon. Members will see the difficulty of our interfering with any cottage industry in the country though we have accepted the introduction of modern methods in respect of particular industries. It may be that the consumer will have to bear the burden for a considerably long time in respect of production of raw silk.

Regarding imports, I cleared the ground earlier that we will permit imports only to the necessary extent. One of the points that we have to bear in mind in respect of protection to be given to industries is whether a particular industry has to depend on it for all time to come and whether that is an industry which will be difficult to work or manage. For instance, take the plastic industry. There is something to be gained even by processing the raw material for it. We have to make a distinction as between the purely processing industry, which is also important for the sake of production, because ultimately in the near future you will find that the relatively cheap labour may work to the advantage of our country. In the case of cloth, for instance, and some other items, cheap cotton and conditions of labour do help us, but the broad rule has been for how long have we to protect a particular industry; by and large the raw material should be found within the country itself, unless that is impossible.

Another point was made by my esteemed friend Mr. Basu, who made many other points too. He referred to a point, which I was quite sure he will not miss, and that was what he called 'imperial preferences'. I think he is still thinking in terms of an empire. I may say there is no longer any imperial preference. It is wrong to state it that way and any preference that we give is a preference in accordance with an agreement between us and them. If he does not mind a correction from this side, he may accept this. This is the result of the India-U.K. agreement of 1939 and afterwards. What exactly has been the effect? He had better examine the position of our exports to U.K. and the advantages gained by the duty-free entry which our goods are getting in the U.K. Perhaps he might do justice to that, and if he gives it a closer examination he might find that it has been a distinct advantage—these mutual preferences,—because ultimately these preferences are meant, not preferences only on one side but mutual preferences, to do good, though, of course, preferences ultimately might handicap a particular thing, in which case we will consider the position, and the position has always to be reconsidered. But then you will have to take a total view of those things, not take a partial or prejudicial view, because it is an agreement with U.K. We have to take the actual realities of the situation. We have to take into consideration the fact that whether we wish it or not, the U.K. forms a substantial market for our exportable commodities, like, for instance, tea, jute and even cloth. Now, it has been substantially importing from us to an appreciable measure. Therefore, whether we discuss this question of commonwealth preferences, or the results of Indo-U.K. trade agreement, whether we consider the import of some cloth from U.K. or not, I think we must take into consideration the actualities. I am not quite sure if my esteemed friend will himself undertake a technical study of this problem. He was a little conventional. Ulti-

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mately, the matter is one of experience, and I can assure the House that if we find in actual practice that there is something seriously wrong in respect of an agreement by which we have stood till now, we shall not have any hesitation to come to the House and say "these are the disadvantages." I shall not dilate further on that point at this stage.

There was also another point. If I may be pardoned for saying so—that came a little conventionally. That was this: that foreign concerns are exploiting protection. There again, Sir, it leads us to another question which is unconnected with this particular Bill: Time and again, we have stated in this House that we have been doing it as desirable,—to allow foreign concerns in the sphere of industry not on their terms but on our terms, on mutually agreed terms. Then, I should also add that in no case has that been of any disadvantage to us, unless it is considered that whatever is foreign, even if it be helpful, is something that has to be eschewed. I do realize the impatience in certain quarters that we find in certain sectors of production, like the tea industry or some other industry, say, the jute industry, appreciable foreign participation. There again, we cannot un-make history. Now, I can well appreciate a feeling on that side of the House—'nationalize all those industries,' but that is another issue altogether. I go a step forward and say that apart from the foreign experts that are already there from the past.....

Mr. Deputy-Speaker: The point made is, why should foreign industries started in this country be given protection when foreigners in their own country are able to manufacture, paying customs duties, paying shipping charges and sell in our country at a cheap rate?

Shri Karmarkar: I am coming to that point. I very much appreciate

that point. That was the point made by my hon. friend and I am grateful to you, Sir, for clarifying it. In respect of that point, the option, according to my friend, would be he would far rather not take up any industry at all in which foreigners have to be employed. That, Sir, is a view which the Government do not share. At least in the initial stages.....

Mr. Deputy-Speaker: The foreigners who come here have special knowledge, the 'knowhow', etc., and they have been handling the machinery. How does it yet happen that the moment they come here, they have not been able to produce as cheaply as in their own country? And they think of increasing the labour charges here.

Shri Karmarkar: I appreciate that thing. If there is any exploitation in that system, that is a matter which we will look into as part of the industrial drive as a whole. That comes to this: that the Tariff Commission should be very correct in the assessment of cost accounting. Now, that is a point on which I need not join issue with the hon. Member. Whether it is foreign exploitation or local exploitation, it does not make any difference. It does make a difference when we permit foreign participation in any industries here. Having said that, whether it is an Indian manufacture or foreign manufacture, it stands to good sense to urge that whether it is Indian or foreign manufacture, it should not derive any undue advantage.

Shri K. K. Basu: If it is an Indian concern, possibly they may be willing to shoulder certain amount of burden for more years, knowing fully well that after the five years, they will get the benefit, but in the case of the foreign concerns, will not they exploit this for all time to come?

Shri Karmarkar: My friend there might differ entirely on this point from me, as to the advisability of

allowing foreign participation whatever. He might stretch the point further and say....

Mr. Deputy-Speaker: Not on these terms of protection. The foreign manufacturers are invited here because they are much better producers, more skilful and sell more cheap. But if that object is not fulfilled in respect of our own industries, what is the good of pampering them and putting burden on oneself?

Shri V. P. Nayar (Chirayinkil): He knows that, but he likes to say it in another way.

Shri Karmarkar: I am not in the habit of putting things like that. What I said was that if we take the industries—for example, the radio manufacturers, we say, well, here are the local units. Here is foreign participation coming. On the merits of the question, and on the importance of the industry, we decide, as to whether there should be foreign participation or not. Assuming for a moment that there will be some foreign participation units, and some local units, it stands to reason—I will not like to isolate my observation only in respect of foreign concerns—that we, after deciding what particular unit should be permitted to have a particular industry and other projects working, put it separately. On that decision, we might have a difference of opinion which has been to some hon. Members like saying “Ban all foreign enterprise altogether.” That is a separate thing. But we have crossed that issue, and when we have decided that in any particular section of industry, we have permitted foreign participation, the industry goes on working. After that, it becomes purely an economic point. I am not only against pampering foreigners but also against the pampering of our own industries if that pampering results in increasing burden on the consumer. So, Sir, the Tariff Commission has the power to see as to what extent the cost accounting is correct. If the process of cost accounting is to be correct—if that is my friend's point, I entirely agree with him. Whether it is foreign-produced or Indian-produced, the

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burden should not be more than what is necessary to cover the gap between local production and imported cost of any particular goods. In the essence of things, we are not interested in giving undue protection to any industry because, in our opinion, it does not do any good. Protection is just that much and for just the period of time which will be sufficient to make the industry stand on both its legs.

Then again, Sir, regarding tea-chests, I am afraid that the position was misunderstood, because our import policy happened to be missed, because, in respect of our last period, regarding the import of tea-chests, we permitted only about 10 per cent. of the past half-year's import, and in the latest policy, we reduced that ten per cent. to five per cent. But there is no question of 95 per cent. being given away. Whether it is foreign or Indian, it does not matter. My friend appears to imagine that only foreigners like foreign things. I must say that our people also like foreign things many times. That also is equally undesirable. Whether it is Indian or foreign, we have made it impossible for you to get anything more in the shape of imported tea-chests, more than the 5 per cent. of the normal imports. Now, it has been our experience that it is always necessary to coax our own industry. They get offended at this proposition: whenever we make a token import for improvement's sake, naturally they are displeased, and of course, we want all 'swadeshi.' I know of similar instances also. But common experience has shown that wherever this protection is given, the Tariff Commission and the Government between themselves propose sufficient protection for any industry. In my humble opinion a time should come when people would say, it is not a matter of free or liberal imports of anything, even if

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our product is not so good, our people should be so patriotic as to say that even though our import policy may be liberal, not one man will go in for a foreign product. But that has yet to

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come. Government always take into consideration the fact of local or indigenous production. If we make some token imports of a small quantity, it is only because our industrialists also should not feel themselves absolutely cosy under the cover of banning all imports. Not only in the matter of articles covered by this Bill, but also in respect of all articles we always take into consideration indigenous production, largely because our foreign exchange resources have been difficult in many years as to limit the quantum of imports to be made. In the matter of the import of tea-chests, I am quite sure that allowing import of 5 per cent. of our normal imports is not in any way grievously injurious to the local industry.

Then there was a demand for a positive policy. Yes, Sir, I am very happy to know that my hon. friend is thinking in terms of something positive, because I have always misunderstood him of suggesting something negative.

Shri K. K. Basu: Jaundiced eye!

Shri Karmarkar: Jaundiced eye either way. There has to be a positive policy which means absence of a negative policy, whether it is participation of foreign capital, whether it is imposition of foreign technical, personnel, whether it is a question of development of industries, whether it is a question of import policy. In the whole of the economic sphere there has to be a positive policy.

There has been a positive policy. So far as we are concerned, that positive policy is to carry out the terms of the policy enunciated by the Government of India in 1948, that is to say, we have to stimulate greater and greater production. I will not tire the House by inviting its attention to detailed facts. Hon. Members can easily glance through the figures of production of many of the industries. Take glass, take paper, take textiles, or a whole range of products. Hon. Members will be happy to find that the nation has been making definite, positive progress, in terms of production.

What has it been due to? Partly because production units have been themselves efficient, largely also because Government have been very much concerned with regard to promotion of industry as a whole. May be our steps are cautious. Sometimes we are cautious. We do not want to burden the consumer with more than the necessary burden. In the past sometimes—we know that has been due to unfortunate traditions—certain quarters have indulged in undesirable practices. What happens today? Supposing, on account of our import policy of razor blades, for about fifteen days there is a sense somewhere in the retail or wholesale market, that there would be a shortage of 10 per cent., why is it that immediately the prices register a greater increase than is necessary? Why is it that that sense of even a small shortage of production, sends prices high? Who has to bear that? Taking all these things into consideration, the positive policy that Government has been pursuing in the promotion of industries, firstly by inviting as much capital goods as possible, secondly by making raw materials as much available as possible, thirdly by affording protection in all possible ways, both in its purchase policy, in its import policy as also, which is the most important according to the opinion in respect of tariff policy, and the results are obvious for any hon. Member who looks into facts.

Not that our methods are perfect. We are not claiming perfection, as nobody can. Sometimes our anticipations may be wrong; sometimes the protection afforded may not have been taken advantage of by the industries concerned. But by and large the positive measures that Government have been taking have resulted in definite progress being made in the sector of industry.

These are the only important points that I could gather in this debate. If I have missed any points, I should like to be excused because at this stage I do not want to take the time of the House by going into minute points. I very much appreciate the

way in which this Bill has been received. I beg to move that it be taken into consideration.

Mr. Deputy-Speaker: The question is:

"That the Bill further to amend the Indian Tariff Act, 1934, be taken into consideration."

The motion was adopted.

Mr. Deputy-Speaker: There do not seem to be any amendments.

Shri V. P. Nayar: Nobody expected this Bill to come up.

Clauses 1 and 2 were added to the Bill.

The Title and the Enacting Formula were added to the Bill.

Shri Karmarkar: I beg to move:

"That the Bill be passed."

Mr. Deputy-Speaker: The question is:

"That the Bill be passed."

The motion was adopted.

INDIAN TARIFF (THIRD AMENDMENT) BILL.

The Minister of Commerce (Shri Karmarkar): I beg to move:

"That the Bill further to amend the Indian Tariff Act, 1934, be taken into consideration."

The main objects of the Bill are three-fold; first to grant protection to the titanium dioxide industry, secondly, to continue protection to a number of industries and, third, to discontinue protection to certain industries as mentioned in the Statement of Objects and Reasons.

Sir, I may state at the outset that the case of the titanium dioxide industry has some distinctive and special features of its own. The industry which now consists of a single firm, namely The Travancore Titanium Products, Ltd., has after a promising start

gone into a state of suspended animation. The immediate problem is to bring it to life and activity. The product of the industry, that is titanium dioxide, is an important white pigment used in a number of industries, including paints, printing ink, rubber, enamelware, soap and cosmetics rayon etc. It has, however, to compete with several substitutes which hold a strong grip over the Indian market for instance, lithopone, zinc oxide and white lead.

It is a principal raw material ilmenite, is available within the country in abundance. The range of production of the industry does not cover at present all types of titanium dioxide. The 'anatase' type of titanium dioxide constitutes the main line of its activity. It is, however, equipped to manufacture the other type, that is, 'rutile' grade also. The Tariff Commission considers that the chief obstacle in the way of the speedy development of the industry is the comparative smallness of the internal demand. It is important, therefore, that steps should be taken to enlarge the volume of demand and that we should avoid all steps which would have the effect of raising prices.

The Commission recommended, and Government have agreed that the existing rates of duty namely 25 1/5 per cent. *ad valorem* preferential and 35 1/5 per cent. *ad valorem* standard should be converted into protective duties and that protection should for the present be limited to one year.

[PANDIT THAKUR DAS BHARGAVA in the Chair.]

Sir, with regard to the second part of the Bill, I can state that the protection granted to industries, on the recommendation of the Tariff Commission is limited to a specific period of time. Before the period of protection expires the Commission is expected to make a review of the manner in which protection granted to the industry is operated. On the basis of the report of the Commission, Sir, Government decide whether protection should be continued for a further period of time or withdrawn. Thus this is not a new measure which the

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House has been called upon to consider. As hon. Members will have observed from the Bill, the period of protection granted to 29 industries is due to expire on the 31st December, 1953.

Detailed notes in respect of twenty-four industries will be found in the Notes which have been circulated to Members. Copies of the Tariff Commission's report in respect of the remaining five industries have been laid on the Table of the House during the current session, as required under section 16(2) of the Tariff Commission Act, 1951. Copies have also been placed in the Parliament Library for the purpose of reference by Members.

Hon. Members might like to know why protection in respect of twenty-four industries is being extended for a short period, that is for one year, till the end of December 1954. I may therefore briefly explain the position. Owing to the number of important enquiries which the Tariff Commission have had to undertake during the current year it has not been possible for them to submit their reports on all these industries. They have, however, expressed the view that it will not be desirable to allow protection to lapse in the case of any of these industries without proper investigation and that the duration of protection in respect of these twenty-four industries should be extended for another year, that is till 31st December 1954, by which date they hope to complete their investigations into these industries.

Of the twenty-four industries, protection has been granted to seventeen by mere conversion of the revenue duty into an equivalent protective duty. The extension of the period of protection in respect of these seventeen industries for a year will not therefore be open to the criticism, we hope, that it involves an additional burden on the consumer.

Now I come to the remaining seven industries where protection was initially granted by an increase in the revenue duty in force prior to the grant

of protection. They are soda ash, calcium chloride, coated abrasives, artificial silk and cotton and artificial silk mixed fabrics, cotton textile machinery, electrical accessories made of plastics and bicycle industries. The rates of duty before protection and those in force at present have been indicated in the Notes which have been circulated to Members.

All these industries are of sufficient importance to this country and it would not be proper to drop protection without proper investigation by the Commission. Should, however, the Commission find that the existing protection is inadequate or excessive in respect of any of these industries enjoying protection, it will be open to them to recommend a modification of the existing duty. This can be effected at any time by a notification under section 4(1) of the Indian Tariff Act, 1934, without having recourse to legislation.

The Tariff Commission have also recommended the discontinuance of protection in respect of pencils, fountain pen ink, ferro-silicon and certain categories of buttons as the measure of protection needed by them is less than that afforded by the normal revenue duty.

Government have accepted the recommendations of the Tariff Commission, and the Bill seeks to give effect to the decision. It will, however, be open to the industries to apply for protection if they find themselves unable to meet foreign competition.

Sir, I should not like to take the time of the House by dilating further on the various aspects covered by this Bill, and I should feel very happy to answer such of the points as may be raised in the discussion. Sir, I move:

Mr. Chairman: Motion moved:

"That the Bill further to amend the Indian Tariff Act, 1934, be taken into consideration."

Shri M. S. Gurupadaswamy (Mysore): Mr. Chairman, Sir, before I

go to the points in the Bill itself I want to make one observation, and that is that both these Bills, namely The Indian Tariff (Second Amendment) Bill and the Indian Tariff (Third Amendment) Bill might have been clubbed together. I do not know why Government had not thought of bringing one Bill to cover all these items.

Shri K. K. Basu (Diamond Harbour): Because they are on shifting grounds.

Shri Karmarkar: No, we are firm.

Shri M. S. Gurupadaswamy: Sir, the hon. Minister seems to have anticipated my speech and he said something about the silk industry while he was replying to the last debate. Thereby he seems to have tried to avoid a discussion on this industry. But the industry is so important and the problems facing it are so complex that I want to make a few observations.

Protection to artificial silk and cotton and artificial silk mixed fabrics has been there since many years. The report says that the quality of artificial silk goods is improving. But I want to know what is the exact policy of the Government with regard to the silk industry as a whole—both artificial silk and the pure silk industry. Is it to promote competition between these two branches of the industry? There is protection for the pure silk industry since 1934. There has also been protection for artificial silk fabrics since 1934.

Dr. M. M. Das (Burdwan—Reserved—Sch. Castes): Sir, are we discussing silk now?

Shri M. S. Gurupadaswamy: Yes we are.

Shri V. P. Nayar (Chirayinkil): Why are you so much against silk?

Shri Karmarkar: No. He is also interested in silk—Bengal.

Shri M. S. Gurupadaswamy: Sir, my main point is this. We have protected both these industries, and there is

keen competition between the two branches of the industry as a result of which the pure silk industry has suffered a considerable loss and could not stand on its own legs. Even today it cannot stand on its own legs. That is because too much importance is being given by Government to the artificial silk industry. By that I do not mean that artificial silk industry should not exist at all in the country. Let it exist. But first of all, our natural silk industry should be assured of its existence.

So it is very necessary even now to consider whether we should grant protection or continue protection to the artificial silk industry and, if so, to what extent and to what period. I feel that the rate of duty is very high and that the artificial silk industry should not be given such a high rate of protection. The giving of such a high rate of protection to that industry will not only place a burden on the consumer but will also encourage that industry to compete more effectively with the natural silk industry.

There is also another point which matters. Can we not give help to this industry by import control? Why should we resort to protection? This protection has been there since many years. Why can we not dispense with this protection to the artificial silk industry and try to help it by import control? It can be done. I do not know why the Minister comes often before the House and asks for protection in respect of the industry.

Now, the natural silk industry has been in a very bad state in spite of the protection, help and support given to it. I want to say that the industry will suffer in the long run and is going to be ruined if more serious and concrete steps are not taken to protect and help the industry. The hon. Minister was saying just now that in Japan and other places there are very many advanced methods of production, that advanced techniques have been adopted, and so there has been considerable improvement in those countries. True. But what has been done in this country? My position is the same as of the Minister. I am

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saying what he is saying and he is saying what I am saying. I want to know what he has done. He has been saying for the last two years that he is taking very serious steps, very far-reaching steps to protect this industry. What has he done? I know that the Silk Board is there. It has not even met once. I think it is going to sit next month. The funds meant for this industry could not be utilised. The funds lapsed. What is the reason? This is the kind of protection that the hon. Minister is giving to the silk industry. Not only is protection necessary, but other steps are necessary. Moreover, in granting protection to the various branches of industry, care should be taken to see that the rate of protection is discriminatory and does not in any way permit unhealthy competition between two branches.

I should like to refer to another important aspect, namely the plastics. This industry is growing in the country and today, it has become a great menace to the silk industry.

Shri Karmarkar: Is it suggested that plastic industry is competing with the silk industry?

Shri M. S. Gurupadaswamy: I am referring to plastic fabrics. People are nowadays taking to plastic fabrics. People were once wearing Mysore silk and other pure silk varieties. Now they wear plastic sarees, shirtings, etc. I urge upon the Government that they should control production of the various varieties. That should be planned and controlled. Today, there is no planning, there is no control. All sorts of things are allowed to be produced with the result that other sister industries are destroyed. It is very necessary that there should be a proper control and planning of the production of the various types of goods, particularly plastic clothes which have become a serious menace and a bad competitor of the silk products. Therefore, I say that the hon. Minister should have given more thought to this aspect of the problem before giving more protection to

this industry. Otherwise, we will be inviting trouble to ourselves.

Regarding the bicycle industry, various references have been made in the past. The industry is not producing enough of bicycles to meet the local demand. The problems in this industry are many. I do not want to discuss all the problems. They were discussed in the last session also. I only want to say that in spite of the protection and support given to this industry, it has not proved worthy of protection. The quality of the products, the rate of production and the management of the industry, all go to show that this industry is not run on proper and scientific lines. I was told that there are many foreign experts who have been employed by this industry. In spite of all the foreign technical help and their advanced knowledge and skill, this industry has not been able to produce good standard bicycles. It is very necessary that the Government should take immediate steps to put this industry on a sound basis.

I do not want to speak on all the items. But, before I close, I want to make one general observation. The Tariff Commission is not able to conduct enquiries in regard to so many industries. We have been asked to give protection for a further period of 1 year. Time and again, this type of demand is coming on the part of the Minister. Even in the last session he said that there was no sufficient time for the Tariff Commission to enquire into the various industries, and so let us grant protection. Does that make policy, to say that because the Tariff Commission could not enquire into the problems of a particular industry and cannot give its recommendations we have to continue the protection? We are groping in the dark. We do not know what is happening to the industry and at what stage of development the industry is, whether it is developing well on proper lines or whether it is doing badly. Unless we know the full picture, it is difficult for the House to grant protection. This is a very important matter. It affects the entire

industrial structure of the country. There seems to be a grave drawback in the working of the Tariff Commission. It may be over-burdened; it may not be working properly, the staff may not be enough; or the Members of the Tariff Commission are incompetent and not up to the mark. I cannot say. It is necessary for us to know what is going on behind the screen of the Tariff Commission. We have protected a large number of industries wholesale. We are entitled to know why they have not been able to enquire into these problems and why they have not been able to give us their reports. The other day, when we were discussing about the coffee industry, the Minister said that it is not possible to refer the matter to the Tariff Commission because the Tariff Commission will take a long time. What for is it meant, I want to know.

Shri V. P. Nayar: To take a long time.

Shri M. S. Gurupadaswamy: If the Government could not get done the things that are expected to be done by the Tariff Commission, why should there be the Tariff Commission in existence? Let us set up another Committee for each industry and get its report. I am very sorry for the way in which the Minister helplessly comes to the House asking us to give protection to certain industries. That is a very unfortunate way of doing things and does not reflect any sound policy. I feel that hereafter at least he should make up his mind not to come to the house asking us to give protection without giving the background. He must have all the facts in his possession and he should be able to give us a full picture before we give protection. This is a very important matter and I take it very seriously. I hope hereafter at least he will follow this policy.

Shri V. P. Nayar: I shall just raise a point of order, Sir, and sit. Sir, I am glad that at least now the Government of India has appreciated the difficulties of the titanium industry in Travancore-Cochin. But, I do not

concede for a moment that their approach is correct. You know, Sir, that the titanium dioxide industry in Trivandrum is the only one of its kind in the whole of India, or perhaps, in the whole of Asia. If you take into account the world production, you know, Sir, that it is a British monopoly because the British Titanium products control the bulk of the production of titanium dioxide. There was some survey of the mineral sands of Travancore-Cochin and there was ilmenite. The monopolists in the world could easily find out that if they did not come and start a factory for the manufacture of titanium dioxide, which is in very great demand for the Indian industries as also industries outside India, there was a chance of some national enterprise coming up because this was a very precious article. So these firms which had an earned monopoly moved the Government, in those days, and I think Government also invested some money, and they raised some funds from the public and started this industry. But what was the result? One of the main reasons why the titanium dioxide factory had to close down in Travancore-Cochin, was that it was mismanaged at the top, because the British people there were getting fantastic salaries of Rs. 4,000 and Rs. 5,000. I think there were about 800 workers in this factory, and when this factory was closed for a period of one year, they had no work and they had no wages, but all the British staff there had their full salaries plus their allowances and everything. That was the way in which the titanium dioxide factory was managed. But what do we find now? We have made repeated demands, we have written personal letters, and raised the issue several times on the floor of the House, and now Government have come forward to say, well, we are going to consider how this titanium factory should be protected. And how do they protect this industry? We find in the Bill, that titanium dioxide of British manufacture will have a protective duty of 25-1/5 per cent. *ad valorem*, while that of non-British manufacture, will have a protective duty of 35-1/5 per

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cent. *ad valorem*. If I understand *ad valorem* duty aright, it is very clear that non-British manufacturers of titanium dioxide will have to pay an additional 10 per cent. duty, over that on the titanium dioxide of British manufacture. Am I correct?

Shri Karmarkar: Yes, that is right.

Shri V. P. Nayar: Some time back, in answering a point raised by comrade Shri K. K. Basu, the hon. Minister stated that there are no imperial preferences. Should I call this as an impartial preference? What else is this but an imperial preference? You say that the British monopolists who have a monopoly on the manufacture of titanium dioxide can import titanium dioxide by the payment of about 25 per cent. *ad valorem* duty, while the non-British manufacturers, who are outside the pale of British influence, and do not have a monopoly on titanium dioxide, must give about 35 per cent. *ad valorem* duty for their imports. Yet, the hon. Minister has the gumption to say, and the shrewdness to say that we do not have any imperial preferences, or preferences for U.K. I would like him to answer this point. When you charge a particular *ad valorem* duty at a particular percentage, in the case of British manufacturers, when it comes to non-British manufacturers, you enhance the duty. Should we say that it is an impartial protection? I leave it to him to say what it is.

We know that the demand for titanium dioxide is on the increase, because it is increasingly being used for the manufacture of certain other articles, for which titanium dioxide is very necessary. For instance, I find that titanium dioxide is being used as a paint pigment of high covering power and stability, especially in the glass and ceramic articles. The other day, in reply to a question by me, the hon. Minister stated that several ceramic factories had closed down, and several glass factories were also closing down. If there is going to be an increase in the demand for titanium dioxide, this is not the way in which Government should tackle

the situation. Titanium dioxide is also being used in the manufacture of stainless steel utensils, especially for the stabilisation of carbon as carbide. I also learn that titanium carbide is a very important abrasive. From all this, it is very clear that titanium dioxide has a very important role to play in industry. As in many other matters, in this case also, Travancore-Cochin can claim a monopoly, but here is another matter in which Government have shown a stepmotherly treatment to Travancore-Cochin, because in the case of such a vital industry as this, which is the only one of its kind in the whole of Asia, the Government have been sitting idle for a long time; and my hon. friend the Commerce Minister was heard to say that the industry was in a process of suspended animation—very attractive words indeed, but what were the Government doing? They were really in a state of animated suspension without taking any decision (*Interruptions*).

This is not the way Government should tackle a difficult situation that has arisen in an industry. If only they had known earlier the position of the titanium industry, and how the industry came to a crisis, certainly they would not have waited all this time. I know the precise reason why this matter is being not only pursued, but given wide publicity also, but that is a matter which is not to be discussed here by us now. Anyhow, I am very glad that at least now the Government of India have opened their never-opening eyes to Travancore-Cochin. Then there is another important matter.....

Shri A. M. Thomas (Ernakulam):
Tapioca?

Shri V. P. Nayar: I give tapioca to you.

I cannot understand why in the case of certain other articles also which Government seek to protect there should be a difference in duty as between articles of British and articles of non-British manufacture. For instance, in the case of jute baling

hoops of British manufacture, the protective duty is 30 per cent. *ad valorem*, while in the case of hoops of non-British manufacture, it is 40 per cent. *ad valorem*; similarly in the case of cotton baling hoops of British manufacture, the duty is 30 per cent. *ad valorem*, while in the case of hoops of non-British manufacture, it is 40 per cent. *ad valorem*. I want to know why there is such a discrimination. Why should this Government which says that there is no protection, that there is nothing peculiar to the British manufacturers, no concessions are being given to British people, etc. treat British manufacturers in a particular way. Whether it is higher or lower, I do not mind; but why is it that there is discrimination between British manufacturers on the one hand, and non-British manufacturers on the other, for identical articles which both of them import into India? If you are bound by a convention or an agreement which justifies this, please, for the sake of India, scrap it at once, and do not continue this discrimination any more.

The hon. Minister stated that he has included certain industries which will continue to enjoy the protection, simply because the Tariff Commission has not been able to arrive at a decision. My hon. friend Shri M. S. Gurupadaswamy was telling us that perhaps it may be that the Tariff Commission members were inefficient members or it may be that the Tariff Commission members do not know what to do. When I was hearing him, I was reminded of a very popular saying in our place, that an ordinary carpenter who is accustomed to doing work with wood cannot construct a masonry house and it will take some time for him to find it out how it is done. It was precisely the case with one of the members of the Tariff Commission. I find the hon. Minister of Commerce and Industry looking at me, and so I shall stop saying only this that without any reference to the people who are really competent to go into the matter, members are appointed to

the Tariff Commission, with the result that they are not able to take a decision. Perhaps they are overburdened with work—I do not say that their work is very light—but this is the sort of approach that Government should not adopt. Whether it is beneficial or not, simply because the Tariff Commission has not been able to take a decision in respect of the continuance or otherwise of protection in respect of about thirty or forty industries, to give all of them the benefit of doubt is not the way Government should approach this problem. If the Tariff Commission could not themselves go into this matter, it is open to Government—they appoint umpteen Commissions every year—to appoint a committee of competent men to go into the matter.

Now, what are the industries which continue to be protected. In the list, we find preserved fruits. I am certainly agreeable to preserved fruits being protected. But what is the state of affairs in which we find this industry today? There are factories down in Travancore-Cochin which never manufacture this, because they cannot afford to compete with others. I shall illustrate it by a very simple case. In Travancore-Cochin, pine apples are available in plenty. There is no canning factory there. It is the only place in India where you can have the cheapest and the most tasty pine apples in abundance. But no factory is there. If there is a factory, it cannot sell; it cannot manufacture. When I asked the Food Minister the other day, he said that the Government of India had not even contemplated starting a pine apple canning factory. They do not even have figures to show what percentage of the fruits produced in India go putrid, and are not useful to the consuming public. Sir, it is a very basic defect in approach.

Then they say that preserved fruits also will enjoy some protection. It would appear that India is producing only about 2,000 tons of preserved

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fruits and that to satisfy the demand of millions of our people!

Then there is another industry in which, I know, the vested interest is that of the foreigner—the aluminium industry.

The Minister of Commerce and Industry (Shri T. T. Krishnamachari): We are listening.

Shri V. P. Nayar: I do not propose to waste my lungs unless either of you hear me. I do not claim that both should hear.

Shri T. T. Krishnamachari: We are discussing the hon. Member's statement.

Shri V. P. Nayar: I am sorry that they are capable of doing only one thing at a time.

Shri T. T. Krishnamachari: I can do a little more than that.

Shri V. P. Nayar: Let us hope so.

Then, Sir, the aluminium industry is not one in which Indian investors—Indian industrialists—have a say now. The aluminium industry as far as I understand—I speak subject to correction; it is open to the hon. Minister to contradict me—is an industry in which there are British, Canadian and American interests, not ordinarily, but predominantly. (*Interruption*) The Deputy Speaker asked the hon. Minister of Commerce sometime back why in such an industry it was that when they had the technical know-how with them, when they had the advantage of bringing their own plant and when they had the additional advantage of getting the cheapest labour in the world here in India, it should be protected. Of course, we found him in as tedious a task as perhaps Magalan was in his circumnavigation of the world. He did not meet the point. I want him now to give a categorical answer. Last time when he gave an answer in reply to a point raised by the Chair, I could not follow him. He

missed the exact point and went round and round. I want to ask why this aluminium industry, for example, has to be protected in view of the fact that the predominant interests in the industry are not Indian but foreign.

Then, Sir, there is, again, the bicycle industry. We know as a matter of fact that recently Raleighs, perhaps the world's biggest manufacturers of cycles, have planted themselves in India's cycle manufacturing industry in association with an Indian firm, Sen's Sen-Raleighs, you know, can have all the advantages of a long period of experience; they have all the advantages of the technical know-how, the skill—everything—which the bicycle manufacturing industry requires. They come to India for the sake of some concessions, for the sake of some protection here or some protection there and they get hold of an Indian industrialist and the poor Indian industrialist, without knowing that later on he will be completely eaten up by the British investor, goes and gives his name and then a factory is set up. You will certainly admit, Sir, that in England where Raleighs function, they cannot get labour as cheap as they can in India. I should think it is at least four times more costly to have labour there. Yet with all that, they come to India and price their cycle at Rs. 350. Anyone who wants to go in for a cycle will have to pay through his nose. In spite of that, the Government say that this industry must be protected! I am not at all against protecting any industry which is owned by Indians. But if an industry is protected in which there is a very large share of foreign capital and in which such foreign capital claims to have all the technical know-how, all the advantage of continuous experience for years and so on, then, Sir, I am certainly against that.

Shri T. T. Krishnamachari: Will the hon. Member permit to say this? This is only an interim protection—extension of protection already granted. Actually, we expect the report next year and I hope we will be able to place it before the House.

Shri V. P. Nayar: If the hon. Minister took it that mine is a final argument, he is certainly wrong. Mine is also an interim argument. I was only saying, Sir, that this sort of approach in trying to give protection to an industry, even if it is for a single day....

Shri S. V. Ramaswamy (Salem): Then, is this an interim debate? (*Interruption.*)

Shri V. P. Nayar: Even if the protection granted is only for a day, it is very dangerous to the development of Indian industry. (*Interruptions.*) When Government go on continuing the protection given to industries in which there is either a monopoly of foreign investors or there is control of the foreign investors, I must submit, Sir, we must oppose that policy, because it is very dangerous to the growth of Indian industry. If I go on saying anything about this, then the hon. Minister will get up and say 'We are accustomed to hearing these views of the hon. Member. He has been repeating it almost every time'. But I would ask the hon. Minister to tell us why it is that it has been necessary for the Government of India to afford protection to industries in which foreign capital is interested, in which foreign capital which is interested claims to have been in the field elsewhere for a long time and in which the foreign capital claims to have all the technical know-how.

Dr. M. M. Das: Does my hon. friend know that the foreign investment in the case of Sen-Raleigh may be only in the form of technical know-how and nothing else?

Shri V. P. Nayar: He must know better because he is nearer the place.

Shri Bhagwat Jha Azad (Purmea cum Santal Parganas): That is why he is confusing.

Shri V. P. Nayar: My position is sufficiently clear and I hope, Sir, when the hon. Minister replies, he will reply to this point also.

Then there is also another point: 'Protection to the following industries will be discontinued from the 1st January 1954'. There is one industry in that—pencils. We know that although India possesses soft-wood at the cheapest price in the world, although India has the cheapest labour in the world and although we have enough graphite or black-lead or whatever it is, which is cheaper than in any other country still the cost of pencils manufactured in India does not compare favourably with that of imported pencils so far. And the Government of India do not confine their orders for their requirements of pencils to Indian pencils. The pencils we get here are imported.

Shri T. T. Krishnamachari: Old stock.

Shri V. P. Nayar: Yes. I also know that the fate of some pencil factories is hanging fire for a long time. We have all the materials that are necessary for manufacturing pencils here but pencil factories are being closed. I would very much like the hon. Minister to tell me how many pencil factories we have in India and how many have been closed during the last two or three years.

Shri T. T. Krishnamachari: There the issue of protection does not now exist because the protection that was given was 31-5/8 per cent. Now the duty has been raised to 66-2/3 per cent. So there is no need for protection to that industry.

Shri V. P. Nayar: The hon. Minister knows fully well that before the war when Japanese pencils were imported, we used to get that pencil with the trade mark 'cross umbrella' for half an anna a dozen, and it was by far the best pencil for that price in the market. Even some countries which are so proficient in the matter of pencil manufacture can still afford to pay this duty. import their pencils here and compete and finally oust the Indian manufacturers out of the field. That is possible.

Shri T. T. Krishnamachari: We have other methods to stop it.

Shri V. P. Nayar: As a matter of fact, you are afraid of Japanese competition in ever so many articles. Why not in this also. I do not think a protective duty like this will save the industry, unless you do something else.

Then, Sir, there is the fountain pen ink industry. This is also an industry in which the foreigners are gradually coming in. There is a Parker Quink manufacturing enterprise. I do not know where they have started their factory. But I presume it is somewhere in Madras. Sir, the hon. Minister was telling us that we ourselves do not have a particular liking for Indian articles. How can we do it? They want to dump their goods into India at favourable prices and when we find that they have the same quality, we are inclined to buy. Now the position has changed. Now, when the Indian ink manufacturers have improved their quality and when we have in the market certain varieties of ink which can compete with some other varieties, they have come over to India and they have started manufacturing ink in India, where they get all the raw materials cheaper, where again, as I said before, they get labour also cheaper, with the result that Parker Quink will again be in the field, and the absence of protection to the Indian ink manufacturing industry may go against the interests of that industry. So there is no reconciliation between this policy and that. This matter should have been thought out much more carefully by the hon. Minister for Commerce. With these few words, I resume my seat.

Shri S. V. Ramaswamy: I wholeheartedly support this measure, Sir. The previous speaker took objection to the way in which protection was being extended to 24 items on the list. He seemed to think that the Tariff Commission was not quick in the disposal of these inquiries....

Shri V. P. Nayar: I never said that.

Shri S. V. Ramaswamy:...and it was a case of benefit of delay being given to that.

Shri V. P. Nayar: That was what he (the hon. Minister) said; that was not my opinion.

Shri S. V. Ramaswamy: Whatever it is, my hon. friend is not correct in charging the Tariff Commission for the delay. They have lots of work to do and because of their heavy work they have not been able to complete their enquiries.

Shri V. P. Nayar: If I may interrupt. I told him I never said these words. I only said that the hon. Member said that it is possible. He refers specifically to the speaker before him and unfortunately that happens to be this humble self.

Shri S. V. Ramaswamy: Both are before me. I shall not take much time except that I wish to congratulate the Government for extending protection to these 25 items mentioned in the schedule. In passing through the list, one can easily find that the Government is very solicitous of those industries which have sprung up recently. It may also be noted that some of these industries are small-scale or cottage industries and I am very glad that the Government has come forward to extend protection to those industries for another year. Take for instance No. 2 on the list—sago globules and tapioca pearls. It is common knowledge that there are about a hundred factories in Salem alone, my own constituency. This industry has had a very chequered career. When the Japanese occupied Malaya and other places, the import of sago was totally restricted. Formerly we used to get these globules only from Malaya and we had no indigenous industry. Sago plays a very important part in our food. Therefore, this industry was developed in Salem District and the raw material for this industry, namely, tapioca, is largely grown in that district. Subsequently, however, the import of foreign sago was allowed and so many factories had to be closed down. Subsequently again that industry came in for another trouble. There was acute food shortage owing to the failure of rains for six continuous years in the southern

parts of India and the Travancore-Cochin State banned the export of tapioca, with the result that further factories had to be closed down. Luckily for us, nature has been kind to us this year and rains have come down plentifully. The result is that we have no apprehension that the production of tapioca will resume its normal level. But this extension is necessary in order to help that industry to tide over the difficulties and the loss which has been incurred during the past five or six years. I for one am thankful to the Government for having extended the protection for another year. This extension will give a great fillip to the further production of tapioca roots in my district and generally in the southern districts of Madras State. This is necessary, because there is a scheme for the production of artificial rice, and an important constituent of artificial rice is tapioca root. My friends from the Travancore-Cochin State may perhaps have a different view because there it is used directly as food by the poorer classes, and they might feel that the protection given will affect the quantum of tapioca roots available as food in the Travancore-Cochin State. I wish to assure them that they need be under no apprehension with regard to that, because we ourselves in the southern districts of Madras will grow enough tapioca not merely for the production of sago globules and tapioca pearls but also for the artificial rice.

The other industry in which I am very much interested and to which protection has been extended is artificial silk and silk fabrics. This again, Sir, is largely based upon the production in the cottages and in the villages. It is very proper and right that the Government should have come forward to extend the protection by another year to these commodities.

My friend on the other side was criticising the extension of protection to the first item, namely, preservation of fruits. I submit, Sir, this is very necessary, because this is a new industry and in order to help the growth of this new industry, it is very necessary to continue this protection. It would ap-

pear to me that the extension will not be enough and I believe next year also when they come with another Bill, the protection will have to be further extended. Side by side with this protection, I take this opportunity of urging upon the Government to develop this fruit preserving industry in the places where fruit is grown in plenty. Take, for instance, my own place, Salem. Salem mangoes are famous throughout the world.

Shri K. K. Basu (Diamond Harbour): Why not supply us?

Shri S. V. Ramaswamy: I shall bring it next time. They are so delicious, sweet and juicy. I do not know why a fruit-preserving factory has not been started. So much of mangoes are wasted for the reason that these fruits do not keep. I believe that one difficulty in starting a factory is that production of this fruit can only be seasonal. Nevertheless, it is worth while starting a factory in Salem for the preservation of mangoes.

There are other items like hurricane lanterns and sewing machines and electric motors, and so on. All these, to my mind, are calculated to help the newly started industries and once again I congratulate the Government on bringing this measure.

Dr. M. M. Das: Mr. Chairman, Sir, my hon. friend, Mr. Nayar from Travancore-Cochin accused the Central Government for giving protection to the cycle industry. He cited the Sen-Raleigh Company which is unfortunately situated within my constituency in West Bengal.

Shri N. Sreekantan Nair (Quilon *cum* Mavelikkara): Any shares in it?

Dr. M. M. Das: My submission is that without knowing any detail, the terms and conditions of the agreement and the articles of association between the indigenous firm and a foreign firm, it is not proper, it is not just, it is not fair, to assume that the company is a foreign company and that the total capital comes from foreign countries. Sir, it is not a very weak factory in comparison with those sister factories

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in other countries of the world. The Sen-Raleigh company, like all those cycle manufacturing companies in India, deserve, and they really deserve, protection from the hands of the Government. Like my hon. friend from Travancore-Cochin, Sir, I am also interested in titanium dioxide. If the State of Travancore-Cochin holds the monopoly in the production of this chemical, my State, West Bengal, consumes the lion's share of this product in her big paint factories.

6 P.M.

If he feels that Travancore suffers from the British commercial policy regarding the titanium factory, my state of West Bengal also suffers from the policy of big paint manufacturers who come from foreign countries and who use this titanium dioxide.

Sir, this titanium dioxide factory, the Travancore Titanium Products, Ltd., came into existence only a few years back. It is not a very big factory. The total annual production is about 1,800 tons per year. The hon. Minister of Commerce stated a few minutes back in this House that the demand of titanium dioxide in our country is not large. I think the demand will be round about, according to Government information, 500 tons per year. But facts show that this information is not quite correct. I asked the hon. Minister to give us figures of consumption of the different paint manufacturers of this country by way of imports of titanium products when this factory was closed. Our information is that the demand of titanium dioxide in this country is much greater than the so-called 500 tons per year.

Sir, this Travancore Titanium Products, Ltd., began production in the latter part of 1951 on a very low scale and produced only 150 tons of titanium dioxide. During the first half of 1951 they produced about 232 tons of titanium dioxide. But even this small quantity of titanium dioxide could not be sold in the market and the factory had to be closed. Sir, this phenomenon can be explained by the fact that the

managing agents of this factory are a foreign concern, who have got importing interests of titanium dioxide in this country and who are big titanium dioxide manufacturers in England.

Sir, the hon. Minister himself has said that this titanium dioxide has got its competitors in the country. They are lithophone, zinc oxide and white lead. Now in this Bill we find that a protective duty has been imposed only on titanium dioxide. If titanium dioxide produced in our country suffers from its competitors like lithophone, etc., then, how will it be possible to protect our titanium dioxide industry by imposing a protective duty upon titanium dioxide alone? Why should not a duty be imposed upon lithophone. I want to know this from the hon. Minister. Unless a protective duty is imposed upon lithophone and similar other products that act as substitutes of titanium dioxide, this industry cannot be saved.

Sir, I have told the House that the managing agents of Titanium Products Travancore are foreigners. They have importing interests in this country, of titanium dioxide. After this factory was closed due to the fact that its products could not be sold in the market, within one or two months the paint manufactures were refused the supply from this factory. How all these products could vanish into thin air within two or three months after this factory was closed is a mystery to me.

Therefore my submission to you and to this House is that by imposing a protective duty upon titanium dioxide only we will achieve nothing. Government will not be able to achieve its purpose. I mean to give protection to this industry. What the Government should do is to impose a protective duty upon all the foreign products that form substitutes of titanium dioxide in this country, such as lithophone, white lead, etc.

My hon. friend Shri Gurupadaswamy has spoken in detail about the silk industry in our country. During

the discussion of the Silk Bill we have also in this House pointed out to the Government as to what should be the proper way of giving protection to the silk industry. One thing that I want to impress upon this House is that the name "artificial silk" which is used by artificial products such as rayon should be immediately banned. I do not understand why our Government allows the producers of these artificial products, rayon and others, to use this name "artificial silk". This name "artificial silk" produces a false impression upon the minds of the consumers who purchase these articles, rayon and others, as silk and are cheated. The ultimate effect is that an aversion is created in the minds of the consumers against pure silk. Pure silk is washable. It is many times more durable than artificial silk. This artificial silk is not washable. With one or two washes the stuff made of artificial silk gives way.

Therefore, the proper way of giving protection to these industries is not only by imposing some protective duties but by adopting other concrete methods.

Sir, I do not want to take the time of the House further and I thank you for the opportunity you have given me to express my views.

Shri N. Sreekantan Nair: Mr. Chairman, Sir, I was surprised to hear that this protective duty on titanium dioxide is going to help the industry. As a matter of fact, the Titanium Factory in Trivandrum, with which I am associated as President of the Workers' Union, is about to be reopened. But whether it is being reopened on the basis of the stability of the industry is a matter of doubt. So far as I am concerned I do not believe that the factory is being reopened now with any safeguard for the industry to continue its production for a long time. Because the elections are coming and the Congress wants a few votes, they think that by opening the factory they can get those votes. Anyhow, I am glad they are reopening the factory.

An Hon. Member: There is politics behind it.

Shri T. T. Krishnamachari: Sir, I would like to mention this—not that I am taking offence at what he is saying—but the firm have orders on hand which will keep them going for a year.

Shri N. Sreekantan Nair: Yes, Sir, orders are there. But it is a question of price and the possibility of working with profits. As a matter of fact, all of us represented to the Government. It was advertised that only the Government of Travancore-Cochin made representations and everything was settled. I have no complaint against that. But, what is the real position? As my learned friend Dr. M. M. Das said, the company is being controlled by a director of the British Titanium company, which is one of the largest producers in the whole world. They have imported into this country outmoded and useless machinery which produces as the hon. Minister said, anatase titanium dioxide. As a matter of fact, the much better rutile titanium dioxide cannot be produced in these plants. It was for putting up the rutile plant that the company asked for a loan of Rs. 15 lakhs from the Industrial Finance Corporation, which was denied all these months and which was finally sanctioned. Even by working that rutile plant, as has been pointed out,—you know the British company's interests have to be protected first and foremost—it will be impossible to work that factory at any profit. Though I have no objection to anything British because it is British, though I would not argue that a British company should not get any preference at any cost, I would say that if any country has to be differentiated against in this industry, it is Britain. In so far as titanium dioxide is concerned, the duty should be twice as much for Britain as is imposed on any other country. That is the position with regard to this titanium dioxide industry. The 25 1/5 per cent. *ad valorem* duty is not going to protect the industry. As a matter of fact, it was there in some form or

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other, and we found it very difficult to compete in the market. The cost price of titanium dioxide produced in Trivandrum was thrice what the market price was in 1952, in India. So, I think that the duty has to be pitched much higher if any benefit is to be derived by the company. As the hon. Minister said, there is order for one year. After this artificial propping up, it may be dropped. The industry may go down if the duty is not raised at least for some time to come and if the British company is not deprived of the managing agency position.

Another important aspect to which I should like to draw the attention of the House is regarding sago. The hon. Member from Salem was suggesting that the duty should be retained. Of course I am going to argue that the duty should not be retained. I would like to point out, though I am a trade union worker and this involves the employment of a few hundred workers, the 109 factories that are now producing in this country, produce 30,576 tons of sago flour, whereas the domestic requirement is only 12 to 15,000 tons per annum. So, we will be producing too much. We are producing it from tapioca. That is perhaps the only staple food of the millions of poor people in my part of the country. In the name of providing employment for a few hundred people, you are actually depriving millions of poor people in my part of the country of their staple food. There are many families, as a matter of fact, who never take a single rice meal in a week. They depend on some kind of fish, dried fish or rotten fish and tapioca. That is the cheapest food. Because the people are poor, overpopulated and unemployed, to the common man, tapioca is the staple food. Now, the position is, that because the ban has been lifted by the Travancore-Cochin Government, tapioca is bought in bulk by outsiders and the price of tapioca has gone up. Not only is there dearth of tapioca in the country, but the prices have gone up far beyond the reach of the common man. If there is no protective duty,

naturally outside imports may compete with internal production and the price may fall. If the price of tapioca falls, that is at least a natural protection, a natural check in this capitalist world of checks and balances. Even if that capitalistic check and balance is not allowed in the case of tapioca, certainly the fate of millions of poor people in my part of the country will be miserable. I would request the Minister to consider this position. Why should the sago industry get a preferential treatment and a protective duty? There are a hundred and odd factories there, and the total number of workers involved will be about a few thousands. But they and millions of poor people like them will be the persons worst affected, when the price of tapioca rises beyond the reach of the common man. If tapioca is allowed to be exported, or used for the production of sizing flour or sago, naturally its price goes up beyond the reach of the common man. So this is a thing which should not be encouraged. The only possible course open is to restrict the internal production, and for that, it is best to allow external competition. Indeed we are not only producing sago in sufficient quantities to meet the needs of the country, but we are in a position to export as well; so let us at least curtail the overproduction. I can assure the hon. Minister, if he does not know it already, that nobody could compete with us in producing sago out of tapioca. Even in that case, a certain quantity of tapioca can be set apart for this purpose. It is because there is no such control now on the quantity of tapioca to be used for the manufacture of sago, the price of tapioca has gone far beyond the reach of the common man. This is a matter that must be considered by the hon. Minister.

In the case of titanium dioxide, henceforward the duty must be put up at a much higher rate, and the British company which is managing the factory should be made to quit. The prices of tapioca should not be permitted to shoot up.

These are the two points I would like to urge for the consideration of the hon. Minister.

Mr. Chairman: Before I call upon other hon. Members, I have to make one announcement. The Report of the Commissioner of Scheduled Castes and Scheduled Tribes will be taken up for discussion tomorrow.

An Hon. Member: At such short notice?

Dr. M. M. Das: Tomorrow?

Mr. Chairman: Yes.

Shri Bhagwat Jha Azad: Mr. Chairman Sir, the other day while reading a book, I found something in regard to the classification of speakers. One category consists of persons who start with some definite sayings, with this or that, but after three or four minutes of such definite statements, suddenly jump to if, whether, and, but, and howsoever, and start shooting in the air, so that others may think that they are speaking something very important and high. I feel that in the case of whatever Bills are brought forward by the Minister of Commerce and Industry, our hon. friend Shri V. P. Nayar, who is a very common participator in the discussions on these bills, always believes in that principle. After praising the Commerce and Industry Minister for what he has done in respect of the titanium dioxide industry, for a few moments, he immediately started saying, this is not the way to deal with things, this is not the proper way to tackle the problem, this is not the right way of approaching the problem, etc. But after all this, I found that he was not telling us what was the proper way. At least for our information, if not for that of the hon. Minister, he should have told us what in his opinion was the right way to deal with this problem.

Shri V. P. Nayar: Meet me in my room, and I will tell you.

Shri Bhagwat Jha Azad: Shri M. S. Gurupadaswamy, who is now probably alone carrying the burden on his

shoulders with regard to defending the interests of the consumers, has been very critical of this Bill. He said that bringing these Bills, the Government are not caring for the interests of the consumers, and the poor consumers are very hard hit. This was the line of his argument. In the case of almost all the Bills, three or four common points are often brought in, viz., foreign investments, the consumers' interests and some things which I have already mentioned, of the V. P. Nayar line. Shri M. S. Gurupadaswamy feels that probably he alone in this House represents the interests of the consumer (*Interruptions*). Probably on this side also, there are Members representing the consumers.

After all this, I find that there is nothing in this Bill which should have evoked such a storm from hon. Members, as to have brought in the question of foreign investment, the consumers' interests, and certain other things in the language of my hon. friend Shri V. P. Nayar, which of course, I cannot understand, but which probably the hon. Minister knows much better.

With these words, I support the Bill which has been brought forward by the hon. Minister of Commerce and Industry, and which is designed to give protection, in the natural course, to certain industries, and to withdraw it in the case of certain others.

The list which is before me in this Bill clearly shows that the industries which are given protection or to which extension of protection is granted are such industries which are very important for the industrial growth of this country. In such a case, I do not think there is any occasion to raise such a stormy debate by Mr. V. P. Nayar in which of course he has become an expert by now. (*Interruptions*)

Shri A. M. Thomas: It was not as stormy as usual.

Shri Bhagwat Jha Azad: Regarding foreign capital, I too cannot tolerate that foreign capital should be invited. True. And I also feel that whenever

[**Shri Bhagwat Jha Azad**]

capital is coming forth in our own country from our own nationals, to be invested in some industries, naturally they should be given protection. But if our friends are not coming forward with capital for such industries which are the dire necessity of this country, there is no harm if foreign capital comes in, and in order to have speedy industrial growth, we may extend some protection to such industries, of course with a limitation. I feel there is no harm in that. But by now this foreign capital has become a mania with our friends. They dread it, but they should know that in the early backwardness of the Russian economy, they had also to take in foreign capital.

Shri K. K. Basu: You do not know the facts.

Shri Bhagwat Jha Azad: I suppose that Mr. Basu has not got the monopoly of knowing all the facts. There are others also who know the facts. I suppose he should see his own magazine which gives these facts. In Russia also in the early days they borrowed foreign capital. Of course, it may be 40 crores. I do not mind. But I suppose others also know the facts.

Therefore, I feel, Sir, that these amending Bills which are brought forward in this House are so simple and just by way of routine that we should from all sides extend our wholehearted support to them. With these few observations, Sir, I support this Bill.

Mr. Chairman: Mr. Basu. He should finish in five minutes.

Shri K. K. Basu: It is very difficult to finish in five minutes. Sir, as I said while speaking on the other Bill, generally speaking we support the principle of protection to our national industries. But again, Sir, as I emphasised before, the main criterion for this protection should be whether it will help the process of industrialisation of the country.

Sir, the Minister replying to the debate on the other Bill said that to a certain extent foreign capital should

come. Let us analyse from our point of view how much foreign capital should come. Naturally, if our Government of the day feels that there is dearth of capital and foreign capital should be invited, then it may be invited in such industries where there is no national or Indian counterpart.

Sir, my learned friend has said that foreign capital is necessary. I do not want to go into details but we must know what proportion of foreign capital is employed in the development of our national economy and the process of industrialisation of our country. In the list of articles that are sought to be protected, we find one article—cocoa powder and chocolate. We know our children, who are practically under-fed, have lived and have taken many other food products and they might have done without chocolate. Even in this industry today we find that the famous Cadbury & Co. have established a factory here. All our national industries, big-scale or small-scale, will have to face this competition.

Take the case of cotton belting. The other day, in reply to a question, it came about that in West Bengal there are two factories who used to manufacture belting. Now it is reported—and the Minister himself admitted the other day—the Dunlop Company have been allowed to manufacture this belting. Of course, it may be rubber belting, but we see from the report of the Tariff Commission itself that even the manufacturing capacity or the installed capacity is not fully utilised when there is demand for it in our country. I could very well imagine had it been the case that the entire demand has been met or it is not possible for this installed capacity to be reached because they work to the maximum capacity to supply indigenous needs.

I apprehend the position about the sheet glass factories. The report itself says that for sheet glass there are Indian concerns. Now we have the Indian and foreign combine in the Hindustan Corporation. You know

very well, Sir, that these companies with their long experience of running big business concerns and having a certain amount of administrative and industrial efficiency, come over with the help of national capital and they possibly exploit our cheap labour and try to compete with indigenous producers. They don't come in the open market. They take all the advantages of our fiscal laws and all the advantages that we in the Parliament of India make for the protection of our national industry. Even conceding their logic, that there may be occasions where Indian capital is not available and they have to bring a certain amount of foreign capital, you will have to do it only in those industries where there is no Indian counterpart or if there were any national industries, they work to the maximum so that there is no further possibility of their development. But here we find that the national industries are there and that there is demand for the quantities that they can produce. We feel that this aspect has to be taken into consideration in granting protection to industries.

Take the case of factories making electrical holders. I know in West Bengal there are a number of medium-size concerns manufacturing these, but we hear that Balmer Lawrie Company have also been allowed to manufacture in India—it is a British concern. We also hear that Siemens Ltd. has established a factory here—it is a well known German firm. What are we protecting now? Surely we don't want protection to be given to a British concern or a German concern or any foreign concern here. That aspect has also to be borne in mind. The principle must be laid before us. It is not a temporary phenomenon, as the Minister said, for three or four months. What will happen after three or four months? Here for developing a particular industry, we need three years' protection. Give it that protection. Otherwise, what will this industry do? No new capital is forthcoming and there is hardly any possibility of greater enterprise to develop or im-

prove the quality. We want to emphasise this aspect also. The only purpose of protection should be to help the industrialisation of our concerns.

Similarly, take the case of the iron and steel factories. I do not know, Sir, whether the jute interests are Indian or British. But they also pay from our Indian revenues. As I said, take again the tea-chests. The British tea-garden owners want to import this from outside in preference to our Indian product. There is no point in Government coming forward and legislating and imposing a duty. They must see that the industries are really protected and conditions created wherein they can be developed.

Sir, take again the case of non-ferrous metals. Here, it is said that we manufacture copper materials, to some extent, but we do not know whether it is enough. It will not be enough, but we know copper is mined by foreign interests. Nevertheless, we have the Indian Copper Corporation. We want to know whether the Government of the day has come forward to explore all the mining possibilities of the country and whether they are trying to develop them. There is point in saying that we produce it, because possibly we will have to melt it from outside. Just to give protection for one or two years, under pressure of public movements, is no good. You cannot solve the problem by giving protection for one or two years.

Then, Sir, I do not want to go into details, but I would like to mention the case of aluminium. To what extent is foreign domination still rampant in this industry? There is no point in allowing foreigners to exploit our potential productive system or exploit our cheap labour. One point I would like to emphasise here, and I would like the hon. Minister to bear that in mind. There are a number of manufacturers in our country who produce quite good and serviceable electric motors. But even there, as I said, the G.E.C. and the Balmer Lawrie Company come in the way of our markets and affect our national production. Here also we stand

[Shri K. K. Basu]

in the same position of importing the parts, but there is no protection. I know, Sir, this big concern might import parts and then assemble them here, and take advantage of our labour and our conditions here. Therefore, unless the Government revises its policy, there is no point in coming forward and saying that they extend the protection once, twice or thrice and then say, our work is complete. In reply to the debate on the other Bill, the hon. Minister said that we are thinking about the installed capacity of the ginning industries. We are in the midst of the five year plan, and two and a half years have passed away. Still, we are to exploit the potentialities of our industrial units and the Tariff Commission has been appointed with five or more persons, and if you can appoint so many men, we want to know when the potentialities in our country can be utilized for the development of our industries. There is no point in coming forward every six months, debate and discuss the things, and give temporary protection. I would emphasise this aspect, and request that all these aspects be taken into consideration.

Regarding the bicycle industry, I want to know the position from the learned Member. Whatever the interests of the Government are in this industry, the foreigner is there in it. In Bihar and other places, we have had complaints, and reports have come, because this company cannot get their goods sold. I fully appreciate the point that there may be occasions when the industrial output is low, the industrial development is slow, when we may bring in foreign experts as advisers and not as administrators to control and run the industry, who know every aspect of the industry. We always need industrial advisers from outside. But they must be advisers, not our masters, and on our own terms. There is no point in having a mania for foreigners any longer. We have the experience of 150 years and we know the position of our cottage industry in our country and it has been long enough in the

public eye. I would emphasize that we must have a real policy. If necessary, we must have a quantitative restriction. Take, again, the pencil and fountain-pen industry. In the year 1930 or 1932, when Gandhiji came, we were in the primary stage of our school career, probably in the first class. In those days, in preference to fine foreign pencils we used to patronise the indigenous makes. That was because we had the spirit. From those days of 1905 when the Swadeshi Movement swept across the country till quite recently people preferred to wear cloth like sacking to help and develop the textile industry of our country, which now is in a position to export to foreign markets. How is it that today that spirit is not to be seen. Our Minister comes forward and says: "Well, people prefer foreign goods". Why do they prefer foreign goods? We find that Japanese pencils and German pencils are available at a cheaper price. Still we allow protection to go on. Take the case of fountain pen ink industry. For the past one fortnight we are every day receiving representations. In my part of the country a firm which has been in this line for the past seventy-five years (P. M. Bakchi & Co.) says that they are not in a position to produce good quality ink as to compete with foreign makes, because the main ingredients of this product are not allowed to be imported, because no license is issued for them. While this is so in the case of Indian manufacturers, we are allowing the Parker Company to establish their factory to drive away even those Indian manufacturers who are in the field today. Therefore I say there must be a proper approach and outlook to the problem. Maybe that our plans cannot produce the total requirements of the country. In this case allow import of a fixed quantity of the items, so that our industries may thrive. I feel that all these aspects of the problem should be taken into consideration.

For instance, in the case of certain chemicals, some firms like Tatas are

the only manufacturers. In such cases Government should see whether they are behaving properly, whether they are taking proper advantage of the protective system afforded by Government. Take again the case of the sugar industry. The industry has now enjoyed protection for the past twenty-two years, but still it is not in a position to stand on its own legs. Therefore, we feel that Government must have a proper policy. They must watch the situation *vis-a-vis* the protection extended to them and see to what extent positive help should be given. I know in the case of the hurricane lamp industry, a well established manufacturing plant which grew up during the years of war has gone into liquidation, or is on the verge of collapse.

Then again take the case of preserved food industry. The hon. the Defence Minister said the other day that we have still to import canned or preserved food for our defence services.

Dr. M. M. Das: That is absolutely wrong.

Shri K. K. Basu: That was what he said the other day.

Shri V. P. Nayar: Why don't you correct him then. It was the Defence Minister who said it.

Shri K. K. Basu: The hon. Minister says: the protection suggested is only for a year, because the report of the Tariff Commission is not ready. But where protection is afforded, whether it is by quantitative restriction, or otherwise, it should be a positive one, so that spirit of Swadeshi may thrive. Otherwise, I don't see any future for our industries. Even the British Government under the impact of public opinion afforded some protection to some industries; but no sooner the cry was over the industries were allowed to languish. That is why I suggest we must have a positive policy in this respect so that our industries may thrive.

Shri Karmarkar: Mr. Chairman, Sir.

Mr. Chairman: The House will now adjourn till 1-30 tomorrow.

Shri Karmarkar: I suppose, I have begun today.

Mr. Chairman: Yes.

The House then adjourned till Half Past One of the Clock on Tuesday, the 15th December, 1953.