

[श्री शरद् यादव]

श्रीग से बना देना चाहता हूँ कि इस तरह की प्राणवायु (आक्सीजन सिलिन्डर) वाली सरकार को वह अब बर्दाश्त नहीं करेंगे। ऐसे ही प्राणवायु सरकार के मुख्य मंत्री आज प्रान्तों में केन्द्रीय सरकार के नेताओं ने बैठा रखे हैं जिन में अफल नहीं है, और अकाल जैसी स्थिति को नहीं मानते हैं। . .

**अध्यक्ष महोदय :** आप हरिजनो के बारे में बात कीजिए। इस सरकार की आप द्वारा उठाए गए मसलें में कैसे सम्बन्ध बढना है। यह तो प्रान्तीय सरकार में सम्बन्धन है, न कि केन्द्र में।

**श्री शरद् यादव :** कैंस मन्टर का मसला नहीं है जब कि प्राणवायु सरकार जगह जगह प्रधान मंत्री ने बैठा रखी है। हम तो मध्य प्रदेश में राष्ट्रपति शासन मानते हैं। वहाँ प्रान्तीय शासन है ही नहीं। सेटी जी की कोई सरकार वहाँ नहीं है। वह तो आक्सीजन सिलिन्डर वाली सरकार है। यहाँ से जो आदेश होगा वही माना जायगा। यहाँ के लोग कहेगें तो अकाल घोषित कर देंगे, वैसे नहीं, और हमारे जैसे लोगो को जेल में बन्द करते हैं। छत्तीसगढ में भूख से मौत हो रही है। जबलपुर के निकट कुडम में भूख से मौत हुई लेकिन उस को वहाँ के अधिकारी नहीं लिख। आप ने ऐसे प्राणवायु मुख्य मंत्री बैठा रखे हैं जो मौत और भूख से भी नहीं डरते हैं। तो मैं श्रीमती इंदिरा गांधी और उन के पाले हुए चमचो को बताना चाहता हूँ कि हिन्दुस्तान का नौजवान यह बातें बर्दाश्त नहीं करेगा। आज देश का नौजवान विगडी हुई व्यवस्था के खिलाफ उठ खड़ा हुआ है। गरीबी हटाओ और झूठ बोल कर के जो आपने गलत बहुमत पाया है यह ठीक नहीं है। . . .

**अध्यक्ष महोदय :** किसी वजह से मैंने आप को इजाजत दी थी, वह बात तो आप ने छोड़ दी और बातों में पड़ गए। अभी कुछ

देर समझने की कोशिश करें। अभी बहुत बक्त है आप के लिए पहले दिन ही न सब निकाल लीजिए।

We will adjourn now and re-assemble at 2.30 p.m.

*The Lok Sabha adjourned for lunch till thirty minutes past Fourteen of the Clock*

*The Lok Sabha re-assembled after Lunch at thirty-five minutes past Fourteen of the Clock*

[MR DEPUTY SPEAKER *in the Chair*]

INDIAN TARIFF (AMENDMENT)  
BILL

MR DEPUTY-SPEAKER *Indian Tariff (Amendment) Bill. Shri Vishwanath Pratap Singh to move the motion for consideration*

THE DEPUTY MINISTER IN THE  
MINISTRY OF COMMERCE (SHRI  
VISHWANATH PRATAP SINGH .  
Mr Deputy-Speaker, Sir, I beg to  
move

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

This Bill proposes to amend the First Schedule of the Indian Tariff Act, 1934 to give effect to the recommendations of the Tariff Commission regarding the continuance of protective duty beyond 31st December, 1974 to sericulture industry and intermediate dye stuff industry.

As regards the intermediate dye stuff industry, till now, 56 items were included in the protective duty upto December, 1974. In this Bill, it is proposed, apart from 56 items, to add 14 more items for protective duty and, for sericulture industry, the existing rate of protective duty is proposed to be continued.

The Bill was brought in the last session on 20th December. The Bill was introduced. But as the House was

prorogued, the Bill could not be passed. As the protective duties had to be extended, an Ordinance was issued. This Bill seeks to repeal that Ordinance and make proper legislative provisions for the protective duties.

**SHRI P. G. MAVALANKAR (Ahmedabad):** Why did you bring the Bill on the last day of the last session and then wait for the Ordinance? You could have brought the Bill earlier.

**SHRI VISWANATH PRATAP SINGH:** That is why we are bringing it on the first day.

**SHRI P. G. MAVALANKAR:** My point is this. Why did the Government not regulate their timetable properly so that the Bill could have been passed during the last session? They brought it on the last day so it could not be passed. I am not objecting to the contents of the Bill. I am objecting to the procedure adopted by the Government.

**SHRI VISHWANATH PRATAP SINGH:** The hon. Member is making a profound remark as if there will be no business on the last day. That objection will be taken on any business that comes on the last day. Anyway, we are bringing it on the first day.

The intermediate dye industry is one of the industries which has admirably grown under protective duty. It was in 1955 that we started protective duty on finished dye-stuff. As the country also started producing intermediate dye stuff, we started the protective duty on three items in 1964 and extended it to 56 items till last year and now we propose to include 70 items.

At present, it has been considered by the Government and also by the Tariff Commission that as many uncertainties of raw material exist, also power shortages and fluctuations of prices, it is necessary that the protective duties be continued and that is the purpose of the amending Bill.

About sericulture, in 1934, the protective duties were extended. I will not say that a very remarkable progress has been made. But we have reached a stage where the industry is at a crucial stage and is likely to grow at a faster rate.

In this respect, it is important to draw the attention of the hon. Members of the House that small-scale sector needs special protection. At the same time, we have made a break-through in research by way of doing research in growing Tasar on oak and we have also made a break-through in growing Mulberry raw silk. At this juncture, it will not be proper to remove the protective duties. This is the time when the industry is at the take-off stage, at a crucial stage, and the Government thinks that protective duties should be continued.

With these words, I commend the Bill to the House.

**MR. DEPUTY-SPEAKER:** Motion moved:

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

**SHRI DINESH JOARDER (Malda):** The Indian Tariff Commission was appointed some time in 1930s with a view to protecting certain privileged industries from competitions of the commodities coming into India from outside world, as also the articles produced and manufactured in India. This idea of protective levies and giving protection to certain privileged industries came into being only with a view to protecting the interests of the imperialist investments here in India and their loot from this country to the imperialist countries abroad, mainly the United Kingdom. Since then, the Tariff Commission has been acting in a manner so as to discriminate certain privileged industries even after our independence and they are giving shelter and protection to certain monopoly industries—those who have been given the absolute scope and facilities for importing and manufacturing dye-stuffs and later on the dye-intermediates.

[Shri Dinesh Joarder]

There have been serious and severe criticisms on the functioning of the Tariff Commission. In the year 1965, a Review Committee was also appointed to go through the functioning of the Indian Tariff Commission one of our colleagues Dr V K R V Rao, was also a member of that Review Committee. At that time it was observed by that Committee

Since our economy is passing through a phase of inflationary pressure provisions for contingency allowance should be avoided while fixing prices in the industry which should be able to absorb a small increase in costs.

It was also observed

In the Committee's view it is necessary to take immediate steps to enquire into the actual degree of protection enjoyed by different industries at present with a view to determining the extent of over-protection and under-protection that obtains in respect of each of them.

There are other criticisms also on the functioning of the Indian Tariff Commission. In the Monopoly Inquiry Commission it has been said

Amara Dye took the second place in naphthols with Atul Products Ltd leading with 53.5 per cent. In Vat Dyes Indian Dye Stuff Industry Ltd was the leading producer with 51.4 per cent. Atic Industries (an associate of Atul Products) following with 44.5 per cent.

These are some excerpts from the criticisms made by different Commissions and Review Committees on the functioning of the Indian Tariff Commission.

With the help of the protection and the privileges offered by the Indian Tariff Commission this limited number of industries and the big business houses which are also falling within the category of monopoly houses numbering 72 or 75—have been given the facility of protective levies.

In the Indian Tariff Act certain provisions are there to levy additional du-

ties to the extent of excise duty or even more for protecting certain industries which have been growing in India and whose articles after being manufactured have a large market and a demand from the consumers and to some extent those articles which are essential or semi-essentials in building up the national economy and also meeting the demand of several consumers. These industries have not been able to compete with the imported goods and articles imported from the outside world and to protect such type of industries the Tariff Commission has to look and levy certain duties in addition to excise duties so that there may be a balance and also these additional levies may act as a protection to the Indian industries which are being developed and which are growing. But what we have seen is that except a few monopoly industries the small scale industries are dying altogether. In this industry particularly the dye, dye stuff and dye intermediates industry what we are seeing is that wherever we go the small industries with their own help with their indigenous help and indigenous articles and ingredients are trying to survive. Now under the influence of this unfair competition a few limited big houses protected by the Indian Tariff Commission and other institutions are now exploiting the entire country and the people at large and due to their protective interests they are actually placing the small scale industries at the point of extinction.

We get very little opportunity of going through the functioning of the Indian Tariff Commission and when this sort of Bill comes up in Parliament we take the opportunity of reviewing the activities of the Tariff Commission. In the context of this I would like to speak on the activities and the functioning of the Indian Tariff Commission. They calculate the prices and costs of production. What is the basis on which the price of a particular article that is being manufactured under the protective levy system is calculated? This calculation of costs and prices

was also under severe criticism by many experts and committees. In calculating the prices and costs of production, the wages of the employees are not taken into consideration. We know that in our country the labourer is the worst sufferer amongst the lot and he does not get a living wage and in the calculation of costs and prices every time the prices of articles go up, the wages and salaries of the employees and workers are not counted and taken into account in fixing up the prices of the articles. In relation to other countries, our employees and workers are the lowest paid and also we see that the production here is also not of that quality which is available in the outside world. The imported articles are much better than what are produced here, but in fixing up the prices and in giving the protection, these few monopoly houses dealing in dye-stuff and dye intermediates are the largest beneficiaries. Even in their report, the Tariff Commission has said—1974 report, page 10:

"From the evidence tendered at the public inquiry it did appear to us that the small scale sector is not getting adequate supplies of dye intermediates for its consumption."

Then different committees and different commissions and different public sector institutions are there for looking after the industrial development and the industries in India. A few industries have been given all sorts of privileges and protection by way of levies and so on. But why is not the small-scale industry being supplied its requirement in full by these big houses? In page 7 it has been stated as under. I quote:

"Unless the data in the organised sector and the small-scale sector is coordinated it will not be possible to watch developments of the industry as a whole. We therefore suggest that some central agency should be entrusted with this coordinating task so that proper schemes can be formulated for coordinated development of both the sectors on healthy lines."

MR. DEPUTY-SPEAKER: I find from the Order Paper that they have allotted only one hour for this discussion. Now, I do realise the relevance of your points. But you may please concentrate more on those items which are given protective duty.

SHRI DINESH JOARDER: I am just concluding. As regards the licensed capacity and installed capacity as shown in the chart of the report, the licensed capacity is much higher, the installed capacity is a bit less, and the actual production is much less than the licensed capacity. So, what is the reason behind it? It is only to create an artificial scarcity in the market. You have given them licence for protection of certain quantity of articles but by producing much less than what is required they are just creating some sort of artificial scarcity in the market and they are deriving the black-market price and they get extra benefit and extra profit also.

So far as the import of dye intermediates in 1972 is concerned, this was to the extent of Rs. 2.12 crores. The export has slightly increased this year. The question now is this: Why are the small-scale industries in India not getting these dye intermediates and dye-stuffs from these big houses? So, under these circumstances, should we export these articles to the outside countries? It has also been stated and it has also been observed even in this Tariff Commission Report that export of finished dye products should be encouraged in relating to export of dye intermediates. We are exporting the articles when we cannot even fulfil the demand of the small-scale industries of our own country. So, this is a policy only to wipe out our competitive organisations in the small-scale sector from the market and to establish the grip of monopoly interests. The Bureau of Industrial Costs and Prices is also doing the function similar to that of the Tariff Commission. So, why is this Tariff Commission being still continued? Why could we not

[Shri Dinesh Joardar]

abolish this Indian Tariff Commission altogether, which was established in pre-partition days to protect the interests of the privileged industries? Why should we have two organisations for doing the similar type of jobs? This is only a burden on the national economy and we can do away with this Indian Tariff Commission altogether.

As regards the dye-stuff and dye intermediate industries already they have the character of monopoly industries under the patronage of the Indian Tariff Commission.

I have already stated that. In conclusion I would say that a certain article has been given protection under the Indian Tariff Act. But, in the Bill which has been brought forward here, for certain chemicals I do not know whether there is any necessity or not for giving such a protection under the Indian Tariff Act. These have not been discussed at all in a meeting of the representatives of the small-scale industries and those from the consumers' market dealing with these articles. So, there should have been a coordinated consultation and discussion before giving such a protection to these items from charging any extra levy under the Indian Tariff Act.

Considering all these aspects, our employees or workers in this industry are getting much less. The feeder industries—small-scale and cottage—are almost in a dying condition. The profits of the big business of dye trade are assuming such a magnitude that ultimately the consumers are the worst sufferers under the Indian Tariff Act.

One more point regarding sericulture. The Minister mentioned about giving protection to certain sericulture industry. The Report also mentioned about the allocation of funds for the

development of sericulture and utilisation of that amount. There is certain aspect that has been laid down in the Planning Commission Report according to which some funds are allotted. But, the State Governments say that they are not getting the flow of that fund initially as and when they want such funds from the Central Government or from the Planning Commission. On the other hand, the Planning Commission is of the opinion that whatever fund is allocated for the development of sericulture, the State Governments are not utilising that fund. Who is going to look after this problem? This should also be taken into consideration by the Minister. As regards exports, India's position in relation to Japan regarding the silk and sericulture articles is going down by and large. What is the reason for this? Japan is a small country. It has much less resources for building up the silk industry or sericulture industry. After all we are spending a huge amount of money in our country but, still, we are lagging behind and our silk industry is the worst hit. Even in the matter of purchase and sale of silk cocoons, a few big houses are controlling these. Take the industries in Varanasi and in South India as also the industries like the Murshidabad silk industries. These are being controlled by a few monopoly houses. What steps have you taken to curb the activities of these big monopoly houses who are making huge profits? This aspect should also be considered by Government. Take the silk industries in Murshidabad, in Banaras and in South India—Bangalore and other places—and everywhere the workers or the labourers are the worst sufferers. And the cottage and small-scale industries are the worst sufferers. It is the big monopoly houses which are controlling the export and import markets. It is they who are controlling these industries in the matter of distribution even. Unless these controls by the monopoly houses are curbed or weeded out, we cannot establish a free and fair development of these industries. With these words, I conclude my speech.

15 hrs. \*\*\*

**SHRI S. M. BANERJEE (Kanpur):** Mr. Deputy Speaker, Sir, having read the statement of objects and reasons and having heard the hon. Minister who piloted the Bill, I do not find any reason why protection should be given to the dye-intermediates industry. As very ably argued by my friend, Shri Dinesh Joarder, big monopoly houses, whether at the national or international level, are engaged in producing dyes, for example, Imperial Chemical Industries and others. These international organisations are taking profits worth crores of rupees to their countries. I do not know whether time has come when these industries should be completely taken over by the Government

Sir, I come from Kanpur where textile industry is located. The textile industry has to use all sorts of dyes. I am not against developing the dyes industry but may I know whether this industry has not reached the stage of self-sufficiency. Then, why should they enjoy at the cost of the country. Actually speaking, opportunities should be given to the small-scale industries which are suffering from teething trouble. It is not understandable that an industry which enjoys the patronage of international cartels should be given protection.

It is said that this Bill was brought to give protection from 1st January, 1975. An Ordinance was brought as the Session came to an end. I am not against the Ordinance but if this was necessary this should have been brought during the last Session itself. In the statement of objects and reasons it is said:

"The Bill seeks to amend the First Schedule to the Indian Tariff Act, 1934, in order to continue tariff protection beyond 31st December, 1974 on (a) certain dye-intermediates and (b) Sericultural products and to bring certain new items of dye-intermediates under the scheme of protection on the basis of recommendations of the Tariff Commission in its

Reports (1974) on the Dye-intermediates and Sericulture Industries."

The Tariff Commission has recommended on what basis? I can understand as far as the other industry, namely, Sericulture there it may be necessary. There also when recently I was in Bangalore I saw the sad plight of the weavers who are seaving the sarces called 'Temple Sarees'. The minimum cost of this saree is Rs. 650/ and maximum cost is Rs. 2,000/-. These are hand-woven sarees woven by those who have nothing to eat. Unless they form a cooperative society they will not be able to counteract starvation. I would request the hon. Minister to come with me to Banaras especially in the market where all these weavers go in the evening to sell their products. I will show you the manner in which they are exploited by these business houses. The sharks in that market taking advantage of the poverty of the weaver purchase a saree which is worth Rs. 200/- from him at the rate of Rs. 125/ because he is going to give to his starving children when he goes back. In Banaras, 90 per cent of the weavers belong to the minority community, the Muslim community, and they are being treated like this. If you see their condition in Kancheepuram and other places, in Tamil Nadu, it is somewhat better because the State Government—I admire the DMK Government—has formed certain cooperative societies and certain norms have been applied there against exploitation. But, still, that is not enough. In other places, they should be given proper protection. The Government wants to give protection to the industry. But, what about those who are the backbone of the industry? What will happen to them? What protection is being given to them? Taking advantage of this Tariff Commission, wrongly or rightly, they want to enjoy all these things, concessions in regard to excise duty and so on. We have given protection to the cycle industry. What happened ultimately? We have given several protections to other industries. But, what happened? They always

[Shri S M Banerjee]

have a double barrel, to exploit the the workers and take full advantage of this Government I would request the hon Minister—I do not want to go into the details my young friend, who is really doing very well to study the whole subject, whether it is justified or not and whether the time has come to study those industries, dye industries specially those industries which are run by big business houses You will have to develop that industry You cannot have teething trouble, all the time What is this teething trouble I am not able to understand Is it the wisdom tooth which comes out last? This teething trouble goes on It is a mis-nomer In the name of teething trouble in the name of protection, they enjoy the concessions at the cost of the consumers and also at the cost of the workers We want to safeguard the interests of the workers and the consumers As such I would request the hon Minister to go into this It is not only the industrialists who run the industry It is actually the workers who run the industry The interests of consumers and workers should be safeguarded With these words I would request the hon Minister to reply to it

श्री आर० बी० बड्डे : (खरगोन) उपाध्यक्ष महोदय, यह टैरिफ बिल जो हमारे नामने आया है यह पहले भी आया था और अभी भी मैंने देखा तो टैरिफ बिल का उद्देश्य क्या था और न शान कहा जा रहा है, यह आप देखें। उन्होंने शुरू में ही यह लिखा है। इस का एक कमीशन भी बना था। उस की रिपोर्ट आप देख

tection granted initially was, however, continued up to March 1949 Since then, two enquiries by the Interim Tariff Board in 1949 and 1951 and five enquiries by the Tariff Commission in 1953, 1958, 1963, 1966 and 1969 were undertaken and on the recommendations of the Tariff Board/Commission, the protection to the sericulture industry was extended by periods of years up to 31st December, 1974 "

यानी यह कहा जाता है एकोनामिक्स में यह चेज है, यह जो टैरिफ है यह एक दीवार है ताकि बाहर से जो माल आता है यह माल आ कर यहाँ कम्पीटीशन करने और अपनी इंडस्ट्रीज आगे बढ़े, इस के लिए टैरिफ बाड़ बनाया। यह जानने के बाद-हर साल बढ़ता गया, इस को हर साल बढ़ाते गए। इस का उद्देश्य यही रहा है कि काटेज इंडस्ट्रीज है और ममाल स्केल इंडस्ट्रीज हैं वह बढ़ती जये। लेकिन ऐसा न हो कर इस का फायदा यहाँ के इंडस्ट्रियलिस्ट्स ने तो उठाया ही, बाहर के इंडस्ट्रियलिस्ट्स ने भी इस का फायदा उठाया है और इस प्रकार से 1974 तक का इस में दिया है। इस में कमीशन ने लिखा है कि ये क्रेचेज कब तक चलते रहेंगे जब तक कि वह चलने नहीं लगे। लेकिन क्रेचेज ही चलते चले गए तो वह लूना आदमी हमेशा लूना ही रहेगा, उस के पावो में कभी ताकत आएगी ही नहीं और कभी अपने पावो पर खड़ा ही न हो पाएगा। उन्होंने लिखा है

*Report on the continuance of protection to the Sericulture industry* The Sericulture Industry was initially granted tariff protection in 1934 on the recommendation of the pre-war Tariff Board The Second Enquiry was undertaken in 1938 but war broke out before Government could take a decision on the recommendations of the Tariff Board The pro-

" It was discovered that there were various handicaps in operating the new machines for a considerable amount of money had been spent in modernising them Such operational difficulties could well have been brought under control before undertaking modernisation. If this had been done, considerable unganful expenditure could have been voided".

लेकिन इस के साथ-साथ मेरा यह कहना है—मै सैरीकल्चर के बारे में बोल रहा हूँ—रेशम का घन्था मध्य प्रदेश में बहुत ज्यादा है। महेश्वर में साँ-या बनती है, चन्देरी में माडिया बनती है—लेकिन उन को रेशम नहीं मिलता है। अगर सरकार से मांगते हैं तो कर्जा जाता है कि सैन्ट्रल गवर्नमेंट में मदद नहीं मिली है। इसी लिए कहते हैं—

"The Central Silk Board has informed us that during the spent of the last 25 years, the institutional set-up necessary for looking after the various aspects such as research, planning etc of the sericulture industry has been built up. The number of institutions concerned with different aspects of the industry

All over the country has increased from 358 in 1949-50 to 2408 in 1972-73 and these institutions form the necessary infrastructure for a significant growth of the industry during the Fifth Plan period. The various promotional aspects contemplated to attain self-sufficiency before the end of the Fifth Plan period and also to enter the international market are stated to be (a) provision of irrigation facilities under crash programmes

उन्होंने काफी प्रोग्राम इन में दिया हुआ है—लेकिन इस के साथ यह भी देखा होगा कि इस सैरीकल्चर बोर्ड का जो रीस्ट्रिक्शन सिस्टम है, वह बगबन नहीं है। उन का माल स्टेट्स को देना चाहिए, लेकिन नहीं देते हैं। इसी वजह से यह इण्डस्ट्री मेल्ट-मफिशियेन्ट यानी अपने प व पर खड़ी नहीं होती है।

इन की रिपोर्ट में कहा गया है कि इस को 1974 तक बढ़ाया जाय—लेकिन मांगे क्या होगा? कहते हैं कि 1974 तक बढ़ाया है, मांग कहीं तक बढ़ाया जायगा, यह मांगे देबा जायगा। इन की खुद की रिकमेंडेशन है।

"Taking all the factors mentioned in the foregoing paragraphs into account, we are of the opinion that in the present circumstances raising of protective duty to the level of disadvantage will only tend to push up the prices of the end-product without making protection any more effective. It will become effective to regulate their supply in the market by regulating imports. In cases where the margin of disadvantage has tended to come down as compared to what it was at the time of the Commission's last report, there is no knowing how long that position will continue"

ये खुद कहते हैं कि ऐसी पोजीशन अब तक लेगी, हम ने उन को प्रोटेक्शन दिया है लेकिन उन्होंने फायदा नहीं उठाया है क्योंकि उस में फौर्न-कैपिटल आता है। वे लोग यहाँ पर अपनी दुकान खोलते हैं और जो हमारे यहाँ रग के कारखाने हैं उन से कम्पीटीशन करते हैं। इसी वजह से कन्ज्यूमर को चीज महगी मिलती है। रेशम भी महगा मिलता है, रग भी महगा मिलता है, लेबर को पैसा पूरा नहीं मिलता है।

मै आप की मांग पूछना चाहता हूँ कि इस तरह का टैरिफ अब तक करने जायेंगे। इस में एक आइटम नहीं है, हजारों आइटम्स हैं। प्रोटेक्शन देने का आप का जो उद्देश्य था, क्या वह फलीफूट हुआ है। अगर नहीं हुआ है तो इस को खत्म कीजिए। उस के बाद स्ट्रगल फार एक्जिजिटेंस होगा, सर्वाइवल-आफ-दी फिटेस्ट होगा और उस से अच्छा काम होगा और इण्डस्ट्री मांगे बढ़ पायेगी।

टैरिफ कमीशन ने अपनी जो रिपोर्ट दी है जिस में गहरा गया है कि इस को 1974 तक बढ़ाना चाहिए—मैं भी उससे सहमत हूँ—लेकिन मांगे क्या होगा? उन्होंने जो आर्ग्यू-मेंट्स दिये हैं उस के अनुसार 1974 तक बढ़ाना चाहिए, लेकिन मांगे कहा तक देना चाहिए, इसके लिए न आपने अपने मांग में कुछ



(श्री एरॉ बॉ डे)

कहा है और न ही इस रिपोर्ट में कुछ कहा गया है। इस बिल से मेरा विरोध न होते हुए भी, इतन ही विरोध है—हालांकि एक जगह 1979 कहा है—कमीशन की रिपोर्ट में कहा गया है कि 1979 तक चलना चाहिए, लेकिन दो साल के बाद फिर आप को सोचना पड़ेगा। मैं कहता हूँ कि उस समय फिर आप को अच्छी बुरी बात सुननी पड़ेगी, इस लिए अभी से ही साफ साफ क्यों नहीं बतलाते हैं। 1974 की जो डेट दी गई है, वह गलत है, उस को एक साल या डेढ़ साल करना चाहिए, या दो साल होना चाहिए, 1979 क्यों नहीं दिया, 1974 ही क्यों दिया गया और इस का कारण भी आप ने नहीं दिया कि किस लिए एक्सटेन्शन चाहिए, किस लिए प्रोटेक्शन चाहिए। इस तरह से इण्डस्ट्री खत्म हो जायेगी इसी कारण से मैं इस बिल का विरोध करता हूँ।

SHRI ERASMO DE SEQUEIRA (Marmagao): Mr. Deputy-Speaker, here is a prime example of the cavalier fashion in which this Government treats the overnance of this country. Here is a case of tariff protection which the Government well knew was coming up for review and yet when the review came up the Government could not provide the Tariff Commission with any data that was either reliable or comprehensive. A decision had to be taken based on inadequate data, and, I am sorry to say, entirely unrelated to the purpose at hand.

You will find that in para 94 of the report on dye intermediates, the Tariff Commission had gone as far as to say that the data that was provided to it was both confused and uncertain. If the purpose of protection is to ensure that the domestically produced materials are not a disadvantage with the equivalent materials that are imported, I am sure that you will agree that the quantum of protection has to have some relationship with the differential in price between the local cost of production and the landed cost excluding duty.

But here it is a very strange thing that you have a Tariff Commission sitting for months probably to study the matter and its official coming forward to say that under the present circumstances it is not possible to relate production to this differential. They have come forward with the excuse that the prices have been fluctuating. If the prices are fluctuating and if the purpose of protection is to ensure equivalence, fixed tariff protection is obviously not the remedy. Some alternative must be found. What the Government is doing in coming forward to us as far as dye intermediates are concerned telling us that this is the protection that is required is nothing short of telling us a complete and total untruth. If the prices are fluctuating from day to day—and the fluctuation by the Tariff Commission's own report is quite wide—obviously fifty per cent protection could be too much tomorrow and totally inadequate the day after. I should like to oppose the Bill in as much as dye intermediates are concerned because I do not think it solves the problem and quite frankly I do not think that Government knows what it is doing in this respect.

It is also significant that in providing information about this particular area of dye intermediates, Government could not provide any data at all about the small scale sector. Government which speaks of wide-spread ownership, of protecting the smaller against the larger, when it comes even to tariff protection, exposes its real thinking, which is to encourage the large people and let the smaller ones fend for themselves.

On the question of sericulture I would like to strike a slightly brighter not, I would like to congratulate the scientists on the success they have achieved first in Mysore in managing to grow that they call bivoltine silk worm, but much more for the breakthrough in the growth of Tasur worm on oak. We all know the research that would carry out in this country in most areas is inadequate, but at the same time many of our scientists have come forward

with inventions which are of major importance as far as practical application is concerned, and in most cases what they have found has been lying in somebody's drawers. Here we have 20 lakhs of acres in the sub-Himalayan region already planted with growing oak. These are areas in which employment, as you will know is very much needed, and I hope that this will not be another case of a smallest on the back for the purposes of coming forward before the House and nothing at all done in action.

There is a paragraph here in the Report on the dye intermediates industry which I would like to read out in extenso with your permission, because I think it is very interesting.

Paragraph 26.3.2 reads:

"Data given in Appendix 15 reveals a number of conflicting features. It will be seen that as many as 14 times have been exported while at the same time their imports have also taken place."

This is a protected industry.—

"In the case of eight of these items exports have exceeded imports and in the case of remaining six imports have exceeded exports."

—Here the important line is the last one —

"There are also substantial imports of certain items included in the banned list."

I would like the Minister to investigate this. I am sure he will find a scandal there. And if he does not, we in the Opposition will be happy to find it for him.

**SHRI VISHWANATH PRATAP SINGH:** I thank the Members on the Benches opposite. They have made the debate as colourful as dye-stuff and for me perhaps as smooth as silk itself. Many valuable points have been raised, and one of the basic points was why this protective duty should be extended after all. It is not the

purpose of the Government to continue protective duty on items which are not necessary.

It was mentioned by an hon. Member that the length of time to which these duties would be extended has not been mentioned. I regret the omission in my initial speech. I may inform him that for dye-stuff we intend in the present Bill a protective duty upto 1977 and for sericulture upto 1979. In 1979 we shall undertake a review of the position. By then we hope that the sericulture industry would be able to face the international market and come up on its own. But it will depend on the review that is made in 1979.

The working of the Tariff Commission is under review. About big houses, that is a question to be dealt with under the MRTP Act. In no way does the Government give protection to big houses. Protection is given to certain items which need protection. For this, a selective list is drawn up. It is not that all dye-stuffs are protected. The list is drawn up in the national context. It may be that certain big houses are manufacturing those items, but that has to be taken care of under the MRTP Act.

**SHRI R. V. BADE:** After 1977 will you stop giving this protection?

**SHRI VISHWANATH PRATAP SINGH:** Are we now to seal our decisions for the future? I do not think it would be a wise thing. They are not only big houses, but there are 120 small units working and we have taken care that wherever licences have been given and the capacities have not been utilised, instructions have been issued to the Director General of Technical Development for the cancellation of licences and that those be given to new parties who can utilise the capacities. Government is quite alive to this problem. This provision has also been put on the large houses that when given additional capacity, they

[Shri Vishwanath Pratap Singh]

will supply 30 per cent of their production to small scale units

The question was asked, why are we exporting intermediate dyes? Except for only one item, the exports are done so as to ensure that there is no shortage within the country. There were other issues raised about exploitation of weavers. I suppose it does not properly come under this Bill. But certainly it is the concern of all of us and we do feel that the labourer, the person who produces the real wealth of the country should be protected from exploitation. We have no difference in this respect.

The quantum of protection was raised by Mr. Sequeira. He first raised the issue of data and then went on to say that the quantum of protection that is being given when prices are fluctuating makes no sense if you want to give protection on the basis of price. For sericulture, the imports are very much restricted and the quantum of total involvement is very small. Anyway, we appreciate the point, but price alone is not the factor by which we give protection. The other factor is controlling the quantity of import and we can effectively do that. I hope the hon. Member will appreciate this leverage mechanism which the Government has kept.

The suggestion for growing oak in the sub-Himalayan regions and the other valuable suggestions that have been made have been taken notice of by the Government. We will try to examine them and see how far these would be practicable.

SHRI R. V. BADE: What about the availability of funds?

SHRI VISHWANATH PRATAP SINGH: The hon. Member has raised a question about the availability of funds in the States. In this respect I may inform the hon. Member that our complaint has been that the States do not utilize the funds allotted for sericulture. I hope the States will take

not of this and utilize the necessary funds for sericulture and not for other items.

With these words, I would request the House to adopt the motion for consideration.

MR DEPUTY-SPEAKER: What about the import of banned items which was reported by the Tariff Commission to which a reference has been made by Shri Sequeira?

SHRI VISHWANATH PRATAP SINGH: If specific items are disclosed we will look into them.

SHRI ERASMO DE SEQUEIRA: It is part of the report. I wish he reads the report and then replies to the debate.

MR DEPUTY-SPEAKER: The question is

That the Bill further to amend the Indian Tariff Act 1974 be taken into consideration.

*The motion was adopted.*

MR DEPUTY-SPEAKER: We take up clause by clause consideration. As a special case I would allow Shri Vishwanath Pratap Singh to move the amendments although they are standing in the name of Pro. Chattopadhyaya. But in future, it would be better if he submits amendments in his own name.

SHRI VISHWANATH PRATAP SINGH: I have already made that request.

MR DEPUTY-SPEAKER: He has only made a request. There is a slight irregularity under the rules. I do not want to obstruct the Bill. So, I can give his permission under the residuary powers the Chair has. Now we take up clause 2 for consideration.

**Clause 2—(Amendment of first schedule)**

*Amendment made:*

Page 1, line 8,—

for "in the First Schedule to the Indian Tariff Act, 1934,—"

*substitute—*

"In the First Schedule to the Indian Tariff Act, 1934 (hereinafter referred to as the principal Act).—"  
(4).

(Shri Vishwanath Pratap Singh)

MR. DEPUTY-SPEAKER: The question is:

"That clause 2, as amended, stand part of the Bill"

*The motion was adopted*

*Clause 2, as amended, was added to the Bill*

**New Clause 3**

*Amendment made:*

Page 2,—

after line 50, insert—

"Repeal and Saving.

3. (1) The Indian Tariff (Amendment) Ordinance 1974 (Ordinance 15 of 1974) is hereby repealed,

(2) Notwithstanding such repeal, anything done or any action taken under the principal Act, as amended by the said Ordinance, shall be deemed to have been done or taken under the principal Act as amended by this Act." (5)

(Shri Vishwanath Pratap Singh)

MR. DEPUTY-SPEAKER: The question is:

"That new clause 3 stand part of the Bill"

*The motion was adopted*

*New Clause 3 was added to the Bill*

**Clause 1—(Short title and commencement)**

*Amendments made:*

Page 1, line 4,—

for "1974" substitute "1975". (2)

Page 1,—

for lines 5 to 7 substitute—

"(2) It shall be deemed to have come into force on the 1st day of January, 1975." (3)

(Shri Vishwanath Pratap Singh).

MR. DEPUTY-SPEAKER: The question is:

"That clause 1, as amended, stand part of the Bill"

*The motion was adopted*

*Clause 1, as amended, was added to the Bill*

**Enacting Formula**

*Amendment made:*

Page 1, line 1,—

for "Twenty-fifth" substitute "Twenty-sixth" (1)

(Shri Vishwanath Pratap Singh)

MR. DEPUTY-SPEAKER: The question is:

"The Enacting Formula, as amended, stand part of the Bill"

*The motion was adopted*

*The Enacting Formula, as amended was added to the Bill.*

*The Title was added to the Bill*

SHRI VISHWANATH PRATAP SINGH: I beg to move:

"That the Bill, as amended, be passed"

MR. DEPUTY-SPEAKER: The question is:

"That the Bill, as amended, be passed".

*The motion was adopted.*