

Shri Hari Vishnu Kamath: No, no . . . (Interruptions). No laughter. Have some sense of seriousness.

Mr. Speaker: What does he want now?

Shri Hari Vishnu Kamath: I leave it to you now and the time may be extended at your discretion, as usual, if the situation justifies it, when the debate goes on.

Mr. Speaker: I am surprised. Mr. Kamath has left it to me. That is exactly what I am telling. Already I have applied my mind and I have come to a decision. I shall put it to the House. The question is:

"That this House agrees with the Seventeenth Report of the Business Advisory Committee presented to the House on the 13th August, 1963."

The motion was adopted.

श्री राम सेवक यादव : अध्यक्ष महोदय, मेरा प्रधान मंत्री जी से एक निवेदन है। बहुत से लोग बार-बार आए हुए हैं। वह जाकर के उन से मिल लें और उन की बात सुन लें।

Mr. Speaker: Order, order. I am not concerned with what happens outside. Hon. Member knows it but again and again he interferes like this. We shall take up the next business.

12:36 hrs.

TEXTILES COMMITTEE BILL—
contd.

Mr. Speaker: We shall take up further consideration of the following motion moved by Shri Asok K. Sen on the 13th August, 1963, namely:—

"That the Bill to provide for the establishment of a Committee for ensuring the quality of textiles and textile machinery and for matters connected therewith, be taken into consideration."

Out of 1 hour and 3 minutes, 28 minutes have been taken.

Shri D. C. Sharma may continue his speech.

Shri D. C. Sharma: (Gurdaspur): Mr. Speaker, I was submitting very respectfully that it should have been one of the provisions of this Bill that every textile firm and every firm that manufactures this type of machinery should set apart a specified sum for research in connection with these matters.

Now, I come to clause 8 of this Bill. There are three types of Committees contemplated. My feeling is that this overprescription of committees will not work to the advantage of this textile committee. I feel that there should be provision for only one committee and so far as *ad hoc* committees are concerned, they may be called into being whenever there is any particular need.

Under clause 9 the Central Government has taken all the powers for appointments. Of course they will prescribe regulations but my submission is that these appointments should be made by the Union Public Service Commission because if it is done like that they will not suffer from any taint of nepotism or things like that. There is a wholesome provision in some Bills that the appointments should be routed through the Public Service Commission and I hope the hon. Minister will try to do the same in this case also.

I think the powers given to the officers under clause 11 are too general, too wide and too vague. They are authorised to do anything they want. Of course it is said that they will examine the quality of the textiles, the suitability of the textile machinery, etc. But no brakes have been applied so far as this power is concerned. Absolute power, we know, is not good in the context of democracy and I do not see any reason why these inspectors should have that kind of unbridled power. We know all about these inspectors; we are familiar with them and we know that they

are to be found in every department of our Government. The unlimited powers which are given to these inspectors will not be conducive to the good working of this committee. We know that there is a Director General of Supplies and Disposals and there are Inspectors there. Sometimes it is said that these inspectors also need to be inspected and that they do not always carry out their duties to the best of their ability. Inspectors should not be given so much of power.

I now come to clause 14. It says that the Committee may by general or special order in writing direct that all or any of the powers or duties, which may be exercised or discharged by it shall, in such circumstances and under such conditions, if any, as may be specified in its order, be exercised or discharged also by any officer or employee of the Committee specified in this behalf in the order. I like this delegation of power and I think democracy means delegation of power, but I find that this is not really delegation of power but it is almost investing the people with powers of sub-dictators. I am certainly opposed to any kind of provision like this; I do not think we want to create sub-dictators. I think this is not the right kind of thing. This delegation is not in the proper interests of the people. This is not delegation but it is suicide. The committee will have to commit suicide with this delegation of power. I think this is not a very wholesome provision.

Then I come to clause 17. What is the punishment that is going to be given to those persons who violate the provisions of this Act? They are tampering with our exports. They are giving us sub-quality products; they are giving us sub-standard things. What is the punishment that you are going to give them? One year or fine or both. I think the punishment should be made so deterrent that these persons are not able to play with the textile business. One year is nothing. I do not know how much the fine will

be. Perhaps the fine will be in accordance with the whims of somebody. I think that the punishment should be made very deterrent and it should be at least three years' imprisonment and a fine of Rs. 10,000 also.

Then I come to clause 18. Of course this clause is very good because any person who is found guilty will be hauled up and prosecuted. But then the provisions which are given here are subject to other provisions and those provisions practically take away the power which is given by this Bill so far as this clause is concerned. I think this clause should be made more tight and it should be made more forthright and more unequivocal, and anybody, the director or any member of the company or member of the firm who is found guilty of any malpractice should be dealt with most promptly and most severely.

Then I come to clause 22. I find that this clause is a strange clause which I have not found in any Bill of this kind. Of course we have a provision in all Bills for delegated legislation and we always give people the power to make these rules which are to be made in accordance with the provisions of the Bill. But I find that this Bill happens to be only a skeleton Bill because everything is left to the rule making authority. Almost all things are left to the rule-making power of the administration. What is going to be the number of members is to be decided by the rules, but there should have been a provision in the Bill so far as the number is concerned. What is going to be the term of office is also left vague. This will be left to the rule-making power of the Government. What is going to be the allowance, what is going to be the disqualification for membership, etc., all these are left to the rule-making powers of the Government. I do not mind if the rules are prescribed, but things such as the number of members, the filling of vacancies among the members, the term of office of the members should be mentioned in the Bill itself. I do not know why this

[Shri D. C. Sharma]

Bill is so vague and why precautions have not been taken in order that this Bill stands on a firmer ground than it does. For instance, the method of appointment, the conditions of service and the scales of pay should be mentioned in the Bill, but unfortunately they are to be decided by the regulations to be made by the Committee. The form in which the Committee shall prepare its annual statement of accounts will be provided in the rules. Everything is to be given in the rules.

Now, I am reminded of a reporter who was sent to report a meeting. He never went there, and when he came to the office, he put in a notice in the newspaper which he represented that "a meeting was held at such and such a place and at such and such a time; Mr. so and so presided over the meeting. The rest will follow." So, no account of the meeting was given. Similarly, here is a Bill which appropriates to itself more powers of rule-making, more powers of regulations, than has been given in any Bill, that we have passed in this House. Formerly, we used to deal with rules, but in this Bill we are also going to deal with regulations.

Mr. Speaker: The hon. Member should finish now.

Shri D. C. Sharma: I shall finish in two minutes. I think bureaucracy will work havoc with this Bill. When they are going to frame rules and regulations they will be framed in such a way that the spirit of this Bill becomes almost nullified if not completely nullified.

Then there is the wonderful provision in clause 23(3) which reads as follows:

"The Central Government may, by notification in the Official Gazette, amend, vary or rescind any regulation which it has sanctioned, and thereupon the regula-

tion shall have the effect accordingly, but without prejudice to the exercise of the powers of the Committee under sub-section (1)".

The powers may be there, and it is a democratic procedure. But I cannot understand why they are going to frame regulations and rules in such a great hurry. They may want power after some time, but they want such powers only for a temporary occasion. Therefore, I feel that the objects of this Bill are very, very laudable. Every Member of the House will welcome this Bill which will promote our exports of our textiles and our textile machinery. I am very happy that our country can manufacture textile machinery from A to Z. All these are very laudable objectives, but I think the Textiles Committee which we are contemplating, according to the provisions of this Bill, and which is going to be the watchdog and which is going to implement the objectives of the Bill is very, very defective. I wish that this Bill had been referred to the Select Committee so that it could have come out of it in as perfect a form as is humanly possible. As it is I think there are so many loopholes in it that these provisions will not be acted upon thoroughly and completely by anybody. There will be so many gaps in it that it will not be able to do as much as is intended to be done for our textile trade and textile machinery.

Shri Dinen Bhattacharya (Serampore): Mr. Speaker, Sir, I fully support the Bill in principle, but while supporting the Bill, I want to mention certain points which may be kindly noted by the Government. The Textiles Committee which is going to be set up is meant to see that the standard of our textile goods is maintained properly and that our textile goods may get an easy market in the foreign countries and may compete in the foreign markets. But to maintain the standard, that is, to check up the quality, I want to suggest one thing

in respect of the personnel of the Committee that is to be formed as per this Bill. If the Government is really serious about quality, then the actual, and the real manufacturer, must be taken into confidence, and their representative must have a place in the Committee. Everybody knows how the things are done in the textile mills. From our personal experience also we can say that when we purchase a cloth which bears a mark that it contains 80 counts yarn, actually if you examine it properly, you will find that it contains not 80 counts yarn but only 60 counts yarn. So, if we want to check this sort of pilferage, only the actual weaver or the actual worker can check it and not some experts coming from outside. So my humble suggestion is this: If possible—and it is possible in every respect—the actual workers' representatives must be taken in the Committee.

Secondly, I am worried about the price of cloth and textile goods, *Commerce*, which is a journal of the industries, has come out with an article on 20th July, 1963 under the head line: "Cotton mills production cost rise: suitable revision of selling price overdue". I am apprehending that in the name of standardisation and checking the quality of production the employees are trying to raise the price of cloth. In the article given in *Commerce* dated 20th July you will find that they are pleading to raise the price of cloth. Already the price of cloth has gone up and there should not be any more rise in the price of cloth. If the price of cloth is raised further, that will create a serious condition in the internal market which will cause a serious harm to the industry as a whole.

My next point is regarding another thing which the employers are trying to do. For a long time they have been trying to reduce the cost of production at the cost of the workers. They are raising the demand for modernisation. I am not against modernisation as such, but the condition

that is existing in our country at present from the point of view of employment potentiality should also be taken note of. What is happening in our country today? The process has already started whereby in the name of moderation large number of workers are being retrenched regularly, and that is causing an extra burden on the employment problem in our country. My suggestion, therefore, is that this point also should be noted while keeping an eye on improving the quality of production and promoting the export trade in textile goods. These are all good things, but the points that I have mentioned should also be noted.

With these suggestions, Sir, I support the Bill.

Shri P. R. Ramakrishnan (Coimbatore): Mr. Speaker, Sir, this Textiles Committee Bill actually envisages the introduction of quality control in the textile industry. Normally, Sir, this Bill would not have really come. If there had been perfect competition where prices would have determined what goods to be produced and what the quality of the goods would be, normally this kind of Bill would not be necessary. But because the textile industry had enjoyed a certain amount of protection in the country and because the internal prices have been very attractive there is no need for the industry to keep up the quality of goods and also the price structure. Because of this the industry itself did not take up the problem of organising a similar committee for maintaining the quality and also for doing research for improving the quality of its products. So the Government had to come in and form a committee of this nature actually to introduce and implement a sort of an impost on the industry itself, a regulation to bring about the quality of the product so that the stagnation which has set in the production of textiles in the country may be removed.

Many advances have been made in the textile industry after the Second

[Shri P. R. Ramakrishnan]

World War. Different patterns, different designs and a number of new textile fibres have been introduced. In the field of textile machinery also a lot of improvements have been made. I remember, in 1950, there were textile machines running only at 10,000 RPM. Today they are running at 18,000 RPM which means that rate of production has been very high. When such higher speeds are called for, naturally, higher techniques of production of machinery are also called for to implement that kind of speeds in the machines.

So, Sir, the Bill also envisages the promotion of research as a centralised organisation. Individuals may carry on research, but only to a limited extent. This Bill, by bringing in this Textiles Committee, will actually give birth to a central organisation where intensive research can be carried on. Sometimes the textile machinery manufacturers or the producers of textile goods are unaware of what is happening in other countries. They do not and sometimes they cannot keep themselves in touch with what is happening in other countries. But by bringing in this Committee, because of its composition, because of its importance it can bring in fresh knowledge to the industry and disseminate to the people, who are normally not well informed. I am sure it is possible to convey even to the smaller manufacturers the idea of quality at equitable prices and also the idea of how such goods could be produced at cheaper prices.

Sir, our exports, as you know, have reached a point of stagnation. Textiles formed a substantial part of our exports hitherto, but now there is stagnation. Probably there are many reasons why this kind of stagnation has set in. The under-developed countries have been developing their own textile industry. Also, the internal prices ruling in India are quite attractive and therefore there is re-

sistance on the part of the industry to export textile products outside at low prices. It is also possible that some of the textile goods that have been exported did not come up to the standard expected of them and there is, probably, diffidence on the part of foreign buyers to buy Indian products. There are, as I said many reasons for this stagnation. By bringing in this kind of a regulation in the industry for quality control I am sure we will be able to infuse in the foreign buyers a sort of confidence. Hereafter it is not the manufacturers or the seller who is giving the guarantee, but it is the Government which will be giving the guarantee through standards laid down by this Committee. The Committee not only lays down standards but also actually supervises the quality of goods and certifies that the goods are up to a certain quality. It is much more than any guarantee that any seller or any manufacturers' organisation can give. So the foreign buyer will have confidence in our goods, and I am sure this will be a move to increase our exports because the exports will bear the mark of the guarantee of Government for quality.

There are today three research organisations in India assisting the textile industry. There is one located in Coimbatore, another in Ahmedabad and a third in Bombay doing research in textiles. When this Committee envisages doing research in textile fibres and also in textile machinery, I do hope it will give enough weightage to the existing organisations and not duplicate the facilities that are already available. It is easy to expand the existing facilities rather than try to set up new facilities elsewhere. The introduction of quality control implies that the raw material that goes into the production also comes up to that standard. I do hope that this Committee will take necessary steps to assure the industry that such quality

raw material is also available. This is a laborious task.

13 hrs.

As I look at the formation of the Committee I am very happy that the Government is going to nominate the Chairman of the Committee. The Textile Commissioner would be the Vice-Chairman and an ex-officio member. A Joint Secretary to the Government would also be there. Since the Textile Commissioner is today handling all these problems, he is quite conversant with all aspects of this problem. With his assistance, I am sure the Committee would be able to function well. Normally, we expect that the chairman would be a technical man who can assist the committee in the formulation of policies and their implementation with the help of other technical people.

Clause 18(2) says:

"Notwithstanding anything contained in sub-section (1), where an offence under this Act has been committed by a company and it is proved that the offence has been committed with the consent or connivance of, or is attributable to any negligence on the part of, any director, manager, secretary or other officer of the company, such director, manager, secretary or other officer shall also be deemed to be guilty of that offence and shall be liable to be proceeded against and punished accordingly."

This is rather a harsh provision. It is not always, every director is aware of every problem. A step might have been taken by a clerk with or without the knowledge of the director. Of course, it is stated in clause 19:

"No prosecution for any offence punishable under this Act shall be instituted except by or with the consent of the Central Government."

I hope this provision has been introduced so that if the director of any company says that he is ignorant of any such violation of Government rules and he has signed it as a matter of course without any knowledge of violation, the Government would be able to go to his rescue and redress his complaint. I hope this clause has been introduced so that affected people can appeal and justice is done in genuine cases.

On the whole, this Bill is very well drafted. The previous speaker has made a complaint that the qualifications of the personnel are not mentioned here. I hope it is implied that only technical people, people connected with the textile industry and textile machinery manufacturing industry should be selected as members of this Committee. If so, I agree with that suggestion. I welcome this Bill and I am sure this Bill will bring about larger exports of better quality products at competitive prices.

Shri Sham Lal Saraf (Jammu and Kashmir): I have read this Bill and I have certain reservations in my mind, which I would like the hon. Minister to clarify in his reply before I decide whether I should support it or not.

The Ministry of Commerce and Industry had been functioning as one unit when we met here last time. When we are meeting here this time we find that the Ministry has been bifurcated into the Ministry of Industry and the Ministry of International Trade. Under this Bill, a board or committee will be constituted to which powers are being delegated for a specific purpose. I have read this Bill and to me it seems to be lop-sided. I hope the hon. Minister would explain it in his reply because it has not been made clear in the Bill itself. Since there are already some boards existing under this Ministry, rather under the previous Ministry of Commerce and Industry, dealing with the fibre industry, both natural and artificial, it should have been made

[Shri Sham Lal Saraf]

clear that there will be no lop-sidedness or over-lapping. For instance, there are already in existence the Khadi Commission the Handloom Board, the Central Silk Board and the Handicrafts Board which are dealing with fibre industry in some way or other. Also, as I understand it, the Textile Commissioner has been the main figure and around him the whole thing revolves. So, as far as the functioning of this Board is concerned, I feel there will be some sort of lop-sidedness and some conflict might arise later.

I will explain it a little further. As far as the manufacture of textile machinery is concerned, I heartily welcome this Bill. But, as far as the other functions of this Committee are concerned, even though a new name, new shape and new form has been given to the old textile fund, I think it is desirable that the functioning of this Board in relation to the other existing boards is made very clear. Once that is done, I think there will be no ambiguity. Today, the Handloom Board is also entrusted with export. The Central Silk Board is doing some research. At the moment, the export of fabrics is being dealt with by the Textile Commissioner. So, there seems to be some lacuna in this Bill which may be made clear by demarcating the functions of all boards dealing with this problem.

Secondly, as far as the allocation of funds to this Committee is concerned, I would submit that while constituting such boards they should be permitted to prepare their budgets according to which grants should be given to them. Now those committees are empowered to collect fees, accept grants from persons, render service to exporters for a consideration and what not. From the financial point of view, I think it is not desirable. I would personally suggest that whenever they require any money, they should go to the concerned Ministry or the Finance Minis-

try for funds. I admit that it is an autonomous body. Even then, as far as the income of the body is concerned, it should go to the Exchequer. It should not be going directly to the body constituted under this Bill, because that is wrong budgetting. If committees or boards constituted under the various statutes are allowed to collect funds of their own, levy fees of their own and spend the money their own way, I would submit that it is wrong budgetting. It should be changed.

Then, as one of my friends has suggested just now, I do not know what difficulty can there be in mentioning either the maximum or minimum number of members of the board. It should be mentioned in the statute as to what the composition of the members of the board will be, wherefrom the members would be drawn, how they would man the board and so on. You should know the maximum or the minimum number. I will be happy if the minimum number were mentioned and as regards the maximum it may be left to the Government as to how they will fill it up.

Then, again, there is another ambiguity. It is all right that the Government will frame rules under this Bill when it is passed and that will empower this Committee, under those very rules, to function. But unless and until some sort of a picture of its constitution, its working and what not is given in this Bill, I feel that the Bill should indicate all that.

Apart from that, today our export effort has gained the greatest importance in the country. The efforts that are being put in are really laudable and very, very welcome, more particularly the hard labour that our energetic hon. friend, the Minister in charge, is putting in for making it a success. He is being helped by all concerned in the Government and

outside. Now, some agencies for export have been set up, as the hon. Minister knows. Will they be under this Committee? Will all the work be taken up by this Committee or will others also be there? If they are there, it is all right. But there is no mention here of that. I do not know if it comes within the rules; but I personally feel that some mention should have been made of that here also.

With regard to the manufacture of machinery, there is no doubt about it that we have made tremendous progress in this respect, but still there are certain failings. I would remind the hon. Minister that formerly in the State of Jammu and Kashmir we were able to manufacture a lot of silk reeling machinery but later on it transpired that there were a few fittings, which were insignificant otherwise but were very important, which we could not get anywhere in the country and through his good offices we could get them from Japan. Fitted with those fittings that machinery can compete with any machinery in the world. So, we should keep in view also to what the industry side is doing. I hope, while replying to the debate on this Bill, the hon. Minister will tell us what progress is being made with regard to that. The Ministry of International Trade does not deal with international trade alone but it is dealing with a number of other items also. So, he will kindly throw some light on that also so that it is absolutely clear to the House as to what progress we are making that way. The textile industry for which this Bill is meant specially has varied and diversified items for export, like cloth, embroideries, garments etc. etc. keeping that in view this also will be a very important point. It is not only that we should control the manufacture of machinery, that is, its quality etc., but we should also see to diversification, whether diversified machinery is

there, both in the private sector as well as in the public sector. That will be very important.

I wish that these points were made clear. I feel, as I happen to know the working of Shri Manubhai Shah's mind, he must not have lost sight of these things. But when we look into the Bill as a whole, we find that a few lacunae are there. I hope, the hon. Minister will clarify all these points in the course of his reply to the debate and would also see whether this Bill needs to be brought up-to-date. But the purpose behind this Bill is laudable and very welcome. With these few remarks, I support the Bill.

Mr. Speaker: Shri Banerjee. Hon. Members will kindly be brief now because the time allotted for the Bill will expire at about 1.30, but I will extend it by half an hour.

Shri S. M. Banerjee (Kanpur): May I submit that yesterday we saved some time because many Bills collapsed? So, we can extend the time for it.

Mr. Speaker: I am extending it by half an hour; even then, we should finish it by 2 o'clock. So, hon. Members should be brief.

Shri S. M. Banerjee: Sir, I rise to support this Bill and I am sure that after the adoption of this Bill with some of the amendments which hon. Members have suggested and after the formation of this Committee the quality of our textile goods will improve and we shall be able to compete with those countries which have entered the field of our exports, like, China, Japan and many other countries. I am sure, our goods will be definitely better than theirs.

While I support this Bill I take this Bill I take this opportunity for bringing to the notice of the hon. Minister, who knows them very well, better than me, the conditions of certain textile mills specially in UP.

[Shri S. M. Banerjee]

The textile mills in Kanpur which was supposed to be the Manchester of India once upon a time excite horror and pity. Two mills which were closed down are now able to function with the great help of the hon. Minister and his Ministry. Two schemes have been introduced for these mills which are full of outmoded machinery and where it has become impossible for the textile units to function.

13.17 hrs.

[MR. DEPUTY-SPEAKER in the Chair]

The textile magnates of that particular place know it very well that the life of that one particular mill is almost finished and that it will be impossible for them to continue any more unless it is modernised. I would like to know from the hon. Minister whether the millowners of Kanpur have applied for any loan or technical aid from the Centre for modifying their mill so that in UP also not only medium and coarse cloth is produced but we are also able to produce the fine and superfine varieties like that in Ahmedabad, Bombay and other places and they also get a share in it; also, they can boost up our exports to other countries.

The whole difficulty is that there are many committees appointed to go into the working of the Kanpur textile mills. Unfortunately, none of the reports have so far been implemented.

As the hon. Minister knows very well, a committee headed by the ex-Chief Minister of UP who is now the Governor of Rajasthan, Shri Sampurnanand, was appointed. The Sampurnanand Committee submitted its report long ago. Still the textiles magnates have not accepted that report. That report suggested some increase in the wages of the textile workers as in Bombay, but that also suggested some increase in the work load and efficient functioning of the textile

mills. I am mentioning this case in this House with the request to the hon. Minister that he will use his good offices to see that this report is accepted not only in the interest of the working class of the textile industry but in the larger interest of the textile industry of UP and for their own existence.

Now in UP, as you know, it is very difficult to approach any Minister because we do not know whether he or she is likely to remain as a Minister or not. There is a crisis in UP. The crisis is greater in the Ministry than in the textile industry or in any other industry. Therefore I take this opportunity to request the hon. Minister to ascertain from the State Government of UP whether they are using their influence to see that this report is accepted. If this report is accepted by the textile mills of Kanpur, I am sure, Kanpur will also have a good hand in exporting some very good material of quality to other countries.

About the formation of the Committee I have a feeling that if this Committee wishes to improve the quality of textile goods, a representative of workers should also be included in the Committee. The hon. Minister has introduced in many units the scheme of participation of labour in management, but it is surprising that in the textile industry, with the exception of one or two units, this particular scheme has not been introduced anywhere. Now that a Committee is being formed which will check upon quality, will guide the mills as regards their efficient functioning, will provide them with technical knowledge and will guide them technically, I do not know why this has been left out and why a representative of the textile workers has not been included in it. There are workers' representatives who have got a complete knowledge of the working of the textile industry. If those workers are not found in a par-

ticular unit or in other units, then the representatives from outside, maybe the textile leaders of the Indian National Trade Union Congress or the All-India Trade Union Congress—these are two big organisations—should have been associated. I have had discussions with textile leaders of Ahmedabad and Bombay. They know everything. They know how quality can be improved and all that. They know the ins and outs of the textile industry. It will be a tragedy if those representatives are not taken on the Committee. I hope the hon. Minister will kindly consider this matter and also use his good offices to see that Kanpur textile mills do not suffer for want of proper aid from the Centre. The report of the Sampurnanand Committee should be accepted.

There is another point which I would like to mention for the benefit of the hon. Minister and for the benefit of the industry. The industries of Kanpur have to compete with other units in the country. In U.P. the electricity charges are much more than those obtaining in Bombay or Madras. This is a genuine difficulty of the mill-owners of Kanpur who suffer on account of this. They have been raising this issue before the State Government and also before the Central Government. I would like to know from the hon. Minister whether any effective steps have been taken in this direction.

My last point is the one which was raised by my hon. friend Shri Dinen Bhattacharya. He read an article from *Commerce*, that the textile industrialists are requesting the Government to increase the price of cloth. I am afraid, if the prices are raised, then there will be a growing discontent in the country which is already there. The prices should not be allowed to rise. The Government is now trying to hold the price line of essential commodities and cloth also comes under the purview of essential commodities. I am sure the Government will not yield to the pressure of the magnates of the textile industry and will not

allow further increase in the price of textile goods. It will not be liked by the people who are already hard-hit because of the rising cost of living and I hope the hon. Minister will kindly safeguard the interests of the consumers more than those of the capitalists whose interests are already safeguarded in the hands of this Government.

Dr. Sarojini Mahishi (Dharwar North): Mr. Deputy-Speaker, Sir, the textile industry in India is a growing industry. Even though it started its career only as a small enterprise, it has now grown into a composite industry consisting of spinning, weaving, dyeing and printing. This industry associates itself with not less than 9 lakh workers. That was in the year 1960. It is still growing and not less than Rs. 125 crores are being invested in the industry.

Now, I do not know whether this particular Bill, which deals with the constitution of the Textiles Committee which will be nominated for ensuring the quality of textiles for consumption within the country and also for the quality of machinery manufactured and the export of this particular machinery, will extend its jurisdiction to the handloom industry also, as was referred to by one of my friends. The Handloom Board is dealing with the handloom industry. There are units where I find the handlooms, the pitlooms, the automatic looms and powerlooms working. Now, these different units are experiencing a sort of handicap for want of yarn the supply of which is not given to them in proper time and for want of a proper organised market also for the sale of the goods. The handloom weavers in some parts of Mysore State are experiencing a sort of difficulty in getting the particular yarn for the manufacture of these textiles and also for the sale of these particular textile goods. Therefore, these handloom weavers are now in a very sorrowful state and I hope the Committee will extend its jurisdiction to the extent of removing the difficulties

[Dr. Sarojini Mahishi]

of these weavers, the handloom weavers and the indigenous weavers also in the country.

India is a country where different parts specialise in different things. There are certain specialities in the textiles. One part of the country specialises in fine texture, another part in fine designs and still another part in zari designs and such other things. I hope the Committee will try its level best to keep on these particular specialities of the different weaving sections in the country.

India was importing a lot of textiles from Japan and U.K. in the pre-War days and even subsequent to War. But now that much quantity is tapering down. In 1947—1949 not less than 94 million yards were imported, but in 1960, we find, the figure was reduced to something like 4 million yards only. It is a good thing. But at the same time we shall have to see that proper encouragement and protection is also given to the indigenous workers. The Tariff Commission had said that better association should be created between the consumers and the producers and that the prejudices as regards the Indian textiles and the use of Indian textile machinery should be removed. It can be done only by bringing the association of the two, the consumers and the producers, and creating some understanding between the two. The efforts are being made. But I do not know how far they have succeeded. Of course, the Committee that was constituted under the Cotton Textile Ordinance Fund in the year 1944 has been able to do so. The present Committee which will be constituted under this Bill has its jurisdiction extended to all types of textiles, namely, silk, cotton, half silk and all these things. But that particular Committee which was created under the Ordinance Fund catered only to the cotton textile workers and the cotton textile industry. Therefore, I hope this Com-

mittee will have a better jurisdiction and will have better powers also. Under clause 8 of this Bill, the Committee has got powers to appoint standing committees and also *ad hoc* committees for executing certain orders or carrying out special duties also. But under section 22, the Central Government has retained to itself the powers of fixing up the number of members, the qualifications of members, etc. I do not know whether it would have been better if the Government would have put all these things, the details also, in this particular Bill. Anyway, the Committee has got better powers and I hope it will cater to all the needs of the whole of the textile industry in the country.

There is one thing more. The textile industry consisting of the different sections—I mean, spinning, weaving and all these things—was started by private enterprises. Most of them, as the experience shows, are working well. But in my State, I am sorry to find that cooperative spinning and weaving mills which were started with a very high hope, that the cooperative spinning and weaving mills will be able to cater to the needs of greater sections and will be able to absorb a number of workers, have not been proving so very successful. I know 'Cooperation' is a State subject. But in spite of that, in order that the textile industry should be encouraged, I hope the Central Government will certainly look into these matters and give some proper guidance also. Many cooperative spinning and weaving mills complain that the remuneration of the particular manager appointed by the State Government cannot be paid as it is very high. Of course, in course of time, we wish that the co-operative mills will be a profitable concern. But even after a few years, we find that they have not been able to make up the necessary loss also. On the other

hand, in the case of private enterprises, we find that the necessary amenities and facilities that are to be given to the workers according to the Factories Act or according to the particular labour welfare rules, are not being given to the labourers. They are being exploited.

As regards the textile inspectorate that is going to be appointed, no doubt, the millowners and the associations of the textile weavers do appreciate the appointment of the textile inspectorate, but then the inspection by that inspectorate is not very much appreciated sometimes by those very people because they do not like to implement the necessary rules and give the proper facilities and amenities to the workers. Whereas the directors in the co-operative sector are finding it difficult to see that proper benefits and amenities are given to the workers and proper remuneration is given to the manager, in the private enterprise, proper amenities are not at all given to the workers. I hope that the textile committee will look into this matter and see that proper amenities and benefits are given to the workers and that proper technical guidance etc. is also given to the cooperative mills which were started with great hope but which have not been able to do well, at least as far as my State is concerned. I make myself bold to say this with the little experience that I have got in the field. Therefore, I hope that this committee will extend its jurisdiction and look to the efficiency of working of the co-operative textile mills and also extend its help to the handloom and other indigenous weavers. The committee has no authority to prevent a particular quality of textile from being exported; of course, it has to recommend to Government, and Government can prevent the particular quality of textile from being exported in the interests of increasing our exports and also gaining the good-will of the other countries. Therefore, this committee will have very wide powers.

This committee is also an all-India committee. I do not know how far

it will be able to work at the State level. I do not know whether there will be a similar committee at the State level also for the different States. But then, this committee will, of course, extend its jurisdiction and will give proper guidance to the whole country and also look to the interests of the indigenous weavers.

I appreciate this particular Bill, and I hope that the committee would be able to do a great work for the country.

Shri V. B. Gandhi (Bombay Central South): This is a timely measure. It seeks to ensure quality of Indian textiles and textile machinery, and as such, I welcome it. No one, I know, is more alive to the urgency of doing something for our export trade than our Minister in charge of international commerce.

We know that the competition in the export markets for Indian products is growing, and we know that a lot has to be done for our export trade, and we ought to start doing it immediately. In the matter of competition, Japan is an old competitor about whom we know something. But China is a comparatively new competitor, and China is a competitor whom we should not ignore or under-rate. We really do not know yet the kind of business ethics in which China believes.

It is a welcome sign that the Millowners' association as well as the manufacturers of textile machinery in this country have appreciated the need of setting up some kind of a quality control machinery, and they have actually asked for an independent inspectorate for indigenous textile machinery. The Tariff Commission also has made certain recommendations which favoured the setting up of independent and impartial investigation of all complaints from the consuming industries about the quality of indigenous products.

The Cotton Textiles Fund Committee is to be abolished or replaced and the new Textile Committee is to be reconstituted. The ordinance of 1944 is

[Shri V. B. Gandhi]

to be repealed. The new textile committee is going to be made more effective. Its powers are going to be more clearly defined and very much enlarged. In fact, it is going to be constituted into a statutory body. This new textiles committee will have its scope of functions very much widened; it will not only deal with cloth and yarn as formerly but it will also function in the sphere of ensuring the quality of textiles of all kinds, cotton, wool, silk, artificial silk, fibres etc.

Throughout this whole measure, we can clearly see that the emphasis is on quality control and that is as it should be. We know that in the export world a new climate has come over all the export markets today. This new climate gives first place to quality, and quality before everything else. Even Japan whom we considered in the past as a country that believed in cheap products has accepted the new philosophy of 'Quality First'. It is a very gratifying sign of the times that our manufacturers also have recognised the need and the value of quality control as a necessary aid in export promotion.

Now, I shall briefly deal with some of the provisions in the Bill. First, I shall refer to clause 3 in which the constitution of the textile committee is provided for. In this connection, I would only say that some provision should be made for representation to be extended to representatives of trade interests. As the provision now stands, there are to be an unspecified number of Members to be nominated by Government, who have special knowledge and practical experience in matters relating to the textile industry and textile trade. But I would suggest that the Central Government may consider taking some representatives of the trade and industry in consultation with bodies like the Millowners' Association or the Indian Cotton Mills Federation.

Then, coming to clause 17(1) I would very strongly recommend that the scope of the standard-fixing agency should be made more flexible. It

should be widened and not limited or narrowed, as it appears at present in the clause on prohibition of export, namely clause 17(1).

Going on to clause 17(2), which deals with contravention of the order prohibiting the sale and export of substandard products, it provides for punishment with imprisonment or fine or with both. We should not take any objection to the provision of this punishment in this sub-clause, item (i). But in the subsequent item (ii), we find that for the second or subsequent offence, the punishment is such as would make imprisonment inescapable. This should be looked into because after all, I think there is sufficient provision in the earlier clause to enable magistrates to deal suitably with offences.

Coming to clause 18(1) which deals with offences by companies, I certainly would not take any objection to the clause as it stands. I think it is both adequate and necessary. But coming to 18(2), I should submit that such a provision is unnecessary. Nothing more is to be gained except harassment to people in responsible positions. After all, the people we have to deal with people who are in a position to be directors of textile mills. One result—I would not be surprised—of such a severe provision of punishment would be that responsible people would shrink from accepting directorships of textile mills.

I would make an appeal to this Ministry which deals with international commerce and with men in high position in the commercial world to try and be a model in the matter of moderation in punishment. We have to instil mutual respect between those who function in the industry and those who regulate on behalf of Government these matters of industry. In the matter of this desire for severe punishment, I should only end by saying that it is a kind of appetite that grows on what it feeds.

श्री काशी राम गुप्त (अलवर)

उपाध्यक्ष महोदय, इस बिल का स्वागत करते हुए मैं इस की शब्दावली की ओर मंत्री महोदय का ध्यान आकर्षित करना चाहता हूँ। ऐसा लगता है कि यदि इस शब्दावली में कुछ हेरफेर न किया गया तो कुछ व्यावहारिक और वैधानिक कठिनाइयाँ पैदा हो सकती हैं।

पृष्ठ ८ पर कम्पनी की डेफ़ीनीशन इस प्रकार दी गयी है :

"company" means a body corporate and includes a firm or other association of individuals".

जहाँ तक अब तक की जानकारी है कम्पनी में कानूनी तौर पर लिमिटेड कम्पनी या कोओपरेटिव सोसाइटीज शामिल हो सकती हैं, किन्तु कोई फर्म या एसोसियेशन आफ इंडीवीजल्स कम्पनी में शामिल हों यह उल्लेख कानूनी दायरे से बाहर है। इसलिए मेरा माननीय मंत्री महोदय से निवेदन है कि इस विषय पर वह प्रकाश डालने की कृपा करें। कारपोरेट सेक्टर में यदि इस की व्यवस्था नहीं की जाएगी तो इस में कठिनाई पैदा होने की आशंका है।

धारा १८ में जो कम्पनी को शामिल किया गया है वह ठीक है लेकिन जहाँ तक उन को दंड देने का प्रश्न है, जो दंड का विधान पृष्ठ ७ के ऊपर धारा १७ में है वह इस प्रकार है :

"for the first offence with imprisonment for a term which may extend to one year or with fine or with both";

"for the second or a subsequent offence with imprisonment for a term which may extend to one year and also with fine".

कम्पनी पर फाइन तो लागू हो सकता है उध के डाइरेक्टर्स या अन्य लोगों पर सजा और फाइन दोनों लागू हो सकते हैं, लेकिन

किसी कम्पनी पर सजा भी लागू हो सकती है यह समझ में नहीं आता। चूँकि धारा १८ में कम्पनी को भी शामिल किया गया है और इस में सजा का विधान है इसलिये यदि इस में सुधार न किया गया तो कठिनाई की सम्भावना है।

तीसरे जो पीनल सैक्शन है उस में सभी लोग आ जाते हैं। वास्तव में यदि यह बिल केवल टैक्सटाइल की मैशिनरी के लिए लागू किया जाता तो ज्यादा अच्छा होता। अब डीलर में बहुत से लोग आ जाते हैं। रिटेल डीलर भी आ जाते हैं। अगर उत्पादक के साथ डीलर को भी पकड़ा जाएगा तो बड़ी परेशानी पैदा हो जाएगी। यह ठीक है कि धारा १८ में यह लिखा है कि जो यह साबित कर सकेगा कि उस का उस से सम्बन्ध नहीं है तो उस पर यह लागू नहीं होगा। लेकिन अच्छा होता कि स्पष्ट तौर से यह लिख दिया जाता कि यह धारा उत्पादकों और उन से सम्बन्धित लोगों पर लागू होगी और इस से आगे जो कपड़ा पकड़ा जाता है उस का सम्बन्ध मिल से होगा न कि डीलर से। इस नुक्स को ठीक किया जाए तो ठीक रहेगा।

पृष्ठ तीन पर जो "टैक्सटाइल्स" लिखा है उस के सारे प्रासेस उस में शामिल होने चाहियें। क्योंकि टैक्सटाइल पूरा होने के बाद ही होता है। इसलिये इस में मिल के अन्दर जो प्रासेस होगा उस को साफ तौर से लिखा जाना आवश्यक है।

पृष्ठ ३ पर जो उप धारा एच है उस में लिखा है :

"collect statistics for any of the above-mentioned purposes from manufacturers of, and dealers, in textiles".

जैसा मैं ने पहले निवेदन किया उत्पादकों के साथ डीलर्स को शामिल नहीं किया जाना चाहिये। इस से आंकड़े इकट्ठा करना सम्भव नहीं होगा। ज्यादा से ज्यादा आप इस में

[श्री काशी राम गुप्त]

उत्पादक के सेल्स एजेंट को शामिल कर सकते हैं। इस में से डीलर्स को निकाल देना चाहिये।

वास्तव में जो टैक्सटाइलम है वह स्वयं में बहुत ही पेचीदा बात है। मुझ से पहले श्री शराफ ने तो बताया है कि उस के लिए अनेक बोर्ड बने हैं। किन्तु उस को भी इस में लाया गया है। इस लिये मेरा कहना है कि यह बहुत ही विचारणीय विषय है।

यह जो कमेटी बनी है इस में जो चेयरमैन रखा है उस की व्याख्या नहीं की गई है कि यह चेयरमैन किस प्रकार का होगा। क्या सरकार कोई आई० ए० एस० अफसर बिठा देगी या वह कोई टेक्नीकल आदमी होगा और उस की क्या क्या योग्यता होगी यह इस में नहीं बताया गया है। इस के साथ साथ इस में मेम्बरों की तादाद भी नहीं लिखी गयी है। कम से कम यह तो लिखना चाहिये था कि इस में इतने मेम्बर होंगे। यह भी बताने की कृपा करें कि ये मेम्बर सरकारी ही होंगे कि बाहर के लोग भी इस में होंगे जिन को इस विषय का यथेष्ट ज्ञान हो।

अभी मुझ से पहले माननीय मित्र श्री एस० एम० बनर्जी ने एक बात की तरफ ध्यान दिलाया था कि जो मजदूरों की यूनियन्स हैं उन के जो तजुबेकार लोग हैं वे भी इस में काम दे सकते हैं। यह बिल्कुल सही बात है लेकिन वह तभी हो सकता है जब कि विशेष तौर से यह निर्धारित कर दिया जाय कि अमुक अमुक अनुभव प्राप्त आदमी हों। केवल वे पदाधिकारी हो जायें इस से काम नहीं चलता है। उस में यदि केवल पदाधिकारी आयेंगे तो उस के कारण वहाँ की राजनीति आने की सम्भावना है। इसलिए वे लोग अनुभवी हों और एक अनुभव का मापदंड हो इस की बहुत अधिक आवश्यकता है।

अन्त में मैं मंत्री महोदय का ध्यान टैक्सटाइल कमेटी बिल के पेज ५ पर ११ (१) क्लॉज में लिखे हुए शब्दों की तरफ दिलाना चाहता हूँ।

"The Committee may, on application made to it or otherwise, direct officer specially authorised in that behalf to examine the quality of textiles or the suitability of textile machinery for use at the time of manufacture or while in use in a textile mill and submit a report to the Committee."

अब जहाँ तक टैक्सटाइल मशीनरी की बात है वह तो सही है लेकिन जहाँ तक टैक्सटाइलम की क्वालिटी या सूटैबिलिटी का सवाल है वह उस के सारे प्रोसेस में देखेगा अथवा केवल जो उस का आखिरी प्रोसेस होगा, उस को देखेगा, इस के बारे में कोई स्पष्टीकरण नहीं है। इसलिये यह बहुत जरूरी हो जाता है कि इस बारे में रूल्स में नियमों में प्रोवाइड किया जाय, समाविष्ट किया जाय अथवा यहाँ पर लिखा जाय। अगर यहाँ पर इस बारे में लिखा जाय तो मुझे कोई आपत्ति नहीं है। यहाँ लिखना ज्यादा अच्छा होगा कि टैक्सटाइल के इंस्पेक्शन के मतलब क्या होंगे? उस के सब प्रोसेस को देखेंगे अथवा उन के पूरी तौर से पूरा होने के बाद ही देखेंगे? यह तय होना इसलिये जरूरी है कि टैक्सटाइल में अनेक बातों का समावेश है। उस में क्वालिटी का समावेश है, डिजाइन का समावेश है और भी बहुत सी बातें उस में आती हैं। चूंकि इस का केवल एक्सपोर्ट ही नहीं होता है अपितु देश के अन्दर भी इस की खपत होती है इसलिए यह एक और भी बड़ी समस्या हो जाती है। हमारी हजारों तरह की डिजाइन हैं, हजारों तरह की क्वालिटीज हैं। उन का निर्धारण करना और फिर एक स्टैंडर्ड बनाना बहुत बड़ी समस्या हो जेगी। इसलिये उस समस्या के बारे में नियम बनाते समय बहुत कुछ देखना पड़ेगा।

मैं ने इस सम्बन्ध में कानून की कुछ व्यवहारिक कठिनाइयाँ बतलाई हैं। एक वैधानिक आपत्ति कानून की है और वह यह है कि कम्पनी ला के अन्दर अभी तक जितने भी कानून बने हैं उन में यह फर्म इत्यादि शब्द नहीं आता है। वह बिल्कुल अलग है। अच्छा होता कि फर्मों के लिए एक अलग उप-धारा बनाई जाती जिस से यह कानूनी अड़चन आगे चल कर हम को पेश न आती और हाई कोर्ट में सुप्रीम कोर्ट में या अन्य किसी अदालत में इस अड़चन का मुकाबला न करना पड़े। बस मुझे इतना ही निवेदन करना था। धन्यवाद।

Shri Priya Gupta (Katihar): I support the Bill introduced by Shri Manubhai Shah, and have a few observations to make.

I suggest that the committee envisaged in the Bill be on a zonal basis and take as its members representatives of organised labour, of consumers and of exporters. The number of members should have been announced. I do not agree with the previous speaker who suggested that the nomenclature of the labour representatives in the committee should be laid down. Organised labour knows who will represent it in the committee, because only a technical man can open his lips in the committee. In the constitution of the committee I desire that organised labour should be allowed to have its own nominees.

There are many interests in the country. So, the committee should be constituted in such a way that the interests of no particular group in the industry are hampered and that no group is discriminated against.

This committee has jurisdiction over improvements on existing textile machinery. Workers are the first to come as animate objects after the inanimate machines. So, when new machinery is introduced, training should be given beforehand to the workers by the mill owners. Each

organisation must provide for a training institute for the workers to cope with the advanced type of machinery to be introduced in the mills.

This committee replaces the committee created under the Cotton Textiles Fund Ordinance, 1944. The employees of that committee should be given preference in the matter of absorption in this committee, and the age limit, if any, fixed for new recruits should be relaxed in their case so that they are not affected.

A very important function of this committee should be to lay down the production of individual mills for meeting internal consumption and export, and this should be based on some principles.

This committee may also take under its purview the question of dyeing, so that co-operatives and handlooms may get benefit out of it.

For the purpose of co-ordinating the working of this committee, there should be consumers' representatives' committees all over India on a zonal basis and at the Centre to advise from time to time regarding the working of this committee.

I hope these suggestions will be taken into consideration by the hon. Minister.

The Minister of International Trade (Shri Manubhai Shah): I am grateful to the hon. Members for the uniform support they have given to this Bill. I have also had the good fortune to discuss this matter with several other Members who could not participate in the debate today and also the representatives of the textile industry of this country before I came to the House with this Bill. In all our talks, it is the good luck of this industry and the country that those who are today engaged in this vital industry of the country are almost unanimous that such a Bill is overdue.

[Shri Manubhaj Shah]

The main purpose of this Bill is to make the country quality-conscious in one of the largest manufactured consumer goods of this country, namely all varieties of textiles. Several attempts had been made in the past in a halting way by which a few testing laboratories here and there were established to check at random the quality of Indian textiles, particularly textiles produced in the cotton textile industry. Now, as several hon. Members have pointed out, this is a very comprehensive Bill which takes under its umbrella every variety of cloth produced in this country, whether it is woollen or silk or art silk or synthetic fibre or cotton textiles, handlooms or any variety which goes into the making of a fabric.

We are all aware that India is one of the biggest producers of cotton textiles in the world. In the last 15 years since independence, the cotton textile industry of this country has so much enlarged and progressed that today we have one of the largest number of cotton spindles for any country in the world even larger than Japan. We have about 15.5 million spindles. Another 2 to 3 million will come during the Third Plan making the cotton textile industry of India the largest textile industry of the world. It is true that in other countries synthetic and man-made fibres have extended greatly and if you take the whole vista naturally we would not be the first. But we are the largest in respect of cotton mill-made fabrics and even Japan which is supposed to be a big competitor has only 66 per cent. of ours. United States also comes lower. I mention this to show the urgency of the situation and the magnitude of the task facing this committee. If we have to make this country quality conscious we will have to see that the committee is carefully chosen. All the comments made by the hon. Members will be considered by the Government. There are people in different spheres of life, in trade, in technology, in the labour

unions, good technicians and people who know the art of textile manufacture and trade and research workers and economists and we will try and see that a really high-powered competent committee is constituted.

14 hrs.

Last session I brought here a Bill which is being debated in the Rajya Sabha today—the Export (Inspection and Quality Control) Bill. It was to inspect all goods before they were exported. In this case, here, we have taken both external and internal trade. It is our firm belief that as time goes by, the country must become quality conscious even for internal consumption and unless the quality for internal consumption improves you cannot *suo moto* improve the quality of goods for external consumption. Our textile fabrics, rayon, cotton, woollen, earn more than Rs. 65 crores in foreign exchange and this year it may go up to Rs. 70-75 crores. With such large export earnings it is imperative that the fabrics produced in the country must be quality-tested. An hon. lady Member enquired whether we have enough provision of laboratories for this purpose—the co-operative sector, the handloom sector, etc. It is our intention to organise this committee properly so that within three or four years in every producing centre, either through trade or industry or co-operatives or through Government and this Committee, we should have a proper testing laboratory. It is not that we have none now. Under the export scheme incentives are not allowed to those fabrics which go without quality control. That is the present stipulation and we are now doing what is called sample checking of a large percentage of goods which are exported but it is now our intention that a much larger percentage of these goods should be properly checked and tested.

Shri Saraf asked whether this committee's functions will overlap with

those of any other. I can assure him that it is not so. The other boards are developmental boards, the All-India Handloom Board, Handicrafts Board, Cotton Textile Consultative Board, etc. This committee is for quality control and inspection. The hon. Members would see the objective that we have in clause 4 of the Bill. We want to undertake, assist and encourage scientific work, technological and economic research in textile industry and textile machinery. That clause gives further details. Therefore, this committee is not going to function for the promotion or development or grant of money or assistance as the Handloom Board or the Silk Board is doing. It has got well defined functions and there will be no overlapping. I can also assure the House that if there are any loose ends it will be the function of this Ministry to see that the proper task is performed through the proper agency. It will be the residuary function of the Ministry and it will be our endeavour to see that there is no overlapping.

We have also included the textile machinery here because unless and until proper designing of industrial machinery takes place you cannot produce a fabric of standard variety. We have included in this cotton textiles, woollen textiles, silk and various other aspects of the textile industry. Therefore, we should see that the industry has to use machinery of the highest international standard. The specifications have been given.

Shri Sham Lal Saraf: There should be diversification.

Shri Manubhai Shah: There are four research institutions for this purpose. The fourth one is coming up in Kanpur, the Northern India Textile Research Association. With these institutions, the industry is well poised for a scientific approach towards technological problems and it will be the committee's task to see that these four associations, Ahmedabad, Coimbatore, Bombay and Kanpur, are properly co-

ordinated for the developmental and research activities. That is a feature which we have brought in here.

Many hon. Members were anxious about the loss of foreign markets. Over the last 10-15 years there has been a decline in the trend. I have had several occasions to explain the situation here. This is the simplest and the first industry which any independent country the moment it becomes free wants to start. Most of the countries of Asia and Africa where Indian cloth used to go before want to set up their own industry just as we want to industrialise and to set up heavy machine building plants, etc. Only yesterday, I had a talk with the Prime Minister of Somali who wants to develop the textile industry in his country. We are allowing Indian nationals to go and put up textile mills in Nigeria, Ethiopia, Lagos, Cambodia, etc. We have about nine such proposals before us where Indian industrialists want to put up a joint venture of cotton textile industry. We must realise this now. Export earnings on cotton textiles should not be over-estimated or over-anticipated. If we can export round about 500-600 million yards it should be the optimum that we can ask for. To think of 800 or 900 or 1000 million yards as was anticipated some years before is not realistic at all.

Shri Heda (Nizamabad): Why is our country the first victim? Why not Japan or the United Kingdom, for instance?

Shri Manubhai Shah: About the Japanese, I have statistics and I was coming to that point actually. It is the diversification that has assisted them as Mr. Saraf pointed out. Synthetics, woollens, mixed fabrics that is the direction in which we are now guiding the Indian textile industry. Cotton has to be rather augmented—I would not say, replaced—by new man-made fibres. In that direction Japan has really done dynamic work. We must also see that our industry does not depend upon cotton textile fabrics

[Shri Manubhai Shah]

only, but all fabrics which go to furnish the apparel, in all parts of the world, and it is the joint approach which will give us more strength and optimism. If you go on working only on a solo or a single direction, where we know that the stumbling-blocks and stone-walls are being erected all round us, it will not be rather prudent or wise for us to concentrate our energy. We are, therefore, diversifying this trade. If you see the totality of the export, it is not at all a bad performance. On the contrary, we are steadily going up in that direction. This year, the rayon fabric export has worked out to about Rs. 10 crores which was not even a crore before five years. In the case of the woollen fabrics, it has registered about Rs. 2 crores which was hardly less than Rs. 10 lakhs before a few years. It is our intention that through the development of such committees such as this, we give a push to various types of textiles along with cotton textiles.

Another aspect which we have to consider is the made-up fabrics. My recent tour of the continent and east European countries and also Burma convinces me that in those countries, particularly what you can call the affluent countries which are sophisticated countries where human labour is getting more and more scarce and more and more expensive, they would rather prefer to buy ready-made textiles, ladies' garments, men's garments, furnishing fabrics and properly prepared ready-made things, because the stitching labour, cutting labour, etc., is much more scarce. That is another direction in which our textile products should be exported; the things could be exported in finished form. These are the different aspects to which the cotton textile industry should look into. It is my request to the industry also that it will not be correct to concentrate only on the grey cloth because that earns us hardly 50 to 60 nP. a yard. It is better to bleach it; it is still better to print it and dye it, and it is still better to make it into a fabric

and have a mixed fibre, so that you can get managerial skill and earn a much larger foreign exchange than you could in selling an old, coarse medium fabric, unwashed, and sending it out from here, which neither brings foreign exchange nor a good name to the producer of cotton textiles and other textiles as our country today can command in the whole wide world.

Another aspect was mentioned by Shri Banerjee and that was about some cotton mills in Kanpur. I have discussed this matter with him any number of times. It is always on our cards that the Uttar Pradesh textile industry should have maximum help by way of contribution in all diverse ways, by pumping money, by giving them the loans, by import licence for the machinery; and we have thus tried to modernise them. I would request my hon. friend to extend his co-operation and also that of the unions to see that rationalisation process of the textile industry in that State particularly which is lagging behind very greatly, should be encouraged by him and his union. After all, the labour thrives or prospers if the industry prospers. We do accept that the industry should not make undue profits at the cost of labour, but, at the same time, if you stick to the old idea that the one doffer will mind only side and not the four sides, that the automatic loom will not come, that the old type of antiquated loom will continue, then, along with the lack of prosperity or rather the retardation of the growth of the whole industry, the labour also will get retarded.

Shri S. M. Banerjee: My submission was that recently, the Government of Uttar Pradesh appointed a commission under the chairmanship of Shri Sampurnanand, and...

Mr. Deputy Speaker: He should not make a second speech; the hon. Minister is replying.

Shri S. M. Banerjee: I only want to say that the recommendations of that

committee should be accepted in all fairness by the millowners in the larger interests not only of labour but of the country as a whole.

Shri Manubhai Shah: As far as the details of the Commission's recommendations are concerned, so many committees and commissions have gone into the aspect of Uttar Pradesh. So, I would not take them up here. What I say is, why should not a Northern India mill be as good as the Meenakshi Mills, Madurai. One of the world's best mills is here, in South India. Some of the best mills in the world are possessed by this country. 30 per cent. of the textile industry of this country is what may be called the *magnum opus* of the textile industry of the world. But where you resist the bringing of the automatic looms, where you resist the bringing of new types of machinery, which will not reduce labour, if I may say so, because expansion automatically envisages more employment, but, if the technological growth does not take place, if obsolescence is plaguing our industry, we cannot produce or progress. Therefore, it is my request to Shri Banerjee and his friends opposite to see that progress is made. When we mooted this question of automatic looms, I am glad to say that the I.N.T.U.C. on the whole has co-operated with us, but other friends have sometimes taken the extreme view and not assisted the modernization to the extent it should be necessary. I take this opportunity to request my hon. friend and through him all my hon. friends on the other side that they should fully co-operate in this matter, because this is of national importance, and here we want to expand the employment through this modernisation. I would like to tell the industry also that unless and until every industry makes up its mind that no machine should be kept for more than 10 years. . . .

Shri Sham Lal Saraf: Shri Banerjee has got everything for the mere asking!

Shri Manubhai Shah: Sometimes easy money makes a man easy! But

that does not help progress. The point is that when the nation is in trouble, if the national textile industry is to survive and prosper,—not only survive but prosper and grow, you will have to modernise it and bring it up to the most up-to-date level which you can see in the rest of the world. I have seen factories where there are seven people for thousand spindles, and yet, I know some mills—some of them in the State which was referred to—they have 21 to 25 men per thousand spindles. It is wrong to believe that 25 men for thousand spindles will get more money than seven men for thousand spindles, because expansion will be mostly inefficient and the total development will be retarded and the country will suffer and also the industry as well as labour will suffer.

Therefore, it is very necessary that when this Bill is being considered and is to be approved by this august House, we must request the industry on the whole and all those associated with it that in the interests of the good name of the industry, modernisation should be ushered in with the maximum speed. The local manufacturers are already there. It will not be right for the textile industry of this country to insist that everything imported should be allowed to be used. Wherever the machinery is inferior, I am prepared to say "We will allow the import," but where the machinery is good we must give it a trial, and unless we give a trial to our own indigenous machinery for which we are going to recognise or prescribe a standard specification, it will not be proper to allow imports. Through this Committee, we are going to see that quality control is brought up at the stage of production even for internal use. This year, we have produced about Rs. 26 crores worth of machinery and about Rs. 14 crores worth of components of machinery, what is called the stores of the textile mills. If a country can produce Rs. 40 crores worth of goods per annum, it is necessary that our industry must try to see that the machinery which our people

[Shri Manubhai Shah]

produce is modern. Let them be made by modern designs and let them do it by any other type of mechanisation. We should not only be so minded but we should encourage our producers to produce the best for the consuming textile industry. That is why we have brought machinery of textiles also under the provisions of this Bill.

There were one or two more points raised about the powers that are vested. I can assure some of the hon. Members who raised it that there can not be any regional committees in this matter. It is a national committee. There can be advisory committees for specific functions, and we have provided *ad hoc* committees. But we cannot have state-wise or region-wise committees, because this is a subject which requires very high technology, which requires co-ordination at all points of testing and control; otherwise it will be just going in the other direction. It is not like the Handloom Board where we can have a State Handloom Board; it is not like the Khadi Commission where we can have a State Khadi Board. This is a Central Committee on a subject which is of a highly technical nature. Certainly, there will be specialists, or *ad hoc* committees, say, for the textile machinery or silk, to look after this subject in a proper manner.

I am very grateful to my hon. friend Shri Gandhi for having suggested that some members of the millowners' associations and others should be included. That of course is the purpose; but not they alone can be there. There can and there should be technical experts and there should be friends from the labour unions who have intimate knowledge of this subject. A few of them can be there. There should be the trades people. There should be the stores people. So, it will have to be seen that properly competent, technically qualified people are represented on this Committee and to that extent, all the valuable suggestions made by different hon. Members

will be very carefully gone into by us when we implement the provisions of this Bill.

Then there was a question about the penalty. You will find that there are few Acts on the statute-book of India where we have tried to make both fine and imprisonment compulsory, because we find many times that a man who defaults. . .

Shri Kashi Ram Gupta: How can the company be imprisoned?

Shri Manubhai Shah: Company means an individual who is responsible for the *mala fides*.

Shri Kashi Ram Gupta: It is not given out in the Bill.

Shri Manubhai Shah: The word 'company' is defined: "either a director or a manager or a Secretary". It is put there. After all, a company is the corpus, but it has to be represented by somebody on whom you can fix the guilt. That is the normal process of law.

Shri Kashi Ram Gupta: According to this measure, you can punish the company along with the directors, but the company can be punished only in terms of money and not in terms of anything else.

Shri Manubhai Shah: In the Companies Act, who is responsible is well-defined. Under the Payment of Wages Act, the Indian Companies Act and so on, each party of the company who is responsible is properly defined. If a particular type of fabric is made, the maker also is defined as well as the manager who is directly in charge. It will be he who will be punished. Therefore, we have not merely let them off. Suppose a man commits a big fault, it is not that he will pay one lakh of rupees and get free. Therefore, in the case of first offence we have said—it is a new law and naturally we have to be careful—that the magistrate should decide whether the

punishment should be either this or that. But in the case of the second offence, if the offence is repeated, which we consider to be a very serious offence, where they try to pass the muck to the poor consumer of the country, we have said that both the penalty in terms of fine and imprisonment have to be prescribed.

Dr. M. S. Aney (Nagpur): That is a point fit for clarification in the rules.

Shri Manubhai Shah: That we will certainly do; I accept that.

There was also a point raised by Shri Sharma, I was trying to see him in the House and because he was not here I had avoided replying to him. He was mentioning yesterday about research and design. I can assure him that the foundation of a fabric is a design. After all, what is a textile fabric if it is not a design? Therefore the question of design is definitely an integral part of technological advancement. It is not that we are not doing any design work today. I can only tell him that if he sees the Indian Textile Exhibition held at Moscow, films on which are available now, he will be convinced. I was myself amazed to see the finest designs of Indian textiles exhibited there. Our people have been very careful in sending very good varieties and designs. Therefore, in the matter of designing we are not so inferior, but of course we have to improve a great deal and we have to have more and more designs whether it is in handicrafts, silk, wool or other things. At every stage we have to see that our designs are improved, and I can assure him that designing is the foundation of textiles. If India is to survive in the world market it is designs alone which will help us and make our cloth popular. I can assure my hon. friend that that aspect of the matter has been looked into.

Shri Kashi Ram Gupta: Company has been explained here as inclusive of registered firms and association of individuals. But generally the corporate sector is called company. Why

not use it here and say: "company and also firms . . ." instead of explaining it here, because this will create trouble?

Shri Manubhai Shah: We will provide that in the rules. There are many corporate bodies. There is the partnership, co-partnership, individual ownership and others. Here a company is defined. After all, a substantive legislation cannot take the place of rules. Under the rule making powers we shall provide that properly. After all, the law courts in this country would not recognise it unless you identify the culprit who is guilty. No law provides for all the contingencies in the main law itself. I can assure the hon. Member that we have very many legal wizards in this country and they will look into the proper niceties of the law.

With these words, Sir, I commend the motion to the House.

Mr. Deputy-Speaker: The question is:

"That the Bill to provide for the establishment of a Committee for ensuring the quality of textiles and textile machinery and for matters connected therewith be taken into consideration."

The motion was adopted.

Mr. Deputy-Speaker: We shall now take up the Bill clause by clause. There is no amendment to clause 2.

The question is:

"That clause 2 stand part of the Bill."

The motion was adopted.

Clause 2 was added to the Bill.

Mr. Deputy-Speaker: There are some amendments to clause 3. Shri Yashpal Singh is not here. Is Shri Gandhi moving his amendment?

Shri V. B. Gandhi: No. May I just say a word?

Mr. Deputy-Speaker: We have exceeded the time by 25 minutes.

Shri V. B. Gandhi: I only want to say that I am prepared to accept the word of the Minister that in implementing the provision about the constitution of the Committee the proposal put forward by me will be considered.

Mr. Deputy-Speaker: The question is:

"That clause 3 stand part of the Bill."

The motion was adopted.

Clause 3 was added to the Bill.

Clause 4— (Functions of the Committee)

Mr. Deputy-Speaker: There is a Government amendment to clause 4. *Amendment made:*

Page 3.—

for lines 3 to 8, *substitute—*

"(c) establish, adopt or recognise standards specifications for textiles for the purposes of export and for internal consumption and affix suitable marks on such standardised varieties of textiles;

(d) specify the type of quality control or inspection which will be applied to textiles or textile machinery;" (3)

(*Shri Manubhai Shah*)

Mr. Deputy-Speaker: Is Shri Gandhi moving his amendment?

Shri V. B. Gandhi: No.

Mr. Deputy-Speaker: I shall put the clause, as amended, to the vote of the House. The question is:

"That clause 4, as amended stand part of the Bill."

The motion was adopted.

Clause 4, as amended, was added to the Bill.

Clauses 5 to 12 were added to the Bill.

Clause 13— (Accounts and audit)

Mr. Deputy-Speaker: There is a Government amendment to clause 13. *Amendment made:*

Page 6,—

for clause 13, *substitute—*

"Accounts and Audit.

13. (1) The Committee shall maintain proper accounts and other relevant records and prepare an annual statement of accounts, including the balance-sheet in accordance with such general directions as may be issued, and in such form as may be prescribed, by the Central Government in consultation with the Comptroller and Auditor-General of India.

(2) The accounts of the Committee shall be audited annually by the Comptroller and Auditor-General of India and any expenditure incurred by him in connection with such audit shall be payable by the Committee to the Comptroller and Auditor-General of India.

(3) The Comptroller and Auditor-General of India and any person appointed by him in connection with the audit of the accounts of the Committee shall have the same rights and privileges and authority in connection with such audit as the Comptroller and Auditor-General of India has in connection with the audit of Government accounts, and, in particular, shall have the right to demand the production of books, accounts, connected vouchers and other documents and papers and to inspect any of the offices of the Committee.

(4) The accounts of the Committee as certified by the Comptroller and Auditor-General of India or any other person appointed by him in this behalf, together with

the audit report thereon, shall be forwarded annually to the Central Government and that Government shall cause the same to be laid before each House of Parliament."

(4)

(Shri Manubhai Shah)

Mr. Deputy-Speaker: The question is:

"Clause 13, as amended, stand part of the Bill."

The motion was adopted.

Clause 13, as amended, was added to the Bill.

Clauses 14 to 16 were added to the Bill.

Clause 17—(Power to prohibit exports and internal marketing of textiles and textile machinery)

Mr. Deputy-Speaker: There are three Government amendments to clause 17.

Amendments made:

(i) Page 7, lines 10 and 11,—

for "evolved any standard variety of textiles" substitute—

"established, adopted or recognised standard specifications for textiles". (5)

(ii) Page 7, line 12.—

for "evolved standard type of textile machinery" substitute—

"established, adopted or recognised standard type of textile machinery." (6)

(iii) Page 7,—

omit lines 32 to 39. (7)

(Shri Manubhai Shah)

Mr. Deputy-Speaker: Is Shri Gandhi moving his amendments?

Shri V. B. Gandhi: I do not want to move my amendments in view of the amendments that have been made by the hon. Minister.

Mr. Deputy-Speaker: The question is:

"That clause 17, as amended, stand part of the Bill."

The motion was adopted.

Clause 17, as amended, was added to the Bill.

Clause 18—(Offences by companies)

Mr. Deputy-Speaker: Is Shri Gandhi moving his amendments to clause 18?

Shri V. B. Gandhi: Have we already finished clause . . .

Mr. Deputy-Speaker: We are on clause 18 now. I want to know whether he is moving his amendments Nos. 15 and 16?

Shri V. B. Gandhi: I think I want to move.

Mr. Deputy-Speaker: The hon. Member must be very quick.

Shri V. B. Gandhi: Sir, I beg to move:

(i) Page 8,—

omit lines 18 to 25 (15)

(ii) Page 8,—

omit lines 29 and 30 (16)

These amendments are to this clause which deals with offences by companies. It is not necessary, I think and the purpose of this Act will be served by omitting these lines 18 to 25. There is enough provision to take care of offences under this clause, in the first part of clause 18. That provision should prove sufficient, and I still believe that it is not the right way to go on casting our net too wide and trying to rope in all kinds of people in this fashion. Directors are responsible people and, as I have said, they should be treated with a spirit of mutual respect if we expect people to take up responsibility in industrial concerns.

Before I close I will finally say that I am still a believer in moderation in

[Shri V. B. Gandhi]

punishment, an unrepentant believer in that philosophy. We can terrorise people, but we do not improve them.

Dr. M. S. Aney (Nagpur): May I make one suggestion? I would like the hon. Member to read the section as amended by him. Without that we won't understand it. Then there will be nothing left!

Shri Manubhai Shah: Sir, the matter is clear if the hon. Member will please read it. The clause says, "Notwithstanding anything contained in sub-section (1), where an offence under this Act has been committed by a company"—individuals are already dealt with separately—"and it is proved that the offence has been committed with the consent or connivance of, or is attributable to any negligence on the part of, any director, manager, secretary or other officer of the company, such director, manager, secretary or other officer shall also be deemed to be guilty of that offence etc." Government has been very moderate in ascribing this. But if it is found that a particular assistant engineer was working under the direction of a director and sub-standard goods have been produced, is it correct for this House to consider penalisation of that particular assistant, or is the manager and secretary more responsible for it? Therefore, if there is any collusion found, I can assure the hon. Member that it is not the intention at all to terrorise, but the higher-up people who are charged with greater responsibility should not be let off and only the minor fries caught for offences for which really those people are responsible.

Shri V. B. Gandhi: My position is . . .

Mr. Deputy-Speaker: No further speech now.

Shri V. B. Gandhi: One word. My position is that we have made sufficient provision in clause 18, part one.

Mr. Deputy-Speaker: Does he want me to put his amendments to vote?

Shri Manubhai Shah: I hope he will withdraw them, because we have taken note of all this.

Shri V. B. Gandhi: I seek leave of the House to withdraw my amendments.

The amendments (Nos. 15 and 16) were by leave, withdrawn.

Mr. Deputy-Speaker: The question is:

"That clause 18 stand part of the Bill".

The motion was adopted.

Clause 18 was added to the Bill.

Clauses 19 to 22 were added to the Bill.

Mr. Deputy-Speaker: Clause 23. Is Shri Yashpal Singh moving his amendment?

Shri Yashpal Singh (Kairana): Not moving.

Mr. Deputy-Speaker: Then I shall put both clauses 23 and 24 together.

The question is:

"That clauses 23 and 24 stand part of the Bill".

The motion was adopted.

Clauses 23 and 24 were added to the Bill.

Clause 1—(Short title, extent and commencement)

Amendment made:

Page 1, line 3,—

for "1962" substitute "1963". (2)
(Shri Manubhai Shah)

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 "Thirteenth" substitute
"Fourteenth". (1)

(*Shri Manubhai Shah*)

Mr. Deputy-Speaker: The question is:

"That 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 Manubhai Shah: Sir, 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

14.36 hrs.

**UNION TERRITORIES DRAMATIC
PERFORMANCES (REPEAL) BILL**

The Minister of State in the Ministry of Home Affairs (Shri Hajarnavis): Sir, I beg to move:

"That the Bill to provide for the repeal of the Dramatic performances Act, 1876, in force in the Union territories of Delhi, Himachal Pradesh and Manipur, be taken into consideration."

There is at present extended to the Union territories a Central Act under the title Dramatic Performances Act, 1876. The purpose of the Bill which I am now moving and which I am requesting the House to take into consideration is to repeal that Act on its substitution by another Act, namely

the Madras Dramatic Performances Act, 1954. The earlier Act, that is the Dramatic Performances Act, 1876, was extended to the Union territories by a notification under the Union Territories (Laws) Act. So far as the extension of the Act is concerned, it can be done by a notification under the Union Territories (Laws) Act. But it has been ruled by the Supreme Court, in the reference under the Delhi Laws Act, interpreted by subsequent decision of the Supreme Court in the Patna case, that whereas a clear field can be occupied by an extension of an Act by notification, where an Act already holds sway its repeal can only be done by the Legislature. Therefore, if we want to repeal the Dramatic Performances Act, 1876, the approval of the Legislature is necessary. We have therefore come before the House asking for its repeal. And when we repeal it we do not want to leave the area vacant, but we want to substitute the repealed Act by another Act called the Madras Dramatic Performances Act, 1954.

The reason why the Central Act of 1876 is sought to be repealed is that it *ultra vires* of article 19 of the Constitution; it is the considered opinion of at least three High Courts that the 1876 Act offends the freedom of speech guaranteed under the Constitution. The main features of the earlier Act are that firstly whether a dramatic performance is objectionable or no was left to be determined by the subjective determination of the authority prescribed; secondly, there was no opportunity given to the person against whom an order was sought to be made to show cause against the proposed order; and thirdly, there was no appeal to any judicial tribunal against such a subjective determination by the executive authority. When the matter went up for decision before the High Courts, the High Courts struck it down as contravening the freedom of speech guaranteed under the Constitution. Now under the Madras Dramatic Performances Act,