

[*Dr. M. S. Aney*]

he has opposed this Bill. So, I request I may be permitted to say a word in support of the Bill...

Shri D. C. Sharma: What did the hon. Minister say? I did not hear him. He should not have been so arrogant like that. He should have replied to me.

Mr. Speaker: Order, order.

Shri Bhagwat Jha Azad (Bhagalpur): He has said that no point of controversy has been raised by my hon friend.

Shri D. C. Sharma: I think he should have been more intelligent than anybody else.

Shri T. T. Krishnamachari: I did not say that. I merely said that I had far too much respect for my hon. friend to controvert his arguments.

Shri D. C. Sharma: I may not have the brain of the Secretary to my hon. friend but I have my own brain.

Shri Vasudevan Nair (Ambalappuzha): What the hon. Minister has stated is no reply.

Mr. Speaker: There is one thing that I might mention that these are not points that could be raised during the third reading. At the third reading stage, we have only to take up such points as what effect the amendments which have been accepted will have, whether any other amendments that have been rejected should have been accepted in order to make the Bill better and so on. It is only those things which can be taken up during the third reading. What **Shri D. C. Sharma** dealt with were very important points, no doubt, but they were points which should have been raised earlier.

Shri D. C. Sharma: You are very kind to say that they were important points, but the hon. Minister does not think so.

Mr. Speaker: I agree with the hon. Member that they were very important points.

The question is:

"That the Bill be passed".

The motion was adopted.

16.13 hrs.

INDIAN COINAGE (AMENDMENT)
BILL

The Minister of Planning (Shri B. R. Bhagat): I beg to move:

"That the Bill further to amend the Indian Coinage Act, 1906, be taken into consideration."

The object of this measure is simple and non-controversial. When the decimal coinage system was introduced in this country in 1957, it was decided to designate the units of the new system as paisa coins. However, as the coins of the old anna-pie series were to circulate along with the new coins during the period of transition, the new coins were called naya paisa to avoid their being confused with the paisa coins of the old system. It was the intention then that after the anna-pie coins had been withdrawn from circulation completely, the distinguishing prefix 'naya' should be dropped, and the coins should thereafter be called only naya paisa coins. The coins of the anna-pie series have been demonetised in stages, and the last phase of that progress was completed on the 1st January, 1964 when all coins of the old system except the half and the quarter rupees ceased to be legal tender. As the old paisa coins are no longer in circulation, the time is now opportune to drop the prefix 'naya' from the naya paisa. It is proposed to redesignate the naya paisa coins as paisa coins with effect from the 1st June, 1964. I would, however, like to make it clear that the proposed paisa coins will retain the shape, size and weight of the naya paisa coins which they replace.

There is also no material change in the design of the proposed coins except that in the place of 'naya'/naya', the face value of the coins in the Hindi words will be shown in addition.

The change in the designation of the coins does not require any legislation; it can be brought about through the issue of a gazette notification by the Central Government under sec. 14 (1) of the Indian Coinage Act, 1906. There are, however, certain other aspects of the change over which have necessitated the present amendment. Even after the 'naya paisa' coins are redesignated as 'paisa' coins with effect from the 1st June 1964, the existing 'naya paisa' coins will continue till such time as they are called back from circulation. The insertion of a new sub-section (4) under section 13 of the principal Act is intended—this is the first amendment in this Bill—to maintain the legal tender character of the 'naya paisa' coins even after their redesignation.

With the renaming of these coins, it will be necessary, with effect from the 1st June 1964, to construe all references—this is the second amendment—in enactments, notifications, rules, deeds etc. to values expressed in 'paisa'. This purpose is proposed to be achieved by the insertion of a new sub-section (4) in section 14 of the principal Act on the lines of the existing sub-section (3).

It is intended to bring the above amendments into force from the 1st of June 1964, since the situations, which they seek to remedy will be the direct results of the decision to redesignate the 'naya paisa' coins, which will be effective from the 1st of June 1964.

These are the two amendments which we propose which, as I explained in the beginning, are very simple and non-controversial. They emanate mainly because we want to redesignate it on an earlier understanding that when the rupees annas pies coins

would be withdrawn, there would be no necessity of having the prefix 'naya' or 'naye'. So, it is in the nature of a consequential amendment. I move.

Mr. Speaker: Motion moved:

"That the Bill further to amend the Indian Coinage Act, 1906, be taken into consideration".

Shri Heda (Nizamabad): I expected that the hon. Minister when moving for consideration would have given us a report of the efforts of Government in/eliminating the use of annas, particularly one anna, two annas and three annas in usage in the general market. If you go to the market, you still find people talking in terms of two annas and three annas. Even in the Central Hall, if we order cold coffee, we are asked to pay exactly 37 nP. That is what six annas come to.

So, the point is that it is not much material benefit, if you take away only the word 'naya'. The material thing is that you should cease to think in terms of annas, particularly one anna, two annas and three annas. So far as the 4-annas and 8-annas are concerned, it does not matter because there are single pieces of that denomination. But if somebody talks in terms of one anna or five annas or six annas, it is against the spirit of the Bill, and of the Act that we passed.

Therefore, Government should have come forward and told us what efforts they have made in popularising the new system and persuading people to give up thinking in terms of annas. I find that from that angle, the Government have not done much. I do hope they will take this occasion to use the radio, the press and other media at their command and see that annas do not enter any more in people's thinking. With these words, I support the Bill.

Shri Tridib Kumar Chaudhuri (Berhampur): On a point of clarification. The hon. Minister said that the naya paisa coins would continue to be legal tender.

Shri R. S. Pandey (Guna): Are you counting naye paise?

Shri Tridib Kumar Chaudhuri: I have got it. 'Naya paisa' is written here. What about ten and five naye paise? Will they all continue to be legal tender?

Shri B. R. Bhagat: Yes.

16.20 hrs.

[MR. DEPUTY-SPEAKER in the Chair]

Shri Morarka (Jhunjhunu): I only wanted to ask a question. The hon. Minister said just now that this was a Bill to amend the Indian Coinage Act. Why is this word "Indian" still kept? Here in this country we have only word Indian coins, we do not have British and other coins. Just as we have dropped it from the Indian Companies Act and Indian Income-tax Act and call the only Companies Act and Income-tax Act, I think the Finance Minister could have taken this opportunity to drop it here also and call it only the Coinage Act.

The Minister of Finance (Shri T. T. Krishnamachari): Sometimes the Law Ministry permits us to bring certain omnibus Bills to make verbal amendments of this nature. I will certainly draw the attention of the Law Ministry to this. Probably when they bring the next omnibus Bill, all this will go.

Dr. M. S. Aney (Nagpur): My hon. friend suggested that the use of the word "anna" should be completely eliminated. I do not think that by merely passing a law you can eliminate that. The word has been in use not for a few years, but for centuries together. So, the best thing is that without disturbing your decimal system, you can make five naye paise equal to one anna, and have 20 annas in a rupee. If you introduce new tables like that, you can have the whole system without disturbing it. It will be consistent with the use of the word "anna" which has been there for such a long time.

Maharajkumar Vijaya Ananda (Visakhapatnam): What will be the cost involved, because probably you will have to alter the machines? Will it be worthwhile?

Shri Sonavane (Pandharpur): I am happy that this Bill has been brought forward by the Government to remove this terminology of naya and naye, but I want to make two suggestions.

The first suggestion is this, that while having new coins, particularly the paisa as it would be called hereafter should be of a size that would be convenient to carry. Otherwise, even if we hold these coins, all the coins slip through our fingers. It is a very strange thing, and it is very difficult to hold the coin. Therefore, the lowest coin should be of the size of the old paisa, or at least of some size. The lowest coin should not be such that we cannot hold it in our hands, or that it cannot be sustained in the palm of the hand. Let us increase the size or the dimensions of the coin in some way.

My second suggestion concerns a legal point. Here only these words naya and naye are removed from the coins. Does it apply to all these coins where naya paisa is written, because it is there in 25 naye paise and other coins. My reading of the Bill is that this removal is not common to all the coins. This is lacuna according to me and if lacuna is there Government should do something. Otherwise only the 'naya paisa' will be removed from the last coin and all the other coins would retain that. With these suggestions I would welcome this Bill.

Shri C. K. Bhattacharyya (Raiganj): Sir, I want to make a few observations. It is easy to introduce coins but at times it is difficult to maintain their currency. That happened during the British days also. There were coins known as double paisa and pies but the pies were never used. (Interruption.) I kept some of them as exhibits. They were of the same size

as the preset naya paisa but these were never in the market. At times my apprehension is that the naya paise will go the same way as the pie did during the British rule. Mr. Sonavane's suggestion is an important one. It should be of a size which looks respectable or handable. For that I say that it may be done as they did during the war time, in order to reduce the mental content of the paise. At that time, the circular disc was maintained but a hole was made in the centre.

The Minister of Finance (Shri J. T. Krishnamachari): They were used as washers.

Shri C. K. Bhattacharyya: It led to more serious consequences also. When it was put in currency, we published a cartoon in our paper as if a peasant was handing over it to his wife. In making it, the king's head had been removed. The peasant's wife was asking: where is the king's head. When the cartoon was published, the then Government took exception to it. Besides being used as washers as the Finance Minister says, it led to more serious consequences. In any case what I feel is that two naya paisa coins will remain in currency and the one naya paisa will go out of existence. My suggestion is that this 2 nP. may be made of a better size and may be given a place in the system. The system is described as decimal coinage and in a decimal coinage, how can 2 nP come in? It should be 1, 5, 10, etc. and the introduction of 2 nP is a misfit and a misnomer. My suggestion is that the 2 nP coin should be made the lowest unit and should be given a size which could meet all the objections that had been raised against this naya paise or paise of the size which we have got.

Shri S. Kandanpan (Tiruchengode): Sir, we usually identify coins by their shape size and colour. Even the literate people do not look into the letters written there. After Independence, especially after the introduction of the naya paisa, most of the letters on our coins are written in Hindi alone. Of course it gives sen-

timental satisfaction to the Hindi people. Please do not mistake me but it can easily be done in all the fourteen languages as well and we will also have the satisfaction of having our own language in that particular coin. I feel that this suggestion can easily be accepted by the Minister.

श्री यशपाल सिंह (कोराना) : उपाध्यक्ष महोदय, मैं इस बिल का कैसे समर्थन करूँ। पता नहीं यह बिल कैसे लाया गया है। क्या समय फालतू था, या मनी स्पेयर था या और कोई काम नहीं था कि इस बिल को लाया गया। हमारा देश एक खाम तरह से चल रहा था। रुपया हमारी अर्थ व्यवस्था की बैकबोन रहा है और उसके मिलमिले में हजारों साल से कुछ गुर कायम किए गए थे। वे गुर इम नए सिस्टम के आने में फेरे हों गए। न मालूम इस सिस्टम में क्या फायदा हुआ है और पता नहीं यह किस देश की तकल में शुरू किया गया। आज व्यवस्था यह है कि एक नए पैसे की कोई चीज नहीं मिलती, न सिगरेट मिलती है, न बीड़ी मिलती है, न दियासलाई मिलती है, न और कोई चीज मिलती है। लेकिन एक नई चीज पैदा कर दी गयी है। इसका एक परिणाम तो यह हुआ है बच्चे इस नए पैसे को निगल जाते हैं और लोगों को डाक्टरों को बुझना पड़ता है और एक नए पैसे के पीछे पचास रुपया खर्च करना पड़ता है तब जा कर बच्चे की जान बचती है।

जो बिल लाया गया है वह तो अच्छा ही होगा क्योंकि मिनिस्टर साहब एक बड़े आदमी हैं, बड़े विद्वान हैं और उनकी वजह से देश की नाक ऊंची हुई है। लेकिन फिर भी मेरी ममता में नहीं आता कि इसको लाने का कारण क्या है कि जिस की वजह से यह बिल लाया गया। अगर इस पैसे को रखना है तो इसको इतना बड़ा किया जाए कि बच्चे इसको न निगल सकें, और इसकी कोई कीमत निर्धारित को जाए। कीमत तो वही है और पैसे को कायम कर दिया गया है। आज कहीं खाना खाने जाते हैं तो होटल वाला चाबल की

[श्री यशपाल सिंह]

प्लेट के ३७ पैसे मांगना है, ३६ नहीं। ३७ नये पैसे मांगते हैं और इस तरह एक नये पैसे का घाटा नागरिकों को रहता है। सरकार एक पैसे का फायदा उठाती है जब कि नागरिक एक पैसे का नुकसान उठाते हैं। यह सब बात ठीक है जो कुछ किया होगा सही ही किया होगा लेकिन आज तक मेरी यह समझ में नहीं आया कि ६४ पैसे का हटा कर यह १०० नये पैसे किम लिए कायम किये गये हैं और इस से राष्ट्र की उन्नति में क्या फायदा हुआ है? इस से कितना महयोग मिला है यह मेरी समझ में नहीं आया?

पालियामेंट को एक घटा चलाने के लिए हमको हज़ारों रुपये खर्च करने पड़ते हैं और उधर यह है कि बच्चे यह नये पैसे जो सरकार निगल जाया करते हैं तो उस के लिए नागरिक बेचारे डाक्टरों को बूढ़ते फिरते हैं। लेकिन चुंकि माननीय श्री कृष्णमाचारी इस बिल को लाये हैं और उनका जनता पर बहुत प्रहमान है इसलिए यह ठीक है कि इसे पास हो जाना चाहिए। श्री कृष्णमाचारी ने गॉलड कंट्रोल आर्डर को ठीक करके और खाम तोर से यह जो अनिर्वाय बचत योजना थी उसको मोडिफाई करके और वार्षिक ले कर जनता के साथ बहुत बड़ा उपकार किया है। कम्पलसरी डिपॉजिट योजना को वार्षिक ले कर इन्होंने बिना शक जनता का बड़ा उपकार किया है। लेकिन यह बात कुछ समझ में नहीं आई कि जिस चीज का कोई महत्व नहीं जिससे भारत को कोई लाभ नहीं, अलबत्ता इससे डाक्टरों को अवश्य कुछ लाभ हुआ है और अगर डाक्टरों के लिए इसे किया हो तो मुझे कुछ कहना नहीं है लेकिन अगर ऐसी कोई बात न हो तो मैं तो कहूंगा कि बेहतर यह होगा कि बाजाय १०० नये पैसे के वही पुराने ६४ पैसे किये जाय, रुपये के मॉलहू आने हों। लेकिन अगर इसे कायम रखना ही है और यह भारतीय सिक्के (मंशोधन) बिल उन्हें पाम ही करना है तो फिर कम से कम इस नये पैसे के प्रकार को कुछ अधिक बड़ा और चौड़ा

अवश्य कर दें ताकि यह बच्चों के पेट में न जा सके और वे उसको निगल न सके। इन्हीं शब्द के साथ मैं इस विधेयक का समर्थन करता हूँ।

श्री शिव नारायण (वासी) : उपाध्यक्ष महोदय, यह ठीक है कि यह नया पैसा देखने में बहुत हलका और छोटा है लेकिन इसका महत्व किसी तरह कम नहीं आंकना चाहिए और यह इसी प्रकार है :—

“देखन मे छोटे लगे, धाव करे गम्भीर।”
मेरे मित्र ने जो अभी बोले थे उनकी समझ में नहीं आया कि यह ६४ पसों को हटा कर सरकार ने १०० नये पैसे क्यों कर दिये? इस के करने का कारण तो बिलकुल साफ है कि सरकार दशमलव सिस्टम जो कि दुनिया भर में लागू है उसको उमने अपने यहां भी इंट्रोड्यूस करना मुनासिब समझा। इस के अन्वावा नये पसों में हिनाब लगाना भी बड़ा आसान है। बच्चों को और बड़ों को भी दशमलव पद्धति के जरिए हिमाब लगाने में बड़ी सुविधा रहती है और १०० नये पसों का एक रुपया होता है इस आधार पर बड़े से बड़ा हिमाब खटाखट लग जाना है।

यह जरूर है कि कहीं आप को ३७ नये पैसे बाजाय ३६ नये पैसे के देने पड़ते हैं। कहीं आप ने दो आने का सामान लिया और आपने दुकानदार को चवथी दी तो दुकानदार आपको बाजाय १२ नये पैसे लौटाने के १२ नये पैसे ही लौटाता है तो इस तरह एक नया पैसा दुकानदार को मिलता है। लेकिन उभी तरह जब आप १२ नये पैसे देते हैं तो एक पैसा आपको बच जाता है इसलिए यह एक नये पैसे की घटा बड़ी दोनों तरफ ही चलती है। यहां मैं इतना जरूर कहना चाहूंगा कि कहीं कहीं पर जिस चीज के दाम दो आने हैं अर्थात् १२ नये पैसे होने चाहिए उनके दाम उन्हीं बाजाय १२ नये पैसे के १३ नये पैसे कर दिये हैं। मिसाल की तौर पर मैं आपको बतलाऊं कि स्टेशनों पर आजकल चाय के एक कप का दाम बाजाय दो आने

अर्थात् १२ पैसे लेने के बड़े १३ नये पैसे मांगते हैं। अब यह जनता के साथ अवश्य बेईमानी करनी है। वहाँ इस बारे में घपला जरूर है। जिस टी के कप की प्राइम दो आने फिक्स है उसके दाम उन्हें १२ नये पैसे ही लेने चाहिए लेकिन बड़े १३ नये पैसे मांगते हैं और चार्ज करते हैं इस लिए वहाँ घपला अवश्य है। लेकिन जसा मैं ने पहले कहा यह एक नये पैसे का घपला दोनों तरफ है और कहीं हम अगर एक नया पैसा ज्यादा देते हैं तो कहीं हमें एक नये पैस का ऐडवांटेज भी मिल जाता है इसलिए वह नेबिल हो जाता है।

मैं एक टीचर होने के नाते उनको बताना चाहता हूँ कि यह ६४ पैसों के हिस्साब में गड़बड़ी रहनी थी और हिस्साब करना मुश्किल भी होता था और मैं उन को बतलाना चाहता हूँ कि ६४ पैसों के बजाय यह जो १०० नये पैसों का हिस्साब रक्खा गया है, १०० का रेशियो जो कि दशमलव पद्धति के आधार पर फिक्स कर दिया है वह ठीक ही किया है और बच्चे और बड़े सभी लोग इस आधार पर बड़े से बड़ा हिस्साब बड़ी आसानी से खाटाखट लगा लेते हैं। इसलिए मैं यह भारतीय सिक्के (संगोधन) बिल जो पेश हुआ है उसका समर्थन करता हूँ और उन माननीय सदस्य को ऐसी कोई खबराहट इस के बारे में नहीं होनी चाहिए। इन्हीं चंद शब्दों के साथ मैं इस विधायक का समर्थन करते हुए समाप्त करता हूँ।

Shri B. R. Bhagat: Mr. Deputy-Speaker, Sir, I am glad the House took such a keen interest in this matter. I will certainly look to the suggestions of hon. Members who want the size or the weight or the shape of this naya paisa to be changed. The only difficulty in this matter is that I am subject to correction—even today the value of the alloy is more than the value of the naya paise. So, if you increase the size or strengthen it, the cost will be more.

Secondly, it should be borne in mind that 1 naya paisa is a counting

or nominal denomination. The hon. Member suggested that instead of 1 nP which should not be there, there should be 2 nP coins. The difficulty would be, how to express odd denominations like 1, 3 or 5 if you do not have 1 nP. We intend shortly to introduce 3 nP coins and probably that may solve it. We will look into it again and bear in mind the suggestions and feelings of hon. Members in this matter.

The point was raised by Mr. Heda that even after so many years, this anna concept is still there in everybody's mind and the value is expressed notionally at least in annas. That may or may not be so. But old habits which have been there for generations die hard. So, sometimes we may think in terms of annas. But a number of steps have been taken by Government and I do not think any propaganda is needed. Now the value is being expressed in naya paise because it is easier. In schools, the arithmetical calculations are taught to the children in rupees and naya paise and not in rupees, annas. So, I hope the anna will disappear in course of time.

With these words, I move that the Bill be taken into consideration.

Mr. Deputy-Speaker: The question is:

"That the Bill further to amend the Indian Coinage Act, 1906 be taken into consideration."

The motion was adopted.

Mr. Deputy-Speaker: The House will now take up clause-by-clause consideration of the Bill. There are no amendments.

The question is:

"That clauses 2 and 3 stand part of the Bill."

The motion was adopted.

Clauses 2 and 3 were added to the Bill.

Clause 1, the Enacting Formula and the Title were added to the Bill.

Shri B. R. Bhagat: I beg to move:

"That the Bill be passed".

Mr. Deputy-Speaker: Motion moved
"That the Bill be passed".

Shri C. K. Bhattacharyya: Sir, the hon. Minister just now referred to the shortage of metal.

Shri B. R. Bhagat: I said the value of the alloy is more than the value of the naya paisa.

Shri C. K. Bhattacharyya: I only want to refer to certain transactions that the Government of India had with the United States. The Government of India paid back or discharged certain obligation to the United States in rupees. The obligation was to pay in silver only, but in discharging that obligation, they paid along with the rupee the amount of nickel and other metal included in the rupee free of charge. I would request him to calculate the value of the metal that has been made over to the United States—nickel and other metal—because in paying, they took into consideration only the value of silver and not the value of the other metal in the coins. The entire thing appeared in the newspapers. I do not exactly remember it, but it was a good value. The hon. Minister may find it out as to what was made over to the United States in the form of nickel and other metals without getting any return for that.

Shri Heda: May I know why one anna and two anna coins are not withdrawn?

श्री बूटा सिंह (मॉन्ग): उपाध्यक्ष महोदय, मैं इस बिल का विरोध करता हूँ। थोड़ी देर पहले सरकार ने कुछ ऐसे प्रादेश, इकम, दिये कि उस की टक्कालों में जो वर्कर काम करते हैं, उन की तलाशी ली जाय। हमें बम्बई में खामकाय ऐसा वाक्या देखने को आया कि वहाँ पर जो बहुत से सिख नौजवान काम करते हैं, जब वे काम करने के बाद वाहर जाने हैं, तब जिस तरीके से उन की तलाशी ली जाती है, वह बहुत नामुनासिब है। चौकीदार उन की पगड़ियाँ उतारते हैं,

उन की बेइज्जती करते हैं, उन को हूँ मिलिएट करते हैं। मेरी इत्तिला है कि अब गवर्नमेंट ने सिखों को उस महकमे से निकाल दिया है, जहाँ सिक्के ठाले जाते हैं। यह बात बहुत बुरी है। सरकार को ऐसी नीति नहीं अपनानी चाहिए, क्योंकि हिन्दुस्तान में सब से फर्माबरदार और ईमानदार लोग सिख हैं। वे हिन्दुस्तान की सरकारों की रक्षा करते हैं और बड़े बहादुर हैं। आप ने देखा होगा कि सिख लोग जिस क्षेत्र में भी काम करते हैं, चाहे वह टबिनकल लाइन हो, या ईस हो या कोई और काम हो, वहाँ पर वे बड़ी ईमानदारी से काम करते हैं। इसलिए उन पर यह शक करना बिल्कुल गैर-मुनासिब है कि वे अपनी पगड़ियों में सिक्के चुरा कर ले जाते हैं। ऐसा कोई कंस गवर्नमेंट के सामने नहीं आया है। लेकिन बहुत दुख के साथ कहना पड़ता है कि हिन्दुस्तान की गवर्नमेंट ने अब टक्कालों में सिख नौजवानों का हटा दिया है। इन लिए मैं इस बिल का विरोध करता हूँ और चाहता हूँ कि सरकार अपनी इस नीति को फौरन बदले।

Shri T. T. Krishnamachari: On the question of quaternary coins which were shipped to the United States along with a certain amount of silver, the reason was this. We had equipment for converting quaternary coins into silver. It took a long time and it cost a certain amount of money. The United States were willing to take the silver value of the quaternary coin in replacement of the 10 million ounces of silver which we had to ship to them. As a matter of fact the cost of conversion of the quaternary coins into silver was greater than the other alloy that we could get from out of it. Therefore, the Indian Government did not sustain any loss in this. We do not know what loss the American Government sustained and how much they recovered. I can assure you, Sir, because I was responsible for that transaction, I took care to see that we did not lose anything thereby.

So far as searching the people in the mint is concerned, I do not think

it has anything to do with this Bill. Probably they search the employeess who go out of the mints to find out if they are not carrying away with them some small tools.

Mr. Deputy-Speaker: The question is:

"That the Bill be passed."

The motion was adopted.

16.43 hrs.

COIR INDUSTRY (AMENDMENT) BILL

The Minister of International Trade (Shri Manubhai Shah): Sir, I beg to move:

"That the Bill further to amend the Coir Industry Act, 1953, be taken into consideration."

Perhaps the House is aware that the Coir Industry Act was passed in 1953 and the statutory Coir Board came into existence in 1954. As a result of the working of this Board for the last one decade, the House is aware that a lot of improvements have taken place in the coir industry. When the House enacted the Bill in 1953, the industry was totally depressed. More than 60 per cent of the coir labour was unemployed and the world markets had slumped to the extent that our exports of coir and coir products had gone down to the level of Rs. 3 to Rs. 4 crores. In the last one decade, particularly in the last few years, we have been able to recover much of the lost ground. Now we are exporting almost to the extent of Rs. 14 to Rs. 15 crores worth of exports and the industry is working practically in full swing. When we analysed why the coir industry in our country is not further developing, we found that unless we produce better goods for export, there can be no further improvement. This is an industry in which 92 per cent of the products are exported and only 8 or 10 per cent is

being locally consumed. So, on enquiring from foreign countries, we were convinced that mechanisation should be introduced in the coir industry in a gradual manner. We had a tripartite meeting of all the interests in Kerala particularly, because Kerala accounts for more than 95 per cent of this industry. The rest is in West Bengal, Maharashtra and Andhra Pradesh. This is more in the maritime States where coconut production is of a large order. We felt that the designs can improve only if we had better weaving, better finishing and better dyeing facilities attached to it. We, therefore, decided that the Coir Board, that is the Government of India, itself should endeavour to set up such a factory. The Act as it is does not provide for any such activity because it was not envisaged in those days that the Coir Board or the Government would have to take any responsibility in this matter. Being a new venture very few private companies are really coming forward to set up such a mechanised unit because they are not quite sure whether the mechanised unit would be able to compete with foreign countries. We are convinced, and our technical survey shows—we know what is done in Holland, Belgium and Germany because these are the three countries where coir industry is highly mechanised and which produce competitive goods—that we have the technique here and also the raw materials. The fibre is actually being exported from us, Ceylon and Malaya. They do not have the raw material. Therefore, we can earn better foreign exchange almost to the extent of Rs. 28 crores to Rs. 2 crores. It will also provide more employment. It may appear to be a contradiction in terms, but when mechanisation takes place the present utilisation will almost be doubled. Therefore, while mechanisation tends to reduce employment per loom, because of expansion we will be able to provide a larger employment potential.

Then, there was a cess placed under the other Act. That used to give us