

the Rajya Sabha, for its recommendations and to state that this House has no recommendations to make to the Lok Sabha in regard to the said Bill."

11.55½ hrs.

**RESIGNATION BY MEMBER**

(*Shri Laxmi Dass*)

**Mr. Speaker:** I have to inform the House that Shri Laxmi Dass, an elected Member of the Lok Sabha from the Miryalguda constituency of Andhra Pradesh has resigned his seat in the Lok Sabha with effect from 4.00 P.M. on 2nd December, 1966.

11.55½ hrs.

**COMMITTEE ON SUBORDINATE  
LEGISLATION**

**SIXTH REPORT**

**Shri Krishnamoorthy Rao (Shimoga):** I beg to present the Sixth Report of the Committee on Subordinate Legislation.

11.56 hrs.

**ESTIMATES COMMITTEE**

**HUNDRED AND EIGHTH REPORT**

**Shri A. C. Guha (Barasat):** I beg to present the Hundred and eighth Report of the Estimates Committee on action taken by Government on the recommendations contained in the Eightieth Report of the Estimates Committee on the Ministry of Food, Agriculture, Community Development and Cooperation (Department of Agriculture)—Indian Grassland and Fodder Research Institute, and Soil Conservation Research, Demonstration and Training Centres.

11.56½ hrs.

**INDIAN TARIFF (SECOND AMENDMENT) BILL**

**The Minister of Commerce (Shri Manubhai Shah):** I beg to move:

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

Sir, this Bill mainly seeks to amend the First Schedule to the Indian Tariff Act, 1934, in order to give effect to Government's decisions on certain recommendations of the Tariff Commission. Hon. Members will have observed from the Statement of Objects and Reasons attached to the Bill that the Bill seeks to (a) continue protection beyond 31st December, 1966 in the case of sericulture industry and (b) discontinue protection with effect from the 1st January, 1967 to (i) antimony, (ii) ACSR (Aluminium Conductor Steel Re-inforced) and AAC (All Aluminium Conductor) (iii) Cotton Textile Machinery and (iv) Piston Assembly Industries.

Copies of the Tariff Commission's reports on all these industries and of Government Resolutions issued on these reports have already been laid on the Table of the House and notes on each of these industries have also been circulated for the information of the Members of the House. The House will be able to appreciate that the policy of continuously discontinuing protection has been incorporated in this Bill. Except in one industry, the rest of the five industries are sought to be de-protected.

Sir, on 1st January, 1966, the number of protected industries stood at eight. This number includes industries on which protection is due to expire at the end of this year viz. 31st December, 1966. Protection to (i) Piston Assembly, (ii) A.C.S.R. and A.A.C., (iii) Cotton Textile Machinery and (iv) Sericulture industries is due to expire on 31st December, 1966 whereas Antimony Industry was protected upto 31st December, 1968 subject to review by the Tariff Commis-

[Shri Mannbhai Shah].

sion in 1966. The Commission recommended de-protection to the (i) ACSR & AAC and (ii) Cotton Textile Machinery industries with effect from 1st January, 1967 as these industries have made sufficient progress to withstand competition from imports and to stand on their own legs. The Commission has also recommended withdrawal of protection from the Antimony industry in its review report. Sir, in the case of Piston Assembly industry, the Tariff Commission reconsidered the question of protection in the light of devaluation and recommended the de-protection of this industry as well.

As for the Sericulture Industry, Sir, the Commission has recommended the continuance of protection for a further period of three years upto 31st December 1969. Government have accepted the recommendations of the Tariff Commission for de-protection of the four industries and for the continuance of protection to Sericulture industry upto 31st December, 1969 as detailed above.

The background in respect of all these five industries is detailed in the notes circulated for the information of the Members.

With these words, Sir, I beg to move that the Bill be considered.

**Mr. Speaker:** Motion moved:

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

**Shri Sham Lal Saraf** (Jammu and Kashmir): Sir, I welcome this Bill particularly for the reason that the hon. Minister, on the recommendation of the Tariff Commission, has recommended continued protection for the sericulture industry for three years. I do not know on what basis the Tariff Commission has recommended only three years, since this industry cannot even now stand on its legs compared to the sericulture industry that is being run in the advanced countries of the world.

Sir, I wish the hon. Minister, while replying to the debate, tells this House and through this House the

country at large what steps are being taken in order to put this sericulture industry on a strong basis. The Government of India set up a board known as the Central Silk Board and it has been functioned nearly for the last 17 to 18 years. But to my mind, even to this day, I cannot say that this industry has reached a stage where it can stand shoulder to shoulder with any advanced country in the world. There are many a reason for that. May I submit to the hon. Minister that he will kindly keep these things in mind?

12 hrs.

The sericulture industry is a decentralised industry as far as the Government of India is concerned; it is a State subject, and the States are running this industry in their own States. But very wisely the Central Government had set up a Board in order to co-ordinate the activities of this industry all over the country. So far as co-ordination is concerned, it has achieved certain things, but the most important areas are even now untouched. To this day I cannot say that even the Central Government have taken enough steps for adequate research so far as this industry is concerned. I am not sure to this day whether we have been able to locate the varieties of mulberry trees and which of the mulberry species would be suitable for a particular climate, for a particular area. The Minister may tell us that they have set up some research centres in Behrampore and other places. But though I am associated with this industry for a long time, I am not sure that we have been able to locate the mulberry species which can be said to have a really good leaf content and also the quality of leaf that can be said is really nutritive.

We have three types of silk worm races: Univoltine, Biovoltine and Multivoltine. In spite of the fact that some progress has been achieved in Mysore, Kashmir and West Bengal, we are not quite sure about it having achieved a progress that it deserved.

In Japan they have isolated and recommended species of mulberry that give them wonderful results. That is how Japan has made great strides in this industry and is one of the foremost countries in sericulture in the world. Then, there are silk worm races. To this day we are not absolutely sure which are the silk worm races which can be said to have acclimatised to particular areas and States that can give good results. I come from a State which is very well-known for sericulture. But to this day I am not sure if the sericulture experts in my State or in Mysore or in any other State can say that we can compare ourselves with any advanced country in the world in sericulture and have been able to isolate and find out the silk worm races that can be said to be fully acclimatised to the conditions obtaining in our country.

The third stage is that of reeling. Today the Filature silks are supposed to be the best in the world. There are three types of silk: Charkha, Cottage Basin and Filature. I have not much to say so far as the Charkha and Cottage Basin varieties are concerned. But so far as silk is concerned, the quality must be improved. We have not reached that stage and that is a matter for the Minister to go into why we have not come to a stage when we can compare our quality with international standards. There are certain lacunae here and they will have to be removed. Unless a number of steps are taken, it will be difficult for us to compete with any other country in this industry like Japan, China and Russia which has also come into the field now. What have we done with regard to that? The Central Government has played and rightly so a limited roll in taking this industry ahead. Mostly things have been done by the State Governments. But my experience is that the State Governments do not show that real interest, including my own State, I know when certain information is asked about certain things and certain actions to be taken by the States, hardly very few

States are prepared to give that information and take that action.

I would very strongly recommend that this protection should continue for at least 10 years. Three years is nothing. At the same time, the Central Government must find out why the State Governments do not cooperate, and why when they give certain pledges and promises and announce some plans and targets, those targets have not been achieved so far. Unless these things are done, there is no meaning in the Minister asking this House to give protection for 3 years. Protection should certainly be given for at least 10 years and the States also must be asked to fully cooperate. I hope the Minister will say something about that when he replies.

Woven silken fabrics are so much in demand all over the world. Silk, even today, is said to be the queen of fabrics. But I personally feel that there is much more scope for its export. We will not be able to export more unless the quality of the reeled silk are improved and it can stand international tests. Luckily we have certain advantages in our country because of the traditions of the past. From days immemorial our fabrics are known all over the world. We can count very much on that advantage. Three years back I was in Sweden and I met the great economist, Dr. Merdyel, whose wife was an ambassador of her country here. He told me, I know you come from Kashmir; your alchemy is Kashmir silk and Kashmir wool; if you can sell these two items . . .

**Shri Ranca (Chittoor):** Kashmir people also?

**Shri Sham Lal Saraf:** They cannot be sold.

We have Banaras brocades and a number of things. But we can compete in the international market only if the quality of our goods is improved.

I really congratulate the Minister for having been able to do away with

[Shri Sham Lal Saraf].

the protection for some more industries, about which I do not want to take much time.

**Shri Ranga:** Sir, I am glad to be able to support this Bill. I want this protection to be given to the silk industry, which is very badly in need of it. At the same time, there is much in what Mr. Saraf has said just now. Although this protection has been there for more than 15 years, it is unfortunate that the State Governments did not do as much as they were expected to do by the Union Government to improve the status of all those who are engaged in this silk industry. In my own constituency of Chittoor in Andhra and other districts, in Vishakhapatnam, Sriakulam and also in Salem, Coimbatore and other places in Tamilnad, this silk industry is a very valuable addition to the social economy of the people there. I have myself seen the peasants keeping silk worms, helping them to grow, getting all the equipment that is necessary in order to feed them and to look after them, and after they develop these cocoons, to open the cocoons with the aid of various chemicals, hot water and various other processes, put it on the reel and thereafter give it over to the weavers, to the merchants and other people. This is a very valuable addition to their slender income.

But, unfortunately, so little has been done to develop the feeds that are necessary like mulberry as well as castor leaves and various other new feeds also that can be introduced. Some experiments have been made and some attempts have been made, also, to spread the results of these experiments, but not anything significant has been done in order to develop it. Take, for instance, Andhra itself. Beyond having one or two officers they have done very little indeed through the State Government.

I would like my hon. friend not to stop short of getting this Bill passed

and saying to himself that the necessary protection has been given to this industry, but to use his good offices with the Industries Ministry here, the Department of Small-scale Industries as well as the concerned ministries in the States, and see that as much money as possible is placed at the disposal of the research and development of sericulture industry and in that way help our rural economy.

**Shri D. C. Sharma (Gurdaspur):** Sir, when I visited Japan some time back I had the good fortune of going to a silk factory. The manager of that factory said to me that the test of civilization in this world is the number of yards that a country uses so far as silk cloth is concerned. He gave me statistics about the yards of silk used in various countries of the world. Of course, I found that my country was at the very bottom. But whether it is a test of civilization or not, the fact remains, that when I came back from the country and met the Chief Minister of my State, he said that there is a great deal of scope for silk industry in the State of Punjab especially when it has so much of sub-mountainous districts—it had many mountainous districts but now that area has gone to Himachal Pradesh—on account of which this industry can be developed. He made a big drive among the people that they should grow mulberry trees. I remember when I was speaking on the Independence Day in one place in my constituency and somebody drew my attention to the problem of unemployment and to the problem of under-employment, I happened to mention that those persons living in the villages should try to grow mulberry trees and thereby they should start the process of sericulture in all its scientific aspects to which my hon. friend, Shri Saraf has referred.

But I must say that this kind of protection will mean only a kind of pro-

tection on paper. I want that this protection should be translated into reality. There is a sericultural farm in my constituency also. If I were to visit that farm—I will refrain from visiting that farm because if I go I will feel depressed—I will not feel happy. Sericulture has been treated as a Cinderella. There was a time when *sanyasis* used to wear silken robes, there was a time when ladies used to wear silken clothes, there was a time when we used to export silk, there was a time when Dacca silk and muslins were known all over the world. But now silk is going out of use only because there are no mulberry trees, only because the silk factories do not get the raw material. In Amritsar we used to have so many of these silk factories. They were run on a cottage industry basis, on a small-scale industry basis. I have myself visited some of those small factories. But all of them have gone out of use. They have gone out of use not because the people have discontinued the habit of wearing silk, not because the people have some sort of an aversion to wearing silk, not because people have taken to other kinds of cloth, but because they do not get the raw material, because the governments of our States are not interested.

Sir, I am very happy that Andhra is doing something. I feel very glad that Mysore is doing something. I know there are friends from Bihar who want to bring in some kind of silk from there. Sometimes I envy their clothes made of silk. But the fact of the matter is, we grant protection to these industries and these protections are pigeon-holed in the Ministry of Commerce. They go on gathering dust for a number of years, and then after about ten years we wake up. Some Minister wakes up—Ministers are always changing, fortunately or unfortunately—and says that there is a case for giving protection to this industry. My hon. friend will have statistics to show to me that the number of yards of silk produced in India has gone up

tremendously. Of course, statistics are there only for the consumption of these ministries. I do not believe in statistics. When I go in the market, when I visit the people, there are some who come to my house and tell me that we produce 10:5 chattaks of food-grains per head in this country. Where do they go? What happens to them?

Therefore, statistics are a kind of sop which is given to educated persons and also to others.

Therefore, I would say that silk industry is an industry which was practised in the Punjab and which will be practised now in the new Punjab. I want that the protection which is given to this industry should be translated into actual practice. I would like to ask the hon. Minister how many sericulture farms he has visited during the last three or four years he has been in the Ministry of Commerce.

**Shri Manubhai Shah:** Twenty-five.

**Shri D. C. Sharma:** Under what conditions have you visited those farms? When you visited them things might have been kept as bright as possible on account of your visit. I know there is window-dressing whenever a Minister goes on a visit. These farms should be seen in their raw shape, in their undeveloped shape, in the crude state in which they exist. That does not happen. I know the Minister means well by us, he means well by the new Punjab and he also means well by this industry and the people who are employed in this industry. I would request him to see to it that this protection which we give to these industries is made the fullest use of so that our silk product becomes one of the most coveted items of export all over the world.

श्री शिवमूर्ति स्वामी (कोप्ल) :  
अध्यक्ष महोदय, इस बिल में सिल्क को जो संरक्षण दिया जा रहा है, मैं उसका स्वागत करता हूँ। इस मिलसिले में मैं वीवर्ज प्रीर कारीगरों की चन्द मुश्किलात को पेश

[श्री शिवमूर्ति स्वामी]

करना चाहता हूँ। जैसा कि आप जानते हैं, हमारे मुल्क में हैंडलूम के हर एक कपड़े के उत्पादन में सिल्क इस्तेमाल होता है। हैंडलूम बीवर्ज और जुनाहों की बहुत दिनों से यह मांग है कि टैक्स्टाइल कमिश्नर के हाथ में जो डिस्ट्रीब्यूशन का अधिकार दिया गया है, उस को हटा कर हैंडलूम इंडस्ट्री का एक अलग कमिश्नर मुकर्रर किया जाये। यह मांग हैंडलूम बीवर्ज की कॉन्फ्रेंस में भी पेश की गई है। इस की वजह यह है कि इस सम्बन्ध में बहुत अन्याय होता है। प्रोटेक्शन तो केवल कागज पर ही रहती है, लेकिन अमल में इम्पोर्ट किये जाने वाले सिल्क से बिल्कुल काम्पीटीशन होता है। गैरमुमालिक से जो इटैलियन सिल्क इम्पोर्ट किया जाता है, उस पर प्रोटेक्शन ड्यूटी इतनी कम होती है कि थोक व्यापारी उस को इम्पोर्ट कर के उस की ब्लैक मार्केटिंग करते हैं।

टैक्स्टाइल कमिश्नर के यहां इम्पोर्ट और एक्सपोर्ट लाइसेंस के इन्तजाम में बहुत गड़बड़ है। इसी प्रकार सिल्क की तकसीम के विषय में भी बहुत गड़बड़ है। आवश्यकता इस बातकी है कि हैंडलूम की को-आपरेटिव सौसायटीज को डायरेक्ट लाइसेंस दिया जाये, बजाये इस के कि थोक व्यापारियों को लाइसेंस दिये जायें और वे उस सिल्क की ब्लैक मार्केटिंग करें। मैं मंत्री महोदय का ध्यान इस शिकायत की तरफ खीचना चाहता हूँ कि बाहर से जो माल एक रुपये में मंगाया जाता है, वह जुनाहों और एक्चुअली बीव करने वालों के हाथ में चार रुपये में पड़ता है, यानी उस का दाम चार गुना बढ़ जाता है। इस लिए यह जरूरी है कि वह सिल्क एक्चुअली काम करने वालों के हाथ में डायरेक्ट पहुंचे। मैं मंत्री महोदय को बताना चाहता हूँ कि बहुत से हैंडलूम की को-आपरेटिव सौसायटीज के डायरेक्टर्स को बम्बई में

बैठ वर कम से कम पांच छः हजार रुपया हर साल खर्च करने के बाद भी इम्पोर्टेड सिल्क का कुछ भी माल नहीं मिला और बीच के पांच छः दलाल ही सारे माल को खा गए। इस तरह की मुश्किलात को ध्यान में रखते हुए मेरी यह पुरजोर मांग है कि टैक्स्टाइल कमिश्नर से हैंडलूम इंडस्ट्री को सिल्क के डिस्ट्रीब्यूट करने का काम ले लिया जाये।

सिल्क इंडस्ट्री को मिक्स करने के लिए जो काटन यार्न दिया जाता है, वह बहुत खराब काम का होता है। इसलिए वह धंधा खत्म हो जा रहा है और उस में लगे हुए लोग बेकार होते जा रहे हैं। बट्टा सड़कों में मिला इंडस्ट्री सिर्फ मशीनरी या पावरलूम से चलती है। वह तो चल रही है, लेकिन मुल्क भर में जो 28 लाख हैंडलूम बीवर्ज हैंडलूम पर निर्भर करते हैं, उन की बहुत मुश्किलात है।

मैं मंत्री महोदय से यह अर्ज करना चाहता हूँ कि इस काम को टैक्स्टाइल कमिश्नर के दायरे से हटा कर हैंडलूम का एक अलग कमिश्नर बनाया जाये और सिल्क की इंडस्ट्री को डॉ.सैट्टलाइज कर के काटेज इंडस्ट्री की तरह उस को बढ़ावा और संरक्षण दिया जाये। सिल्क को जो तीन साल के लिए संरक्षण दिया जा रहा है, वह अवधि बहुत कम है। अगर उस से ज्यादा अवधि रखी जाती, तो मैं उस का स्वागत करता।

**Shri H. C. Linga Reddy (Chikballapur):** Sir, I rise to welcome this Bill, the Indian Tariff (Second Amendment) Bill, and while so doing I would like to say a few words about sericulture.

When we think of protection for this industry, it is necessary for us to think as to how long we should think of depending upon protective measures. The protection is there for the last more than 15 years and I wish it was for more than three years, at least for a period of ten years. But before we think of protection for the silk industry, it is necessary to think as to how

the industry is progressing in the country at present.

I come from Mysore State where we have 80 per cent of the sericulture of India and I am in the Silk Board also. The Silk Board, I am sorry to say, is powerless and, as it is headed by an officer-parttime chairman, is not in a position to devote full time for the carrying out of schemes under sericulture. The amounts that had been assigned for the development of sericulture under the Third Five Year Plan and allotted to several States have not been spent even to the extent of 50 per cent except in Mysore State where the percentage of performance is about 80 per cent.

Also, we have its headquarters at Bombay, in a State in which there is no sericulture at all. Probably, the Government thought of locating the headquarters of the Silk Board at Bombay because the Textile Commissioner happens to be the Chairman of the Central Silk Board. Now, though the Government have decided that it should have a full-time chairman about three months ago, it is very unfortunate that the Central Government has not been in a position to appoint a full-time Chairman, whether official or non-official. To a question addressed to Government the reply was that a competent person is under their consideration. But for how long? It is very necessary that a competent person well versed in sericulture, whether official or non-official is immediately posted so that he may think of executing the schemes of sericulture more expeditiously in the several sericultural areas.

Though we have been requesting that the headquarters, at least after the appointment of the wholetime chairman, be transferred to a more predominantly sericultural area like Mysore, this has not been done at all and the reply given by the Government is that there are difficulties. What can be the difficulty? Formerly, the headquarters of the Central Silk

Board was Mysore. We have 80 per cent of the country's sericulture in Mysore State only and to continue to have the headquarters at Bombay, even after the Government has resolved to think of appointing a full-time chairman, I think is not called for. It is high time that the Government thinks of changing the headquarters to an area where more sericulture schemes have to be executed.

Shri Saraf was mentioning that the mulberry leaf has to be developed if sericulture has to be improved and all that. To do so it is necessary that a number of irrigation wells are sanctioned. 80 per cent of the sericulture in Mysore area is rain-fed. If irrigation wells are given and if the leaf is improved, the quality of silk also can be improved. In this direction the Government has not paid much attention at all.

It is very necessary that there should be a sufficient number of co-operatives. The Government of Mysore decided to have cocoon markets for the sale of cocoons, but unfortunately the cocoon markets have not come into existence at all.

Though the sericulture industry in this country has been thriving for the last 15 to 20 years and though protection is being given by the Tariff Commission and the Government, we are still importing foreign silk. We have not been in a position to improve the quality of silk here and we are not in a position to stand foreign competition at all. To add to these difficulties we are importing silk from Japan, China and other countries. It is high time that the Government thinks of banning the import of silk from other countries, so that indigenous silk may have a good market here, as early as possible.

A scheme for Rs. 13 crores for sericultural development in the Fourth Five Year Plan had been sent by the Government of Mysore, but only a scheme for Rs. 3 crores has been approved by the Central Government and

[Shri H. C. Linga Reddy]

only a provision for Rs. 11 crores has been made in the Fourth Five Year Plan for the whole of India. This amount is not sufficient. Before we think of protective measures it is necessary that we should think of improving the internal production and the quality of silk also and to see that sericultural schemes are executed as early as possible. If this has to be done effectively, a whole-time officer has to be immediately posted and the headquarters have to be shifted from Bombay to Mysore where we have 80 per cent of sericulture.

So far as protection to cotton mills is concerned, I am glad Government have been taking very active measures but even here it is necessary that the Government should go to the rescue of mills that are being closed. In Mysore, the Mysore and Minerva Mills were closed six months ago rendering about 10,000 labourers unemployed and homeless. They have not been given even the lay-off charges. It is necessary that the Government should take immediate protective measures to make these mills start immediately and to see that the labourers get their daily wages and lay-off charges as expeditiously as possible.

श्री ह० च० सोय (सिंहभूम) : अध्यक्ष महोदय, मैं इस बिल का समर्थन करता हूँ। इस मोक़े पर मैं आपके द्वारा माननीय मंत्री जी का ध्यान दिलाना चाहता हूँ कि पिछले साल रेशम से संबंधित और टसर उद्योग के बारे में एक कमेटी की नियुक्ति हुई थी। उस कमेटी ने काफी विस्तार के साथ टसर के उद्योग के बारे में जांच की और उस कमेटी के द्वारा कई सुझाव दिए गए थे जिसमें एक यह सुझाव यह था कि बिहार और उस इलाके में 50 हजार जो लोग टसर के पालन उद्योग में लगे हुए हैं, उन को न्यूनतम 4 रु० प्रति मन मूल्य कैसे मिल सके। इस पर भी एक योजना तैयार की गई थी। मैं चाहता हूँ कि इस मोक़े पर मन्त्री महोदय

हमें यह बतायें कि उस रिपोर्ट के सुझावों पर अब तक कार्यवाही क्या हुई ? इस समय मूल्य 2 रु० प्रति मन पर गिर गया, और मैं यह भी सुझाव इस संबंध में देना चाहता हूँ कि यह टसर उद्योग में अब तक जो काम राज्य सरकार ने किया है और केन्द्रीय सरकार कर रही है, वह नाकाफी है। मैं चाहूँगा कि टसर के उद्योग को सरकार उचित प्रोत्साहन दे जैसे कि खादी के कपड़ों को प्रोत्साहन दिया जाता है। सरकारी आफिसों में और तमाम लोग जो उस खादी वस्त्र का व्यवहार करते हैं उससे खादी के कपड़ों को और खादी के बुनकर लोगों को, प्रोत्साहन मिलता है। मैं चाहता हूँ कि टसर बुनने वाले लोग हैं उनको भी उसी तरह से प्रोत्साहन दिया जाय। मैं देखता हूँ कि बिहार में स्कूल के बच्चों को चर्खा चलाने के बारे में जो स्कीम है उसमें उन्हें सूत के कातने का इन्तजाम किया गया है। मैं चाहता हूँ कि सूत का उपयोग सिखलाने के बजाय वहाँ स्थानीय जो मिलता है टसर, उस का सूत निकालने का तरीका क्यों नहीं बच्चों को सिखलाया जाता। बिहार में जो टसर के उद्योग चल रहे हैं उस में और काफी तेजी लानी चाहिए। अध्यक्ष महोदय, मैं यह चाहता हूँ कि मिनिस्टर साहब जवाब दें तो हमें यह बतायें कि पिछले समय जो रिपोर्ट हमें दी गई थी टसर के बारे में उसमें अब तक क्या कार्यवाही हुई है ? इन बातों को लेकर मैं इस का समर्थन करता हूँ।

Shri V. B. Gandhi (Bombay Central South): I am sorry I was not in the House when Shri Sham Lal Saraf spoke. I only heard a part of his speech. He can speak on this subject of sericulture with authority because he comes from a State which is a large producer of raw silk and silk fabrics. My attention was attracted to this item of sericulture by the fact that sericulture is a cottage industry; it is an industry which is largely carried on on a small scale and is



cottages and it employs today as many as 3 million people in this country. This industry has been having protection for nearly 32 years now and in a general way one could say that this protection has not done much good to this industry. This industry has not made as much progress as one could expect in a case where protection has been extended for such a long time. This is a very interesting note supplied to us by the Ministry of Commerce in which we are informed that the industry has been making some progress. We agree that it has been making some progress, but I do not know if we could call that a satisfactory rate of progress. For instance, for the last 30 years, the rate of growth in this industry has been hardly  $2\frac{1}{2}$  per cent per year. In the last two years, of course, the rate has been accelerated; it is something like 7 per cent, but even then some of us feel that much more could be done. Of course, there is no question of our not approving the decision of the Government that protection as recommended by the Tariff Commission should be continued for another three years. This industry has to be placed on a much sounder footing than it has been able to do even after this long 32 years' protection.

The Tariff Commission, while recommending the extension of protection for a further period, has given certain reasons for its recommendation. I will just briefly refer to two of these reasons. Firstly, the Tariff Commission says:

"Though the industry has been enjoying protection for more than 30 years, still it is not in a position to stand competition against foreign producers."

It is not a very encouraging state of affairs. We could certainly do much better.

In another paragraph, it says:

"Very little education in the

methods and techniques of sericulture has been imparted to sericulturists. Sericulture in India is still very much behind the other countries, particularly Japan."

I do not think I need to comment any further on these two paragraphs in which the reasons have been given for extension of protection for a further period.

Finally, I would only say that sericulture certainly does deserve more attention than has been given, as it appears to us, by the Government. Now a great deal more can be done also in the way of acquiring a market abroad for Indian silk fabrics than what has been done so far. As we all know, Indian designs of handloom fabrics have attracted considerable attention and received considerable popularity in foreign markets. If these designs are done in silk fabrics, I am quite sure that they will have the same success as the handloom fabrics have had.

With these remarks, I approve of the decisions of Government to continue protection as recommended by the Tariff Commission.

**Shri Narendra Singh Mahida** (Anand): The sericulture industry has been enjoying Government protection for the last three decades and yet we have to give further protection to it. This shows that we have not been able to pull up that industry as we should have done.

Indian mulshin and Indian silk were famous for the last three thousand years. Even the Chinese traveller Fahiyen had mentioned many centuries ago about the Indian silk and so did the great traveller Marco Polo in his memoirs. But in free India, we have not been able to concentrate on this industry and encourage it. We are not fully attentive to it yet. Japan and China have progressed a lot in silk industry. I have seen silk mills in

[Shri Narendra Singh Mahida]

Lyons in France which have captured the world markets. There is ample opportunity for Government to encourage and develop the sericulture industry here, especially when we need foreign exchange and we have to export our products and compete in the world market.

The high cost of production is also an important factor. We have to grow more mulberry trees. But the sad fact is that we do not have enough plantations. More plantation is needed and more production of silk is required. The States concerned should be given fuller instructions to encourage and protect this industry.

Lastly, I would like to say that the Indian Tariff Act needs revision. It is 32 years old and under that Act many industries need protection. I am also pained to learn that the cotton textile machinery industry has not received protection and support as it should. The hon. Minister may explain the reason why this industry is not receiving protection.

**Shri Sonavane (Pandharpur):** I rise to support this Bill which extends protection to the sericulture industry and I am happy about it.

But I must say that attempts have not so far seriously been made to improve the quality of the silk and its production. This industry is a cottage industry. As every other cottage industry, therefore, it is cottage industry also which is a foreign exchange earner, deserves careful and sympathetic consideration, and no neglect should be tolerated.

The hon. Minister always goes on boasting that the quality of our goods is good and according to the IMT standards they are perfect. But let me remind him that in the case of some items which have received protection so far, they did not have the requisite quality standards and quality control. Whenever this question of tariff protection has come up in the House, the hon. Minister as usual has

always assured us and said that quality control is enforced effectively. But I am really sorry to say that the quality control machinery is not strict in the matter of enforcement. Strict standards are not enforced. There are several complaints about quality of the goods in the piston industry, the ball-bearing industry and several other industries. Unless quality control is enforced, our exports are likely to suffer.

I would, therefore, earnestly request the hon. Minister to see that every item that passes the quality standard test is up to the mark and if any lapse is detected later or if any goods which are exported are rejected on the ground of bad quality, the person who had passed on the particular item should be punished and his promotion should be withheld. Unless this is done, our good-will and our name will suffer. I hope the hon. Minister will take this very seriously and will not rest content with merely giving us assurances here and allowing the enforcement machinery to function in its own way.

**Shri Basappa (Tiptur):** The hon. Minister has asked me to curtail my remarks because he knows the conditions of the silk industry in Mysore State very well. Therefore, I would not say very much about it except this that it is admitted on all hands that Mysore is one of the major silk-producing States in the country.

**Shri Sham Lal Saraf:** Why should he not talk of the whole industry? Why should he confine himself to Mysore only?

**Shri Basappa:** I can talk for the whole industry. But it is true that Mysore produces nearly 80 per cent of the silk in the whole country.

The output has fallen from 185 tonnes to 161 tonnes, and the sales have risen, and the stock position is also lessened, and the prices have gone up from Rs. 114 per k.g. to Rs. 135 per k.g. In these circumstances, it is very

necessary that protection should be given to this industry. So far as the assistance which is given to the various States for the development of the industry is concerned, I welcome the fact that other States also should be helped to develop this industry and assistance should be given to them, but those States which have already advanced and progressed rapidly must be given more assistance immediately to produce more. By all means let the other States be helped, but those States where there is rapid progress should be given greater attention by way of greater assistance.

For the producing of more mulberry silk we want more and more irrigation tanks and for this we need more money. After all, the resources of the Mysore Government are very limited, and I would appeal to the hon. Minister to see that more grants are given for these irrigation tanks. Regarding the cocoon market, the hon. Minister knows the position very well. He knows also that the international prices are fluctuating very much. I, therefore, hope that he would see that this industry is not let down. The Silk Board has considered this in all its aspects and has made its recommendation to the Ministry. The matter is now before the Ministry. The Tariff Commission has also pointed this out.

Therefore, I hope the hon. Minister will see to it that this industry progresses very well in the country so that it may take its rightful place in the world market.

**Shri Manubhai Shah:** I am very grateful to hon. Members for the wide support which they have given to this Bill.

Naturally, the House was more occupied with the sericulture industry because it is one of the industries in which there is a large employment potential, and which is spread over many States. I agree with Shri C. R. Basappa that 80 per cent of the silk 2874 (Ai) LSD—3.

really comes from Mysore and in the economic interests of the country that State should receive as much assistance as possible. The Mysore Government and the Mysore Ministers have given us a big plan. It is before the Planning Commission now. I can assure him that with the support of our Ministry, the development of the silk industry in Mysore State and in Kashmir which is the second largest State, and in Bihar and Assam will receive the maximum attention.

I am sorry to tell Shri Sharma that while Punjab has a large number of small-scale industries and also many other types of things, as far as sericulture is concerned, the potential is very limited because of the climatic conditions which are not so favourable either in terms of rainfall or in terms of cool temperature except in some mountainous regions....

**Shri Sham Lal Saraf:** Kangra district has gone to Himachal.

**Shri Manubhai Shah:** Then he was pleading for the hill regions which have now passed on to Himachal Pradesh.

I may only give some statistical information even though Shri Sharma did not like them. But they are there internationally accepted. In 1963, the production of mulberry was 1.42 million k.g. and last year it was 1.63 million k.g. In the case of non-mulberry silk, the figures are 0.476 million and 4.518 million; in the case of silk fabrics, it has risen from 26 million square metres to nearly 30 million square meters. I am glad to say that while the progress has not been as good as we would like it to be, it has been substantial and is continuously going up.

It is true, as Shri Saraf said, that we have not been able yet to isolate either the uni-voltine or bi-voltine or other type of silk worms which would really give a tremendous potential.

[Shri Manubhai Shah]

He was Minister there and he knows about this industry. As regards research, at one stage some culture were isolated, but unfortunately it has not caught up and is not producing adequate results. But our work is in that direction, to produce better and better types of seed worms and tusser seeds and various other things connected with this industry.

My hon. friend from Bihar, who is not here, mentioned about the Tusser Report, that Report has been actively considered and many of the recommendations are going to be implemented in the Fourth Five Year Plan.

Regarding the other items mentioned by Shri Sonavane and others, I can assure the House that quality control which now covers more than 82 per cent of India's products is rigidly enforced. As a matter of fact, the complaints that we receive are continuously going down. Last year there was a record minimum of complaints received from foreign buyers. If it means anything to the hon. House, the certificate given by international buyers is already there. That does not mean that complaints here and there are not received. It is the duty of Government and the manufacturers and exporters to see that these are readily attended to and minimised. But sometimes what happens is that foreign buyers interested in trading when prices fall have a tendency to make complaints to depress prices. Therefore, we should distinguish between genuine complaints and those made for the sake of getting the advantage of bargain. I can assure the House that quality control and pre-shipment inspection are very firm and rigid.

I am glad to see that the cotton textile machinery is being deprotected. It is the maturity that this country has achieved in the field of industrialisation that is symbolised by the deprotection.

**Shri Sonavane:** It has also attained old age.

**Shri Manubhai Shah:** He is mixing up the textile machinery industry with the cotton textile industry.

**Mr. Speaker:** Old age requires protection, not deprotection.

**Shri D. C. Sharma:** As Shri Yashpal Singh said yesterday, there is no old age in the world.

**Shri Manubhai Shah:** As I said this symbolises that the industry has come of age. This industry now takes a prominent role and now we are in a position to man and to equip our textile mills by about 75 per cent indigenous capacity and only 20—25 per cent import. With these words, I commend the motion.

**Shri Sivamurthi Swamy:** What is his reaction to the separation of handloom from the Textile Commissioners field?

**Shri Manubhai Shah:** That is not relevant to this discussion. Handloom is not being considered now and the distribution is not being done by the Textile Commissioner. It is considered to be freely purchased and sold in the country.

**Mr. Speaker:** The question is:

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

*The motion was adopted.*

**Mr. Speaker:** The question is:

"That clauses 1 and 2, the Enacting Formula and the Title stand part of the Bill".

*The motion was adopted.*

*Clauses 1 and 2, the Enacting Formula and the Title were added to the Bill.*

**Shri Manubhai Shah:** I move:

"That the Bill be passed".

**Mr. Speaker:** Motion moved:

"That the Bill be passed".

**Shri Sham Lal Saraf:** I spoke very briefly and could not touch on one point. Today the industry suffers from want of adequate and highly trained technical personnel. We have not got proper trained personnel in the higher reaches. There should be no effort spared to send bright men to foreign countries for training in this industry so that it may develop in the proper way.

**Shri Manubhai Shah:** I accept that point.

**Mr. Speaker:** The question is:

"That the Bill be passed".

*The motion was adopted.*

12.56 hrs.

#### STATUTORY RESOLUTION UNDER INDIAN TARIFF ACT

**The Minister of Commerce (Shri Manubhai Shah):** I beg to move the following Resolution:

"In pursuance of sub-section (2) of section 4A of the Indian Tariff Act, 1934 (32 of 1934), this House approves of the Notification of the Government of India in the Ministry of Commerce No. S.O. 3460, dated the 11th November, 1966, increasing the export duty leviable on tea".

**Mr. Speaker:** Resolution moved:

"In pursuance of sub-section (2) of section 4A of the Indian Tariff Act, 1934 (32 of 1934), this House approves of the Notification of the Government of India in the Ministry of Commerce No. S.O. 3460, dated the 11th November, 1966, increasing the export duty leviable on tea".

**Shri Narendra Singh Mahida (Anand):** On a previous occasion, the question of tea had come in for discus-

sion. I had drawn the attention of the Minister to the fact that Ceylon is scoring over us and their tea is sold more than our tea in foreign countries. Will the Minister assure us that by increasing the export duty, we will be improving our quality also and that we shall be competing in the world market along with Ceylon and other countries in a more effective way? I understand tea was our monopoly for a number of years. We have to take very earnest measures to see that our tea is consumed more in America, Europe and other places.

The other day a Ceylonese Parliamentary delegation was here. We have congratulated them, on their salesmanship on tea that in spite of their tiny size as compared to India, they were doing a greater trade in tea; in that larger spirit, we had congratulated them.

We should also be careful that Asian countries like Ceylon and India should stand together and not compete among themselves when propoganda is conducted in foreign markets. I would request the hon. Minister to evolve some sort of Asian market, where all the countries of Asia producing tea, could get together against the world market and avoid inter-seat competition.

With these comments, I support the Resolution.

**Shrimati Savitri Nigam (Banda):** I would not take much time. But I would like to make one or two points. We have noted with great concern that there has been a decline in our export earning on tea. The reasons are very obvious. The most important reason is that even now many countries import our tea, reblend it, repack it and sell it again to third countries. Thus they capture our potential market in an artificial manner. Therefore, if we develop and refine our packing industry and stop the export of unblended tea, those countries which are used to Indian tea but are getting it from other sources would turn to us and