

duced in the Administration of Delhi, Manipur and Tripura. This has been objected to and the retention of Advisory Councils in those States has also caused very serious apprehension in the minds of the public just before the general elections. It seems as if the ruling party is against the express will of this House and has attempted to retain the Advisory Council most illegally without any justification both in Tripura and Manipur. The hon. Home Minister assured this House that for the interim period the Members of Parliament will be consulted through an Advisory Council, formed at Delhi, to help in the administration of those territories. In the case of Bombay, we have heard that when an opinion had been expressed and the House had given its authority for the formation of one Bombay State, if anybody said anything against the express will of this House, it was condemned by the Prime Minister, the Home Minister and every one that people should not move or act against the will of this sovereign Parliament. This House has categorically rejected the designation of the Chief Commissioner. It has been removed in the original Bill, as introduced by the hon. Home Minister in the Select Committee, but now it has been introduced. According to the Constitution, there is no provision to introduce the Advisory Council by an amendment.

Shri Datar: Is it in order to consider the constitutional aspect of the administration of Manipur?

Mr. Speaker: No.

Shri Biren Dutt: This is a serious matter that has happened in Tripura. There is not even a gazette notification about the retention of the adviser. Where we have asked these people to quit, we still find that they are continuing. It is amazing to find that these illegal things are continued against the express will of Parliament.

Mr. Speaker: The hon. Member has said enough, though not quite relevant. He must now conclude. The general administration of Manipur is not the subject-matter of this Bill.

Shri Biren Dutt: There should be a regular process if it is to be a Union territory.

Mr. Speaker: Order, order. The hon. Minister has already stated that a gazette notification was issued by the hon. President under the Adaptation of Laws Act, adopting or substituting the words "Union territory" for "Part 'C' States". Therefore, this is as good a law under the Constitution. In these circumstances, there is nothing more for the hon. Member to state.

Mr. Speaker: The question is:

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

The motion was adopted.

INDIAN TARIFF (AMENDMENT) BILL

The Minister of Heavy Industries (Shri M. M. Shah): Sir, I beg to move:

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

Sir, this bill seeks to amend the Indian Tariff Act, 1934, in order to give effect to certain recommendations of the Tariff Commission, on those industries. The House will have observed from the Statement of Objects and Reasons that the Bill seeks in the first instance—

(i) to grant protection for the first time to the calcium carbide industry;

(ii) to discontinue protection in respect of electrical accessories made of plastics designed for use in circuits of less than ten amperes from the 1st January 1957; and

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(iii) to continue protection to fourteen industries for various periods beyond the 31st December, 1956.

I shall first deal with the calcium carbide industry to which protection will be granted for the first time. A copy of the Tariff Commission's Report on this industry and Government's resolution thereon has already been laid on the Table of the House. Early in 1940, Government announced that specified industries promoted with direct encouragement during war-time might feel assured that, if they were conducted on sound business lines, they would, by such measures as Government may devise, be protected against uneconomic competition from outside India. The Calcium Carbide industry was among the industries which were given an assurance of protection against uneconomic competition after the war in accordance with this decision. The assurance was reiterated by Government in 1942 in the following terms:

"As the indigenous production of calcium carbide is an urgent war necessity, the Government of India have decided, to give an assurance of post-war protection against unfair competition from abroad to all those who are either at present engaged in, or wish to undertake its manufacture, provided their affairs are conducted on sound business lines."

Commercial production of calcium carbide was established in India only after the war and not during the war and regular production commenced in November, 1954, by one unit, in Calcutta. Calcium Carbide, as hon. Members know, finds its use in India, mostly in the generation of acetylene gas for the welding and cutting of steel, and partly for lighting purposes. The potential uses in the future industrialization of this country will, however, be extensive, especially in the manufacture of calcium cyanamide and a number of synthetic organic chemicals, which find uses as

solvents, plastic raw materials and intermediates.

Sir, according to the Tariff Commission, the fair ex-works price of saleable calcium carbide manufactured in the country is Rs. 909-13-0 per ton. Comparing this ex-works price with the landed cost without duty of the imported product, namely, Rs. 562-14-0 a duty of 63·3 per cent. is indicated to protect the indigenous industry against foreign competition.

The Commission has observed that even barely to cover the prime costs, overheads and interest on working capital, but without any return on the block (unusually allowed at 10 per cent), the duty required to protect the unit's product against the imported product is 46·5 per cent. In the light of these calculations made by the Commission, Government see no special reason to reduce the current rate of duty on calcium carbide, which is 50 per cent. *ad valorem* to 45 per cent *ad valorem* as recommended by the Commission. The Commission has also recommended the grant of protection to this industry up to the end of 1958, Government have also accepted this recommendation and the Bill seeks to implement it.

Hon. Members will be glad to know that the present annual production of calcium carbide in the country is about 3,000 tons, the demand being 10,000 tons annually, about 7,000 tons are being imported. However, the House will be pleased to note that as a result of several steps taken by Government, four new factories are coming up in different parts of the country with a rated annual capacity of about 30,000 to 35,000 tons. The industrial requirements of the country at the end of the Second Five Year Plan are expected to rise from 10,000 tons to about 40,000 tons and the House will be happy to note that we hope and we are confident that more or less we will be fully self-sufficient in calcium carbide in the next five years.

The hon. Members will therefore see that the three basic considerations before us in giving protection to any industry are: firstly, maximum and most profitable utilisation of indigenous raw materials for production of such items for which the country has so far relied upon foreign imports; secondly, protection should not be more than the minimum required to protect or give shelter to any indigenous production as against a competitive foreign product and thirdly, to so accelerate production of such items at comparatively economic costs as to make the country self-sufficient as early as possible, and to withdraw the protection at the earliest possible date or to reduce it to such an extent that it becomes almost nominal protection. So, the idea is not to continue protection *ad infinitum* for any industry.

From the history of the calcium carbide industry, as mentioned by me just now, the hon. Members will kindly see that all these three basic considerations have been kept in view with regard to this industry.

Efforts are also being made on getting indigenous products manufactured on such sizes of units and at such locations as will produce the indigenous articles at comparatively lower prices, thus obviating the need for continuing the protection or any high tariff protection for a long time.

Now, I come to the industries where the protection already in force is due to expire at the end of the current year. There are 14 such industries. The Commission has submitted reports on three of these industries, as they were already engaged on protection work for locomotives, boilers and roller-bearings. So, the Tariff Commission submitted reports on ball-bearings, power and distribution transformers and plastics (comprising phenol formaldehyde moulding power, buttons and electrical accessories) industries. Copies of the report of the Tariff Commission on these three industries and the Government resolution thereon are already laid on the Table of the

House. I need not, therefore, go into the details, and shall make only passing observation on some of the important features which have led the Government to decide to continue or discontinue protection in certain cases.

Taking up first the ball-bearing industry, a comparison of the fair *ex-works* prices of 20 selected sizes of indigenous bearings with the *ex-duty* landed cost of imported bearings of corresponding sizes indicates that the industry needs a much rate of protection than is provided by the current rates of protective duty. For example, the rate of duty needed to protect indigenous bearings up to 1" bore diameter works to 111 per cent. and those for bearings above 1" and up to 2" bore diameter and adapter bearings require about 175 per cent. of protective duty and 283 per cent. *ad valorem* respectively. The Commission however decided that the industry is receiving a substantial measure of protection from import trade control and as such the protective duty need not be to the extent indicated by the difference in the relative prices of the imported ones and that of the indigenous manufactures, and that, therefore, it is not necessary to enhance the existing protective rates of duty which are at present 94½ per cent *ad valorem* so as to bring it on a par with the other protected type of bearings. So, in future, according to the recommendation of the Commission which the Government have accepted, all bearings will have a protective duty of 94 per cent *ad valorem*. The enhanced rate of duty has already been brought into force from the 4th August, 1956 by a notification under section 1 of the Indian Tariff Act, 1934.

The Government have also accepted the Commission's recommendation regarding the extension of the period of protection for another four years—up to 31st December, 1956—and the Bill seeks to implement these recommendations.

The Commission has also recommended that the National Bearing

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Co. which manufactures this type of bearings in this country should introduce a proper system of accounting which it has not maintained so far. The hon. Members must have observed that the Commission has made very stringent remarks upon this aspect. It has also raised some of these prices which in some cases are higher than fair ex-works prices by more than 60 per cent. The industry is also protected by high tariff and also derives considerable benefit through import control. The industry has, therefore, been instructed accordingly, as per the section concerned in the Tariff Act, to take necessary steps to introduce a proper system of cost accounting and to effect reduction in selling prices. The House will be glad to know that the company has already reduced the retail selling price of a number of their sizes in accordance with the Government advice and it is also taking steps towards the maintenance of proper cost accounting. Recently, the company has already sent to us a copy of its memo which it has already issued and worked out in this connection.

Government have also made some relaxation of import control over ball-bearings during the current licensing period because there were some difficulties felt by the indigenous industry for various types of ball-bearings during the period of July-December, 1956. As a short term remedy, some imports have been permitted. All these measures have greatly stabilised the prices and availability of the different numbers of sizes of ball-bearings in the country. The House will be also happy to know that the production of ball-bearings has increased from 2,30,000 in 1951 to over a million during the current year. This is almost a five-fold increase. The House will also be pleased to know that this production is expected to rise to about 2.5 millions, that is, 25 lakhs, by the end of the Plan period, when we hope to be more than self-sufficient in this particular category of ball-bearings.

Similarly, the production of steel balls which was about 7.5 lakhs gross in 1951, has risen to 2.5 million gross, that is, 25 lakhs gross, in the current year and it is expected to double itself, namely, 5 million or 50 lakhs, by the end of the second Plan period.

Turning to power and distribution transformers, up to 2,500 KVA, the hon. Members will be happy to know that this industry has made very substantial progress in the last four years. The production of three-phase transformers below 2,500 KVA was 1.83 lakhs in 1950-51. It rose to over two lakhs in 1952 and it has now risen to 8,54,000 KVA in 1956, indicating almost an increase by six times the original production. The production of the same is expected to go up to about 15 lakhs by the end of the Plan period. Perhaps the country will be more or less self-sufficient in the production and distribution of power transformers up to 3,000 KVA capacity by the end of the Plan period and perhaps we may be enabled to export a little of these transformers by that time. Excepting a few categories, very little will have to be imported in this line. The indigenous transformers are generally satisfactory in performance and comply with the required standards of specification and acceptance tests. The Commission has recommended the continuance of the duty, namely, 31½ per cent *ad valorem* in the case of P.F. moulding powder and 66 2/3 per cent *ad valorem* or 12 annas per gross, whichever is higher, in the case of plastic buttons. Even at present, it is gratifying that we are now manufacturing most of the phenol formaldehyde moulding powder in the country. More or less we are self-sufficient, this year, excepting a small import of about 100 to 150 tons. The current year's production has risen to 900 tons per annum from 200 tons in 1951-52. This is expected to rise further, to about 1,500 tons within the next three years, making the country self-sufficient in the moulding powder.

The production of plastic goods in the country has also increased very phenomenally. From a value of Rs. 3 crores in 1951-52, it had risen, in 1955, to Rs. 7 crores, and it is expected to come up to the value of Rs. 15 crores annually, by the end of the second Five Year Plan. That shows how the plastic industry and the P.F. moulding powder industry are making very rapid strides under the protection granted to them from year to year. Practically, most of the plastic goods will be manufactured both for indigenous production and to some extent for the export market also in the next four or five years.

The industry engaged in the manufacture of plastic electrical accessories for which the Tariff Commission has recommended a withdrawal of protection has also considerably progressed since 1950. Some of the domestic manufacturers have established well-equipped factories and their products are comparable in quality with the best of imported articles. The prices are also maintained at reasonable levels as a result of keen competition in India amongst the domestic manufacturers. As the fair ex-works prices of the selected items of electrical accessories were found to be less than the ex-duty landed cost, the Commission has expressed the view that the industry would be in a position to overcome competition from imported electrical accessories and as such tariff protection should be withdrawn. That recommendation is sought to be incorporated in this Bill. The Commission has recommended that protection to this section of the industry engaged in the manufacture of electrical accessories may be discontinued. The Government, therefore, have accepted this recommendation and have decided to continue the existing duties of 50 per cent. *ad valorem* (preferential) and 60 per cent *ad valorem* (standard) as revenue duties after the withdrawal of protection from 1st January, 1957. The Bill seeks to implement this recommendation and decision.

I now turn to the remaining eleven industries for which protection is due

to expire on the 31st December, 1956. These are preserved fruits, sago globules and tapioca pearls, cocoa powder and chocolate, calcium lactate, cotton and hair pelting, non-ferrous metals, antimony, electrical brass lamp holders, bicycles, automobile leaf springs and diesel fuel injection equipment industries. The Tariff Commission has reported that owing to its preoccupation with various enquiries like automobiles, locomotives etc.,—hon. Members will appreciate these are important industries requiring high priority—it is not possible to finalise and submit reports on these eleven industries so far. The Commission has recommended that pending submission of its reports, Government may take steps to continue protection to these eleven industries for another year. The Bill accordingly seeks to extend the period of protection to these industries up to the end of 1957. The House will no doubt agree that all these are important industries and it will not be proper to alter, modify or withdraw tariff protection except after detailed investigation by the Commission. Short notes on these industries have already been circulated to hon. Members. I need hardly dilate on them at this stage, as the House will have another opportunity for full discussion when reports on these industries become available and Government bring forward legislative measures for implementing their decisions.

In the past sometimes observation has been made about some of the delays taking place in the recommendations of the Tariff Commission as well as their implementation by Government. I can only commend to the hon. Members the dates of submission of the reports on the four industries which I have just mentioned and the dates of Government action on the same. Hon. Members will see from those dates that not more than three months on an average have elapsed between the receipt of the recommendations of the Tariff Commission and the Government's action thereon. Also, during the open hearing that the Tariff Commission

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gives, some time always becomes necessary for hearing all the interests in the country. However, I can assure the House that due care is being taken and will continue to be taken to see that the least amount of time is spent for the making of the recommendations by the Commission and their implementation. As the industrial development of the country is progressing rapidly from year to year, it may perhaps be necessary sometimes even to expand the Tariff Commission and to augment the strength of the staff. I can assure you on behalf of the Government that if such a contingency arises, action will be taken. I do not want to take up the time of the House by giving more details; only I will draw the attention of hon. Members to some of the clauses, so that their contents and purpose may become more clear.

In Clause 1, sub-clause (2) seeks to withdraw tariff protection in respect of electrical accessories made of plastics designed for use in circuits of less than 10 amperes on the recommendation of the Tariff Commission, *vide* clause 2(vii). The effect of the withdrawal of protection will come into force from the 1st January, 1957, but the remaining provisions of the Bill will come into force as soon as the Bill receives the President's assent.

In clause 2, sub-clause (i) seeks *ad hoc* extension of tariff protection for the following eleven industries for one year up to the 31st December, 1957, on the advice of the Tariff Commission. I have already mentioned those eleven industries in my general observations. Sub-clause (ii) seeks to grant protection for the first time to the calcium carbide industry up to the 31st December, 1958. Sub-clause (iii) deals with nickel powder. Nickel powder is at present assessed under Tariff Item No. 70(1) as "All non-ferrous alloys and manufactures of metal, and alloys, not otherwise specified". The protective rate of duty on this item is 31½ per cent. *ad valorem*. The amendment is being made with the concurrence of the

Tariff Commission with a view to assessing nickel powder under Tariff Item No. 65(1) which is duty free.

Sub-clauses (iv) and (v) of clause 2 seek to give effect to the Tariff Commission's recommendation for continuing protection to the ball bearings industry, which I have mentioned before. They also seek to bring the protective rate of duty on adapter bearings falling under Tariff Item No. 72(37) at par with the protective rate of duty of 94½ per cent. *ad valorem* leviable at present on ball bearings of other categories. Pending legislation, a section 4(1) Notification under the Indian Tariff Act, 1934 has already been issued on the 4th August, 1956, enhancing the protective rate of 10 per cent *ad valorem* applicable to Tariff Item No. 72(37) to 94½ per cent. *ad valorem*.

Sub-clause (vi): The amendments to Tariff Item No. 72(39) seek to include in the scheme of protection power and distribution transformers above 2,500 KVA and up to 3,000 KVA which are at present assessable under Tariff Item 72 and extend the period of protection to power and distribution transformers for another four years up to the 31st December, 1960, as recommended by the Tariff Commission. The existing rate of duty of 10½ per cent. is being continued. Pending legislation, the rate of duty on the newly protected categories of transformers has already been raised from 5½ per cent. *ad valorem* to 10½ per cent. *ad valorem* with effect from the 4th August, 1956. Simultaneously, the customs duty on transformer oil imported with such transformers has also been raised from 5½ per cent. *ad valorem* to 27 per cent. *ad valorem*.

Sub-clause (vii) seeks to discontinue protection in respect of electrical accessories made of plastics designed for use in circuits of less than 10 amperes. I have mentioned this in the general observations.

Sub-clause (viii) seeks to exclude exhaust fans of a diameter exceeding

24" from the scope of Tariff Item No. 73(18). By sub-clause (ix), in order that component parts of elements and delivery valves of single cylinder fuel injection pumps for stationary diesel engines should pay the same customs duty of 5½ per cent. *ad valorem* as elements and delivery valves which are not at present enjoying tariff protection, component parts thereof are being excluded from the existing protective Tariff Item No. 75(18)(a). Pending legislation, a notification has already been published reducing the customs duty on component parts of elements and delivery valves to 5½ per cent. *ad valorem*.

Sub-clause (x) seeks to extend the period of protection in respect of the two protected categories of plastics mentioned below for another three years up to the 31st December, 1959, as recommended by the Tariff Commission. The existing protective rates of duty indicated against each item will also continue to be in force.

I do not desire to take more time of the House. I should be glad to elucidate any points that may arise during the discussion. I commend the Bill to the acceptance of the House.

Mr. Speaker: Motion moved:

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

Shri Ramachandra Reddi (Nellore): I shall make a few observations with a view to elicit certain information from the hon. Minister especially regarding the preserved fruits industry. I find from the note here that there have been some ups and downs in the industry and the duties have been increasing and decreasing. As a result of the Tariff Board's review of the question, they have temporarily reduced the duty and subsequently the average rate of duty on fruits canned, bottled or otherwise packed with reference to item 23 etc., has been increased under the Finance Act, 1953.

It is also noticed in the note given to us that the actual production has gone over the demand in the country. The demand in the country is 400 tons and the actual production in 1956 comes to 458 tons. While I appreciate the anxiety of the Government to increase the capacity of the existing units and also trying to use as much of the local product in the Defence Services they are not doing everything they can to improve or assist the food preserving industry in this country. There are several items of food to be preserved in this country which can be utilised fully here. But, unfortunately, the policy of the Government does not seem to be very clear in the matter of importing those items which are available here.

Taking the figures of last two weeks ending with May 1956, import licences seem to have been granted to some of the hoteliers with regard to several items and I will refer particularly to these:

Pineapple juice of the value of Rs. 4,000;

Apple juice of the value of Rs. 24,000 and

Green peas of the value of Rs. 6,000.

13 hrs.

Shri U. M. Trivedi (Chittor): Green peas!

Shri Ramachandra Reddi: And so on and so forth. That shows that even for the products that are available here in good condition, import licences are being issued to hoteliers, probably on the plea that the foreign tourists require the foreign product only, and not the indigenous product. I am not aware of the actual position, but I am doubtful whether there are not any foreign agencies working here with these hoteliers to insist upon securing the foreign products only for the purpose of consumption in India. I may also draw attention to the fact that with regard to certain items, particularly pineapple

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juice which was hitherto exported to West Germany there has been a setback in the export, for the simple reason that West Germany has restricted the import of Indian pineapple juice. In these circumstances, it is necessary that Government should come forward with a more generous attitude towards the preserved food-stuffs industry.

I am not so much interested in the manufacturer; but I am interested in the agriculturist whose product has to be properly and adequately utilised in this country for the good of the public at large. In the last paragraph of the note regarding the preserved fruits it is said:

“An appreciable quantity of canned fruits and fruit products is purchased for the Defence Services.”

I would ask the hon. Minister whether there has been enough coordination between the Defence Services Department and the Industries Department to secure all the required products for the Defence Services from the available products here. If such coordination does exist then I think the hon. Minister must supply all the requirements of the Defence Services from indigenous products and refuse licences for the import of foreign products. If there is a possibility of reducing the cost of these products, it is easy to develop the industry to a larger extent, to utilise the agricultural products that are otherwise going to waste, and also spread the utilisation of these products in rural areas also where these are not available. It is not possible to have every kind of fruit in every area; but certain kinds of fruits are produced in certain areas and they must be passed on to other areas in this country and thus increase the demand from the consumers. Unless it is made cheaper it is not possible for the rural areas to take to them. It is therefore very necessary that in the interests of the development of fruit

preservation industry in this country a further reduction in the duties should be thought of and the Defence Services should be made to take more of the indigenous products for their use; apart from that import licences for products which are available in this country should be completely banned, or restricted to a large extent.

Shri Kasliwal (Kota-Jhalawar): There should be a drive for the use of indigenous preserved food-stuffs.

Shri Ramachandra Reddi: We are having too many drives for everything and I am sure this drive will come in only if the manufacturer is unable to sell his products at a cheaper rate to suit the pockets of the rural population.

In this connection I would like to enquire of the hon. Minister whether some of the factories which are producing these products have been paying any income-tax. If they have not been paying, it looks as if their resources are not enough to pay income-tax and at the same time to give to the consumer the things that are required by them within a reasonable cost. It must also be made possible for these manufacturers to sell their products at a cheaper price **in their retail trade**. I do not wish to take more time of the House, but I would like the hon. Minister to say categorically to what extent it is possible for the Government to reduce the duties on the food products and to what extent he will be able to assist the manufacturers in the further development of their capacity.

Shri Bansal (Jhajjar-Rewari): Mr. Speaker, Sir, at the outset I would like to congratulate our very youthful and energetic Minister for Heavy Industries for having brought forward this Bill.

Shri V. N. Nayar (Chirayinkil): Light Minister for Heavy Industries.

Shri Bansal: I give my wholehearted support to the Bill. While I fully agree with the granting of protection

to the new industry, namely, calcium carbide industry, and the continuation of protection to the remaining of fourteen industries, I would like to bring to the notice of the House certain disturbing facts in the working of the Tariff Commission.

Sir, I have been comparing the number of reports that have been presented by the Tariff Commission to Government from year to year. In 1952-53 they submitted 19 reports; in 1953-54, 24 reports were submitted; in the next year, 1954-55, 25 reports were submitted. But during the year 1955-56, that is the latest year only 11 reports have been submitted. The number is less than half of last year and about half of the first two years. I would like to know from the Minister as to what is happening to the Tariff Commission that its work is slowing down so much.

Last year when we discussed the Second and Third Tariff Amendment Bills the number of items on which duty protection was being extended and on which we did not have any reports before the House was five. This time the number is eleven. We are extending protection to eleven industries for a period of one year without having any recommendation or any report from the Tariff Commission. Surely, the Tariff Commission cannot say that it was much too busy because, as I have shown, they submitted only 11 reports to Government as against 25 during last year. I would, therefore, very earnestly request the hon. Minister for Heavy Industries to go into the working of the Tariff Commission very carefully and see that they expedite their work. I am saying this with all the force at my command because I know that whenever Government is approached by a particular industry to refer its case to the Tariff Commission, the first reply that comes is that the Tariff Commission is too busy. I would like to know how the claim that the Tariff Commission is too busy can be justified in the light of the facts which I have given to the House just now.

Shri B. S. Murthy (Eluru): Is the quantum of work decided by the number of reports?

Shri Bansal: It also depends on the importance of those industries, but I do not want to waste the time of the House on that point. I have got the reports for all the years with me and if I read to you the reports which were submitted by the Tariff Commission during the previous years it cannot be said by any stretch of imagination that during these years the industries reported on were less important than they have been during the year 1955-56. If you will permit me, I am quite willing to read out the names of the industries. But I think it is not at all necessary.

Then the hon. Minister made a claim that Government have been very prompt in taking action on the recommendations of the Tariff Commission and he said, very cleverly in my opinion, that on the average Government have been taking action within a period of three months. As you know, there is a statutory provision that Government must take action on the recommendation of the Tariff Commission within a period of three months and if they do not take action within a period of three months they must come before this House with an explanation as to why action has not been taken within that period.

In the case of one industry to which we are giving new protection action was taken in a period of 4½ months. By a magic of averages it might have been reduced to three months; but the fact remains that action was taken after 4½ months. I am now bringing this to the notice of the House because last time when I had occasion to speak on this subject I drew the attention of the House to the delay that was being caused in Government implementing the decisions of the Tariff Commission. In the case of engineering steel file industry it took 5½ months for Government to come to a decision. In the case of art silk (mixed) industry they took five months. Then there were other industries which took 5½ months, 6½ months, 4½ months and 6 months. So it is almost a regular

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feature with Government that even when the Tariff Commission's report has come and although the statutory provision incorporated in the Act passed by this august House stipulates a three months' period, they almost invariably take in the case of new protection much longer time than three months. It may be that Government may say that they are understaffed. I want to say it very emphatically—that the Ministries are not understaffed. It is only a question of organising the work in the Ministry and I think that my youthful friend will now devote his attention to that aspect also and do something to get the reports of the Tariff Commission expedited as soon as they come to Government.

Mr. Speaker: Is there any difference in age between the hon. Minister and the hon. Member?

Shri Bansal: No sir. That is why I am talking youthfully.

There is one case of very inordinate delay at the end of the Tariff Commission, and that is in the case of non-ferrous metal industry. This industry was given protection in September 1948 until March 1950. After that the protection is being extended year after year, that is, ever since March 1950, we are called upon to extend protection to that industry year after year and even in the present Bill we are being called upon to extend the protection to that industry for another year. In the note which has been circulated by Government it is indicated that the industry is working much below capacity. The capacity of that industry is supposed to be 1,31,000 tons per annum while it is producing only about 30,000 tons. This is a very important industry and its importance is bound to increase. I therefore suggest that the Tariff Commission should be asked to expedite this enquiry and find out as to what are the reasons which are hampering the full capacity being utilized and what are the types of aids that are needed to this industry so that it can produce

to its full capacity. If the Tariff Commission is asked to take up this work in all earnestness I think a great service will be done to the industry and to the country as a whole.

I have been, in my own way, trying to study the reports of the Tariff Commission on the various industries, the importance of protection in our new set up and also the value of the work that the Tariff Commission has been doing. I know at one time the work of the Tariff Commission was at a very great premium because the entire development of industry depended on the recommendations of the Tariff Commission (then the Tariff Board). But I wonder if the work of the Tariff Commission is really of that much importance nowadays because, apart from the import restrictions which are in vogue nowadays and which we will have to continue whether we like it or not, in view of our foreign exchange position, the Government themselves have taken power to increase duties on a number of items. In fact that was suggested as a measure of working out import controls in a more judicious manner than quantitative restrictions and on two occasions in the past Government have come before the House with lengthy lists of industries on which revenue duties have been increased. Whether they are revenue duties or protective duties, the effect is bound to be protective. There is only one difference between a protective duty and a revenue duty and that is the protective duty ensures a time limit while there is no certainty of the period in the case of a revenue duty. But the fact remains that now these two methods namely, import restrictions by direct quantitative methods and the imposition of revenue duties in order to see that the impact of quantitative restrictions does not work in a haphazard manner have come to occupy partly the place of protective duties and in view of that I sympathise with the Tariff Commission that their work is really not of

as much importance as it was in the days of the Tariff Board. And it is in that line that I want to request the hon. Minister to consider as to whether he should not now lay a little greater emphasis on some other types of enquiries. In fact, it is being done already. A large number of price enquiries are being referred to the Tariff Commission. I think that is a step in the right direction. They were studying the prices of locomotives, automobiles, rubber, aluminium etc., and I think it would be better if the services of the Tariff Commission are utilised for that purpose in an increasing measure, and also to see from time to time as to how our industries in the various sectors are serving the best interests of the country.

Sir, in this connection I would like to revert to my pet theme of the working of foreign enterprises or foreign combines in this country. The Tariff Commission submitted a very lucid report on the fair prices of rubber tyres and tubes in 1955. Government did take some action on it, and I had had occasion to refer to this report when we were discussing the Second and Third Tariff (Amendment) Bills. But, Sir, what happened after action was taken is not only disturbing but must cause serious concern to Government. In the report it was suggested that some steps should be taken to see that the prices charged to the consumers of these items should be reduced. There were a large number of other recommendations also, to one or two of which I would come slightly later. Government took action in fixing certain prices. But I am told very reliably that the entire decrease was passed on by the manufacturer to the dealers and to the middlemen, with the result that, as far as the consumer is concerned, he is paying the same price if not the higher price. It was a paradox really when the Resolution of Government came out. When I wanted a cycle tyre, I saw that the price had gone up by 10 or 15 per cent. I tried to find out as to how that was and I was told by the dealer that

Government having reduced prices, they are not getting stocks and it is for this reason that the prices are going up. But I was told from other reliable sources also that the entire price decrease was passed on in various ways to the distributors with the result that the consumer did not get any relief at all.

Now, Sir, there was another very important recommendation, out of 28, to which I would like to invite the attention of the hon. Minister. One was that Government should explore the possibility of securing imports of tyres and tubes with a view to providing some measure of competition to the Indian companies. I want to know whether this recommendation was given effect to; and if so, from which source tyres and tubes were imported by Government or were allowed to be imported by the private sector and if so, under what particular order or licence. Then, there was another recommendation in my opinion which was vital; and that was that a pilot project should be started for manufacture of tyres and tubes and special assistance should be offered to Indian enterprises wishing to enter this field either independently or in collaboration, on reasonable terms, with foreign enterprises. I would like to know, Sir, if this recommendation was considered by Government and, if so, what action was taken.

Then, as regards prices, that question has become very topical in view of Burmah Shell refinery announcing some very generous reductions of which so much was said yesterday. According to the Commission the Dunlop factory overhead increased by 85 per cent. as against the increase of 21 per cent. in the output of tyres and tubes; factory overheads of Firestone has increased by 85 per cent. between 1946-47 and 1952-53 whereas the output of tyres and tubes expanded by only 43 per cent, necessitating stricter control over the factory overheads and here also, they go on to show that most

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of such increases were for marketing and advertisement etc. Now, Sir, I want to know if Government are giving due consideration to this question of these foreign combines increasing their costs of production and passing on the entire burden to the consumer and not exercising the economies which they ought to exercise if they are to justify their claims of being Indian concerns.

I am glad that some action is being taken as far as oil refineries are concerned. The Prime Minister made a statement yesterday that this was a part of a bigger question and that it was under constant review. I would like to state that similar cases such as rubber and aluminium should be got examined by Government. I would like to request the hon. Minister to look into this and tell us whether they are keeping a vigilant eye on this kind of thing.

Sir, I am of the view that the time has come when this type of activity should increasingly become the growing concern of the Tariff Commission than the routine type of tariff enquiries. And I very much hope that the hon. Minister will give his careful consideration to this suggestion and also expedite the consideration of the reports in his own Ministry, and, at the same time, see that the Tariff Commission does not lag behind but goes on working with at least the same speed as it was doing in the previous years, if not at a faster speed.

Shri V. P. Nayar: Mr. Speaker, Sir, I was very much interested in hearing Shri Bansal speak today, but I do not propose to take the same course as I do not believe that neither the tyre industry nor the other industry which he referred to had any relevance to the Bill before us. Normally, Sir, one should not oppose the introduction of protective duty in respect of a commodity which is very vitally required for our country. I would not at all have said anything

had it not been for the fact that the hon. Minister, while he explained his position, did not explain the whole position of the case. Calcium carbide is very vitally important for the development of even so many industries in which we, at present, are lagging behind. I can understand its importance to Indian economy. If you go through the Tariff Commission's Report, even in the very first paragraph, you will find that the enquiry in respect of calcium carbide was made at the instance of one of the manufacturing units. I am reading from the Report of the Tariff Commission: "An application for grant of protection and assistance to the manufacture of calcium carbide was made to the Government of India by Messrs. Birla Jute Manufacturing Company Limited, Calcutta in their letter dated the 29th of November, 1954." Sir, here is a case in which a Jute manufacturing firm has tried its skill in a highly specialised industry, starting production only of the 15th of November of the year. Only on the 15th November, 1954, the Birla Jute Manufacturing Company started production of calcium carbide. Sir, you will remember that at the time when we discussed the managing agency system, the Government spokesman had been repeatedly telling us that there were certain managing agents who knew the know-how of almost every industry. If you go through the report of the Tariff Commission on the calcium carbide industry which started functioning on the 15th November, 1954 and the approach to the Government which was made on the 29th of the same month for protective duty, you will find that that particular unit has been reported by the Tariff Commission to be an uneconomic unit using the wrong processes for the manufacture of this calcium carbide, not being able to use its wastes and located at a wrong place, etc. This is one of the important units which you find has been getting this protection. In spite of that, I am not at all against giving protection or giv-

ing protective duties for such a vitally required substance for our industry. But have Government taken any steps? I find from the recommendations of the Tariff Commission that they suggest that from a particular date there should be a reduction in the price. I cannot understand. There have been three other units, the Travancore Electro-chemical Industries, the Travancore-Cochin Chemicals and the subsidiary of the Mettur Chemicals, all of them engaged in calcium carbide production. And there is the undertaking at Talalayuthu in Tinnevely District which has been working at a loss of Rs. 2 lakhs but did not ask for a tariff protection like this. I am submitting this because calcium carbide as far as I can understand is not an industry which has necessarily to depend upon imported raw material. I do not have half the knowledge of chemistry which my hon. friend Mr. Shah has; but if I am to believe what the Tariff Commission says, the materials required for the production of calcium carbide by the conventional process are limestone (which we have in plenty), coke (which also we have) and charcoal. If you take the costs of limestone, coke or charcoal today, India is not at all in an unhappy position. These are the processes, and the processes are also described. Calcium carbide is manufactured by the electro-thermal heating of lime with a carbonaceous material like coke or petroleum products. Why on earth should it not be possible for our calcium carbide manufacturers to manufacture at the cost at which foreign agencies are able to supply, meeting the transport costs? I understand from the hon. Minister, and the Tariff Commission also says, that the calcium carbide as manufactured by the processes in India today costs well above Rs. 900 per ton, while the quotations from Switzerland for the Indian Oxygen and Acetylene Company—which the Tariff Commission dismisses with the remark that they are quotations for their subsidiary firm in India—come only to Rs. 560. After all, this is not an article in which the bulk of the manufac-

turing cost goes to the foreign manufacturers of raw materials. I should have very much liked the hon. Minister to have told us or to have circulated to us a note indicating the precise difficulties which face this calcium carbide industry.

I heard him say that the Second Five Year Plan has set a target of 30,000 tons for this. But I remember—my memory may not be very accurate—that the Commission's target for calcium carbide was 24,000 tons. I am subject to correction. (An Hon. Member: 25,000 tons.) He said it is used also for lighting purposes. It is not at all an important matter today, because carbide lamps have gone far out of use. There were lamps at some places, especially in motor cycles—when I first rode a motor cycle, the lamp was a carbide lamp. But it has changed.

The main point is, owing to the lack of development in certain other spheres of industrial activity, especially in the manufacture of solvents and intermediates for which calcium carbide is a basic requirement, our whole industrial set-up is suffering; and I should have welcomed if the target of calcium carbide was raised to 50,000 tons. But Government have not taken all aspects into consideration in fixing up this duty. This document of the Tariff Commission is very very interesting. I would, with your permission, read out one or two relevant portions in order to show that this particular tariff protection for calcium carbide will certainly be taken more advantage of by one of the manufacturing units, the name of which I have already given.

I can understand tariff protection being given to an industry which was started at the right place, using the right material but which owing to circumstances beyond our control has necessarily to incur extra expenditure. But here the case is entirely different in so far as one particular unit is concerned. I am not sanguine about

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these calcium carbide factories converting calcium carbide into calcium cyanamide for neutralising the acidic soil as indicated. I for one would not ask the Indian peasant to use calcium cyanamide costing nearly a thousand rupees per ton—because it comes to Rs. 909, and with the cost of nitrogen it will come to a thousand rupees—to neutralise acidic soil. The Tariff Commission thinks there is going to be a great use for calcium cyanamide as a nitrogenous anti-acid fertilizer. I do not think so, because we have plenty of lime and there are other alkalis which are cheaper to neutralise acids. In spite of that, we find a very cryptic sentence by which the Tariff Commission describes how the unit which was seeking protection first is functioning at present. In describing the claims for protection of the industry the Tariff Commission says at page 22 of its report:

“At present the calcium carbide industry has only one unit engaged in commercial production of the material, viz., the Birla Jute Manufacturing Co. Ltd. This unit is an uneconomic unit and its costs are unrealistic.”

What more could the Tariff Commission say about it? Then they find out an argument later. Although it is uneconomic, although the costs are unrealistic, they say that we should not dismiss it like that and we should look into the claims. Later on you will find about this one factory—the others are using their wastes in a better way, but this one is not capable of doing it because of certain other conditions—I am reading from page 18 of the Report of the Tariff Commission: “The fair ex-works price of Rs. 909-13-0 of the Birla unit includes a sum of Rs. 51-88 as adjustment for ‘fines’ and price differential for ‘off-grades’, of the final product.” Who asked them to manufacture calcium carbide with so much of fines and so much of offgrades being rendered useless? Then they go on saying: “Both

the Travancore-Cochin Chemicals Ltd. and the Travancore Electro-chemical Industries Ltd. do not require any allowance as they expect to absorb the unsaleable material (‘fines’ and ‘off-grades’) in the manufacture of other products using calcium carbide as starting material. The Travancore-Cochin Chemicals Ltd. intend to manufacture polyvinyl chloride”—certainly a very very important substance for our future—“for which the ‘fines’ and ‘off-grades’ of calcium carbide can be used in their own acetylene generators”.

Why is it that the Tariff Commission could not recommend that the advantage of the extra import duty which is proposed to be levied should be given to manufacturing units which have basic defects in their organisational set-up, which do not utilise waste products,—that they should take advantage of this protection which we are giving—only on certain conditions? I would have very much liked if the hon. Minister had told us: Look here, the Birla Jute Manufacturing Company have directions from the Government to remove their factory to the most suitable site within three months, they have also directions to use the waste material, that is off-grades and fines, and manufacture other things like polyvinyl chloride or something else. In that case the incidence on the cost would have been very much less and the protection would have been different. Looking at the price which is now fixed, I do not find that there could be any justification for it—apart from the fact that, because we do not happen to have other units of production, we have necessarily to give them same protection. If you are giving them such protection, I am perfectly certain that you are encouraging the wrong type of persons coming into the industry, the wrong type of investments in industries where there is no proper technical know-how as manifested by the particular firm which has claimed this protection.

I would like the hon. Minister who is very very enthusiastic, as I personally know, to go into these details before the recommendations of the Tariff Commission are accepted. I once again say that Government must go all out to increase the production of calcium carbide, because I happen to have a little knowledge—though not the knowledge of the hon. Minister—and I know how the plastic industry, the pharmaceutical industry and other industries suffer, and how it is impossible, owing to the lack of solvents, to extract alkaloids etc. However, it is important for us not to forget that in giving such protection, certain firms which belong to a part of an industrial empire, take the fullest advantage. I do not want to make any more comments on that.

Shri U. M. Trivedi: Is there only one firm manufacturing this in India?

Shri V. P. Nayar: Only one before the enquiry was instituted, and that for 14 days.

There is another industry which, again, is the subject matter of this legislation, that is, the fruit preservation industry. It has got many problems. There is certainly a consumer preference for imported fruit products. I am perfectly certain, Mr. Speaker, that if my hon. friend goes out to the market, he will certainly try first whether he can get I.X.L. jam and imported strawberry before going to Rex Products or Madhu Canning Products. The difficulty is not confined to one sphere. Again, I must submit that the fruit preservation industry is not an industry which requires all the difficult know-hows, skills, and tools as, for example, in the case of the steel industry or the processing and manufacture of special steel or heavy chemicals. It is a comparatively simple process. In spite of that, and in spite of the fact that India produces a large variety of luscious fruits, you will be surprised to know that thousands of tons of such fruits do not reach

the consumer. We could not develop the industry and the industry has to content itself with the production of 3,000 or 4,000 tons. You will remember that in the Andhradesa, several thousands of tons of mangoes go waste in the season. You will also recall that in the whole of the west coast, two lakhs of tons of what are called cashew apples are rendered unfit for human consumption because in a raw condition they are not tasty. I ask the hon. Minister whether the imposition of a high protective duty is the only way to develop an industry. It is certainly not. The hon. Minister who knows so much of the industry will not say so. For the fruit preservation industry, what other positive steps have the Government taken? That is what I want to know. In order to justify the high protective duty on imported fruit products, what precise steps have been taken by the Government to develop this indigenous industry? Last year, my hon. friend Shri Bansal had convened an Exhibition. I discussed some problems with fruit manufacturers' associations at this exhibition. They said that they do not have bottles according to specifications, and that they do not get any concession from the sugar mill-owners. We know that the sugar industry is making an enormous profit, thanks to the policy of keeping the price of sugarcane down. What is the concession which has been given to the fruit preservation industry? We are not using so much of saccharine now. We are using sugar for syrups, jams and jellies and even marmalades. Has the fruit preservation industry so far got any concession worth the name from the sugar manufacturers?

There is the more important problem of technical know-how. I was surprised the other day to find that although the fruit preservation industry is producing a few thousands of tons, there has not been a single attempt made to manufacture pectin which every other country manufactures as a by-product of

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fruits which is an article in great demand for the development of the confectionary industry. No attempt has been made in this direction. Fruits, as you know, are seasonal. You cannot get pineapples in Travancore-Cochin all the year round. For canning pineapples or taking pineapple juice, you cannot run a factory for more than a few months unless you are able to get other fruits from the surrounding places which can feed the factory. I ask this question of the hon. Minister. Is there any fruit preservation industry in our country which can go all the year round, because fruits are seasonal?

I can also give suggestions. For example, a centre like Punalur is probably the place which produces the largest number of pineapples of the best variety in India. But, our poor cultivators do not get any advantage from this industry because in a raw condition in which they are sent to Bombay or Calcutta or Delhi, the prices are dictated by the persons who buy it in a lot. If we had a well organised preservation unit at Punalur, instead of four annas that a man get for 3 or 4 pounds of pineapple, he would get more. If you go to the Empire Stores or any other stores, for the same pineapple content, you may have to pay Rs. 1-8-0 per pound or even more. If at suitable places such factories had been located and if the Government had given them some assistance, not merely in the matter of finance,—I am not worried about finance; it will be found somehow—but, the know-how, the people would have taken advantage of it. There are researches going on in the erstwhile Imperial now Indian Council of Agricultural Research; there are other Food Technological Institutes. I want to know what steps have been taken by the Government apart from putting up the protective tariff duty for the development of the fruit preservation industry, in which there is very great

scope. It is really shameful for us to see that the fruit preservation industry has not developed to such an extent that we can think of export now. No other country, to my knowledge, produces such a variety of fruits which can be preserved.

There is another important matter in which the Government could have done something. There are large quantities of plantain fruits which are commonly called bananas. Have we made any attempts to preserve them? If only bananas could be preserved either as a syrup or in some other form, a preservative factory at any place would have been justified because bananas and plantains are not normally as seasonal as other fruits like mangoes and pineapples. I understand that there are some technical problems. Plantains have certain enzymes and they do not stand ordinary preservation. Have the Government tried their hand? Thousands of tons of these fruits can be preserved and we can think of exporting it too. It will add to the very depleted diet of our countrymen in the inner regions. It is not a question of merely affording tariff protection and then trying to cajole the industry or asking the industry to develop on its own.

There is the monopoly of the Metal box company which has been revealed in the Tariff Commission's report. What have we done about it? You will be surprised to hear that with tin plates costing Rs. 49-8-0, they manufacture tins of the sale value of Rs. 250. Is it not fantastic? In spite of all that, the complaint of the Metal Box Company is that although they have a capacity for 30 million cans a year, ultimately, one million is asked for. What is it due to? There is no overall development of the fruit preservation industry because the Government do not help the fruit preservers, with all the technical knowledge as has been revealed by the Tariff Commission. Government have not felt it necessary to insist on

indigenous fruit products being compulsorily bought at least on Government orders.

I have a little more to say about the fruit preservation industry. But, unfortunately that may not be relevant to the context in so far as only a protective duty is asked for. I submit that the Government should take a very realistic view of the matter and not think of tinkering with the existing legislation unless it is felt that that and that alone is the factor which prevents the development of the industry as a whole.

Let us take the case of cycles.

Mr. Speaker: There are a number of other hon Members who are anxious to speak

Shri V. P. Nayar: There are a number of items and I happen to be the only spokesman from our side.

Mr. Speaker: The hon. Member has already taken 45 minutes.

Shri V. P. Nayar: If I am speaking anything irrelevant....

Mr. Speaker: The hon. Member is not speaking anything irrelevant at all. That is not my point. I have to distribute the time.

Shri V. P. Nayar: I wish to speak on two other items.

Mr. Speaker: Three hours have been fixed for this. Four Members are anxious to participate in the debate.

Shri V. P. Nayar: I would ask what steps the Government have taken in order to assure the cycle manufacturers supply of the requisite raw materials manufactured in India. It is a very elaborate report and I do not want to comment upon it. Today, the position is such that the cycle, which is supposed to be the vehicle of the common man, cannot be purchased by the common man

unless he gets a subsidy or loan from Government. Its price is fixed at Rs. 150 or above. Shri Bansal may be knowing it better. The protection given to the cycle industry is not a single protection, it is a double protection, because several thousands of cycles are bought on the advance given to Government servants by the Government. Government are giving advances and recouping them in 20 or 40 instalments in order that a poorly paid employee may go and get a cycle which is priced at Rs.150. And to get an imported cycle he has to pay a very high duty. So that, the high tariff is not the only source of protection. It is a double protection. I ask this question. Had it not been for the fact that the Government of India is now finding it possible to advance money to Government servants in regular employment to purchase cycles, what would have been the position of consumption of cycles in India? This is a question which we should pose and answer.

Even apart from that, I find that the ordinary mild steel which is required for cycle spokes could not be manufactured in India. The other day when we were discussing the budget of the Iron and Steel Ministry I raised the question of our switching on our attention to the manufacture of specialised varieties of steel. Even the tube-steel for the cycle, I understand, is not available in this country. Although we are now thinking of raising the production of steel to three times, we have not made a beginning in this direction. Without these advantages being given to the cycle manufacturer if you just say that the Tariff Commission could not go on with the enquiry on account of very heavy work and hence protection should be continued, I cannot take it in that spirit. I want the industry to thrive and I also want the consumer in the very near future, at least during the Second Five Year Plan period, to get a cycle for Rs. 75. We used to get

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Raleigh cycles for Rs. 45 before the war and Japanese cycles for Rs. 25. There is no excuse now that we should charge Rs. 150 for a cycle and yet see that imported cycles are not allowed to be bought. I once again emphasise that I am not at all against protecting any industry by raising the tariff wall.

Then I would also say one word about the last item. I understand the phenol-formaldehyde moulding powder has also some protection. I know that there is some research going on in respect of phenol-formaldehyde in the Fuel Research Institute. I have not been able to gather more details. But has it been possible to correlate this research in the Fuel Research Institute in respect of this commodity which is very vitally required for the growth of the plastic industry, the turnover of which at the end of the Five Year Plan according to the hon. Minister was Rs. 15 crores, and give the advantage of such research to the manufacturers? These are questions which we have to consider before we pass a Bill like this.

13-54 hrs.

[MR. DEPUTY-SPEAKER in the Chair]

I expected that the hon. Minister would give me some details. Of course, he gave some details about the industry. Most of the details were available in the respective Tariff Commission Reports also.

I forgot at the time when I was discussing the calcium carbide industry to discuss another aspect. There is a complaint which is evident from the report of the Tariff Commission that the calcium carbide manufactured in our country is of very inferior quality and its impurities include phosphorus which in the process of welding generates phosphine which combines with acetylene into an explosive mixture. This should be standardised, and before we give tariff pro-

tection, I submit that it is incumbent on the Government to ensure that the article which is so manufactured using the advantages of tariff protection should at least conform to certain specific standards. In oxygen and acetylene welding you know if there is a small bubble and it erupts or explodes, both the eyes of the welder will go. Although we have legislation here, wherever you go, even in Government factories where welding is done, they do not use the eye protectors. In fact, the Tariff Commission says that certain complaints like that have been brought to its notice. In any case, I submit that when the Tariff Commission recommends and when Government goes on the recommendation in giving protection for a particular industry, it should inevitably lay down certain rules which those who take advantage of the tariff protection must necessarily be compelled to follow.

For example, the automobile leaf spring industry is a very ordinary industry to develop which we are not developing and we still require imports because we have not set standards. As you know much better than I do, the entire weight of the automobile, whether it be a Baby Austin or a ten ton truck, rests on its front and hind springs. It has to have some specifications which we do not keep, the result being that our manufacturers confine themselves to the specifications laid by their overseas partners and do not allow the industry to grow up.

So, I submit that when Government consider the question of giving tariff protection, they must also lay down that those who take advantage of the tariff protection must conform to certain standards which Government specify. Government may make a few mistakes, I do not worry. The Indian Standards Institution may also make a few mistakes, but it is always necessary that the standards should be insisted upon and when such conditions are not being observed, the protection should immediately be

withdrawn and penal action taken against those firms which in spite of such protection do not act in conformity with the needs of a developing economy.

I could have given a better account of the other articles, but Mr. Speaker has asked me to be very short, and hence I am resuming my seat.

Shri Kasliwal: I would like to join my friend Shri Bansal in congratulating the hon. Minister on his very lucid and able speech on this Bill. There is no doubt that he has made out a good case for protection to the calcium carbide industry for the first time.

My friend Shri V. P. Nayar has dwelt at length on this industry and I need not go into it in great detail, but there are three points to which I would like to draw the attention of the hon. Minister. One is that the purity of the products, so far as these companies are concerned, must be insisted upon. As Shri Nayar said, the Tariff Commission itself has reported cases. Because of impurity there have been explosions and this is highly dangerous. Therefore I would request the hon. Minister to keep this in mind.

Secondly, I would mention that there are certain uneconomic units working in this industry. They must be made economic. There is no meaning in continuously giving protection to such units as are unable to function economically.

Thirdly, and that is a point again which is brought out by the Tariff Commission's Report, there are certain units which are using machinery which is old and antiquated. In fact, the words used by the Tariff Commission are that they are using improper type of equipment. The Minister must take into consideration these points and tell the industry that these are matters which they have got to rectify, otherwise protection will be withdrawn.

Take the case of one particular unit to which my hon. friend Shri Nayar also referred. It has been using machinery which is practically unfit for the production of calcium carbide. Yet, they have been using it. I would like the hon. Minister to tell them plainly that if they are going to use the same machinery, they will not be given protection any more and their licence for the manufacture of calcium carbide will be withdrawn.

Then there is another industry to which I would like to refer, and that is the ball bearing industry. It is proposed to give protection to this industry for a further period of four years. For the first time, protection to this industry was given in 1952. I must say and I am glad to say that this industry has made progress. The National Bearing Company has made considerable strides in the manufacture of ball bearings, but there are two points to which the hon. Minister has also referred. I must say I am really shocked and surprised that those two defects in the working of this particular company still continue.

14 hrs.

In 1952, when for the first time protection was being granted to the ball bearing industry, there was only one unit, the National Bearing Company and I had occasion to say that in that company there was no proper system of costing, there were no proper accounts and there was complete mismanagement. I am surprised to find that even now, in 1956, the same complaint is there. I would like to draw the attention of the hon. Minister to it. I know he himself must have read it because he has mentioned it. The Tariff Commission says that the company should introduce a proper system of costing as early as possible. They also say that the company should reduce the price and make the necessary reduction to bring it in fair relation to the cost. I would like to ask why the company has not done any

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of these things in the last four years. In 1952, when protection was given to this industry for the first time, the Commission had raised these very objections and I am sorry to say that these objections still continue to exist. It is amazing that an important company like the managing agents of this company should continue to manage this concern in such a bad state. I hope the hon. Minister would draw the attention of the managing agents to this and ask why all this time they have not been able to have a proper system of costing and proper accounting.

I will pass on to another industry, the industry which my hon. friend, Shri Bansal has also mentioned. That is the non-ferrous metal industry. My friend Shri Bansal was quite right when he said that the progress which has been made by the non-ferrous metal industry is very poor. The present production does not keep pace with the installed capacity. The installed capacity is 131,000 tons where as the present production is less than 30,000. I submit this is happening because the Government have not applied their minds to any improvement in this particular industry. I am sorry to say that the Government have been so far neglecting this non-ferrous metal industry.

I want to give an instance in my own State, the instance of the Zawar mines. These are the only mines in the whole of India so far as lead, zinc and silver are concerned. This is an excellent industry but the Government has not taken over that industry. What is happening there? Thirty lakhs of rupees were given to a firm known as the Metal Corporation. Only last month I was there to see what they were doing. They are only crushing about 250 tons of ore whereas they can easily crush 1,000 tons a year. That is the position. I had raised my voice against this by way of some questions. I want to know why Government are not taking

over this concern which is running so very badly. Instead of taking over this concern, the Metal Corporation is being given more and more money. I cannot understand that. They have broken every pledge, every contract; they were told to crush 1,000 tons but even now they are not crushing even 500 tons. They only do some crushing. Then they take the lead, zinc and silver to a factory in Bihar. They have some agreement with a Japanese concern and the entire lead, zinc and silver is taken over to Japan. Why all this? Cannot we do all the extracting, refining and processing of lead, zinc and silver in this country? I expect the Government to apply its mind to this industry, take it over from the Metal Corporation and nationalise it and run it properly. I say it is a national concern; there is no other mine except the Zawar mines. In certain places, the ore is 66 per cent. and the quantity of ore available is not small. It will not be exhausted even in 50 years. That is the position so far as these mines are concerned. I would therefore request the hon. Minister to keep this in mind and see that such units as the Metal Corporation which have only the profit motive are not concerned with such national industries. They should not be allowed to function in the way they are functioning.

Lastly, I would like to mention a word about the bicycle industry. I do not want to go into great detail about this industry except to say that this time the Tariff Commission has not reduced the protective duty for this industry. I am very happy that last time they had reduced it to some extent. I am only expressing my sentiment as my hon. friend Shri Nayar has done. It is obvious that the bicycle is the poor man's vehicle. The Tariff Commission has not completed its enquiry into this industry. Next time, when they complete it, I hope they will see their way to a further reduction in the protective duty on bicycles.

सेठ अबल सिंह (जिला आगरा—पश्चिम) : उपाध्यक्ष जी, जो बिल हमारे सामने पेश किया गया है, उस के सम्बन्ध में सब से पहले तो मैं यह कहना चाहता हूँ वह कि टैरिफ कमीशन का जो काम है, वह उसको पूरा नहीं कर रहा है। उस का काम यह है कि वह तमाम इंडस्ट्रीज की छानबीन करे और फिर इस बात का निश्चय करे कि उन में से किस को सहायता की आवश्यकता है। जैसा कि मेरे पूर्ववक्ता ने बताया है, राजस्थान में कई खानें हैं, लेकिन सरकार की ओर से कोई सहायता और प्रोटेक्शन न मिलने के कारण उन का काम सुचारू रूप से नहीं चल रहा है और उन की कोई तरक्की नहीं हो रही है। इसी प्रकार और भी बहुत सी इण्डस्ट्रीज हैं, जिन को सरकार की सहायता मिलनी चाहिये। टैरिफ कमीशन का यह कर्तव्य है कि वह देखे कि कौन कौन सी इंडस्ट्रीज को प्रोटेक्शन की आवश्यकता है।

जब हमारे देश में विदेशी हकूमत कायम थी, तो उस ने यहां की इंडस्ट्रीज को पनपने का कोई मौका नहीं दिया और वह यहां की आवश्यकता की चीजें बाहर से इम्पोर्ट करती रही, जिस के कारण हमारे देश का बहुत धन बाहर जाता रहा और हमारे देश की कोई तरक्की नहीं हो सकी। अब हमारा देश आजाद हो गया है और हमें इस बात का मौका मिला है कि हम अपने देश में नई नई इंडस्ट्रीज स्थापित करें और उन को प्रोत्साहन दें। हमारे यहां नई नई इंडस्ट्रीज शुरू हो रही हैं और कई प्रकार की चीजें बन रही हैं। अगर इन इंडस्ट्रीज को गवर्नमेंट की तरफ से प्रोटेक्शन मिले तो वे काफी प्रगति कर सकती हैं और हमारे यहां जो करोड़ों रुपये का सामान विदेशों से आता है, वह यहां ही तैयार हो सकता है और हमारे देश का बहुत धन बाहर जाने से बच सकता है।

इस सम्बन्ध में मैं माननीय मंत्री महोदय का ध्यान बाल-बियरिंग इंडस्ट्री की ओर दिलाना चाहता हूँ। आगरा में उस का एक कारखाना है, जिसके मालिक एक नामधारी सिख हैं। उन्होंने मुझ से कहा है कि वह सारे हिन्दुस्तान की जरूरत को पूरा कर सकते हैं बशर्ते कि गवर्नमेंट उन की सहायता करे। इस समय वह रोजाना मुश्किल से चार दर्जन बाल-बियरिंग तैयार कर पाते हैं। इसका कारण यह है कि उन के पास यथेष्ट सरमाया नहीं है। मैं चाहता हूँ कि टैरिफ कमीशन आगरा जाये और वहां पर इस बात की जांच करे कि इस इंडस्ट्री को डेवेलप करने का कितना स्कोप है और उस की किस प्रकार सहायता की जा सकती है।

• इस के बाद मैं डीजल इंजिन के पार्ट्स का जिक्र करना चाहता हूँ। पिस्टन और रिंग सेट बाहर से ढाई-सी रुपये में आता है, जब कि यहां के लोग सिर्फ एक-सी रुपये में दे सकते हैं। लेकिन यहां के लोगों के सामने कठिनाई यह है कि उन को ठीक मेटल नहीं मिलता है, उन को कोई सलाह देने वाला नहीं है और न ही उन को कोई सहायता मिलती है। इन कठिनाइयों के बावजूद उन का माल मद्रास, कलकत्ता, बम्बई, कराची वगैरह दूरस्थ स्थानों तक जाता है। अगर इस इंडस्ट्री को गवर्नमेंट की प्रोटेक्शन, मदद और सलाह मिले, तो वह काफी तरक्की कर सकती है।

फ़िरोजाबाद में करोड़ों रुपये का चूड़ी और कांच का काम होता है। इस इंडस्ट्री को भी गवर्नमेंट की सहायता और सलाह मिलनी चाहिये, लेकिन वह नहीं मिलती है और परिणामस्वरूप बहुत सा सामान बाहर से आता है। अगर उस को गवर्नमेंट की प्रोटेक्शन मिले, तो बाहर से एक पसे का कांच का सामान, बैंगलूर और खिलौने वगैरह मंगाने की जरूरत नहीं रहेगी।

[सिठ अचल सिंह]

मेरे कहने का मतलब यह है कि टैरिफ़ कमीशन का यह कर्तव्य है कि वह जगह जगह जा कर देखे कि किस किस इंडस्ट्री को सहायता और प्रोटेक्शन की जरूरत है। ऐसा करने पर मैं उम्मीद करता हूँ कि आज जो करोड़ों रुपये का माल बाहर से आता है, वह यहां ही तैयार होने लगेगा, और आज जो करोड़ों रुपये हम को बाहर भेजने पड़ते हैं, वे बच सकते हैं। इस के साथ ही साथ हमारी इंडस्ट्रीज डेवेलप होने से इस देश की बैकारी की समस्या भी हल हो सकती है।

इन शब्दों के साथ मैं इस बिल का समर्थन करता हूँ।

Shri A. M. Thomas (Ernakulam): I wish to make only a few observations, although the Bill deals with 15 important industries. The hon. Minister, when he moved the motion for consideration, dealt also with the working of the Tariff Board, and he anticipated to a certain extent the criticisms that may be levelled by the hon. Member, Shri Bansal. Shri Bansal also referred to one industry, for which, as Shri Nayar pointed out, there is not much relevance to the Bill, namely, the rubber tyre industry and the tube industry. The Tariff Commission has gone into the fair prices of rubber tyres and tubes, and Shri Bansal has referred how it has not been possible in spite of the Government's best efforts, to keep the prices of tyres and tubes at a reasonable level. The hon. Minister's predecessor in office, Shri T. T. Krishnamachari, when he was a Private Member, was the most vehement critic in this House concerning the prices of rubber tyres and tubes and the monopoly of the Dunlops. But unfortunately, even during the period that he was in office, he was not able to do much in this direction. The only way to tide over this situation, according to me, is to explore the possibilities of putting up addi-

tional units. That is the only way to break the monopoly of the Dunlops. In fact, although there are three or four units, it is all a combined venture, I should say, and the Dunlops are enjoying a monopoly in this matter. The only point that I wish to emphasise on this occasion is that the only way to get over the situation is to put up additional units, and I am glad the hon. Minister of Heavy Industries is quite alive to this problem.

I do not think there has been much opposition to the objects or the provisions of the Bill. The criticisms that have been levelled have been more or less of a constructive nature to develop the industries concerned, and I hope that criticism in that direction falls within the ambit of discussion of a Bill of this nature. We are concerned with the progress of the industries which are touched by this Bill, so that as early as possible we may be in a position to withdraw the protection given to them.

I only want to refer to one industry, among the four of which the reports of the Tariff Commission have been placed before us. Of the four industries I wish to refer to the transformer industry. With regard to the transformer industry, detailed mention has been made about the present capacity and targets laid down in the Second Five Year Plan. I find that in the State of Travancore-Cochin, where there is great possibility of development of the transformer industry, only one unit has been mentioned, namely, the Industrial Engineering Corporation at Pallam, Travancore-Cochin. I have come to know that there had been another factory that had been set up. I do not know whether for want of adequate help from the Government both at the Centre as well as the State, the venture has been dropped. There are possibilities of developing this industry. I wish to know from the hon. Minister what has happened

to the new unit that has been set up in Travancore-Cochin in a place called Alwaye.

Only to two more industries I wish to make some reference. One is the preserved fruit industry and the other is the sago globules and tapioca industry. I am glad my hon. friend, Shri Nayar, has referred in detail to the possibilities of the preserved fruit industry. When I went through the industrial targets in the *Programmes of Industrial Development 1956-61*, I was able to find that India is one of the countries in which consumption of preserved fruits has been at the lowest level. To quote from this publication, "the present consumption of preserved fruit and vegetable products of all kinds is believed to be about 20,000 tons per annum. This corresponds to a *per capita* consumption of 2 ounces per annum. When compared to the *per capita* consumption in other countries like the U. S. A. (86 lbs), Canada (57 lbs), the U. K. and Australia (20 lbs), the consumption of preserved fruit and vegetable products in India is exceedingly low." It is a very deplorable state of affairs, and the target that has been laid down in the Second Five Year Plan is an increase of the *per capita* consumption from 2 ounces to 8 ounces only. Even then we will be perhaps lowest in the level. I wish to know from the hon. Minister what steps have been taken by the Central Government in the direction of at least reaching this very modest target of 8 ounces consumption. The problems of the industry have been detailed in this publication, but I am afraid that the problems have only been detailed but they have not been met. The real question now is the possibility of starting new factories in places where the raw materials are found. The major raw material is the fruit itself. The manufacturers are reluctant to set up factories in areas where fruits and vegetables are grown since they would suffer from various handicaps particularly in regard to the supply of other raw materials

like sugar, tins and bottles, etc., for which the Tariff Commission had made recommendations. I want to know from the hon. Minister why the recommendation of the Tariff Commission to the effect that there must be a waiver of contribution to the steel equalisation fund in respect of tin plate used for the manufacture of open top cans for the fruit and vegetable preservation industry has not been accepted by the Planning Commission or the Central Government. That is the only way of developing the industry, and if this very reasonable recommendation of the Tariff Commission is not being implemented, I do not know what steps Government intend to take to develop the industry.

My hon. friend, Shri Nayar, has referred to the banana fruit industry. I have also in mind the cashew apples, which are found in abundance in my part of the country and which is going to waste. There is the possibility of developing preservation of those fruits, but absolutely no steps have been taken for the preservation of that fruit.

With regard to mangoes in Andhra, my friend referred so much to them. Perhaps he was afraid that he might be dubbed as being parochial. He did not refer to the various kinds of mangoes in Kerala. No steps have been taken for preserving those fruits. There is no question of the Central Government not knowing about these possibilities. The Planning Commission has gone in detail into these matters, and the Government publications themselves disclose the possibilities of development. But the fault is that no step has yet been taken, and that is my complaint also. I believe that more attention would be devoted by the Minister of Industries, especially even my friend, Shri Nayar, who is after all not very liberal in the matter of paying compli-ments, has been very fair today.....

Shri V. P. Nayar: In compliments I am over-generous, when due.

Shri A. M. Thomas: To his predecessor Shri Nayar was very hard but I am glad there is a change of attitude to the hon. Minister of Heavy Industries, and Shri Nayar is rather kind and I hope he will continue in this path of giving more constructive criticisms so that he may be in a position to do whatever he would be able to do for the country, for the problem State of Kerala in particular.

I wish to refer to another industry which I have already mentioned, namely, the starch industry. In the note that has been circulated, it has been stated:

"Tapioca globules are used as food for the invalid and for making puddings. Tapioca root is the only raw material required by the sago industry and it is available in plenty in South India."

As far as the State of Kerala is concerned, it has got a monopoly for the raw tapioca.

It has also been stated:

"Although the product of the industry taken as a whole is reported to be fairly good, there is still some more room for improvement in its quality."

When this matter came up during the discussion on the two previous tariff amendment Bills this was referred to and more than one hon. Member, especially hailing from the south, had remarked that the development of the tapioca industry in all its aspects had not been taken up very seriously. I am glad to find that in the matter of manufacture and storage some industrial units are being set up. I do not know whether besides planning for them, the Government has been able to do anything further in regard to these industries. All the same, there is no denying the fact that these industries have got a great scope for development, especially because we have got the raw

material in abundance. I would ask the hon. Minister to look into this matter and see that we not only grant protection and impose protective duties but do our duty also to see to the development of the industry and also implement the subsidiary recommendations of the Tariff Commission. The Tariff Commission's report is awaited. In the previous report, it has made several valuable subsidiary recommendations with regard to the development of tapioca industry and I am sorry that the Government had not been able to implement them. I wish the hon. Minister to go into the old one even though there may be some delay in the submission of the report which is now being prepared by the Tariff Commission. With these words, I support the Bill.

पंडित ज० ना० मालवीय (रायसेन) :

उपाध्यक्ष महोदय, इस में कोई सन्देह नहीं है कि हाउस इस वक्त एक आशा बांधे हुये है कि अब जो हमारे नये मिनिस्टर साहब इस विभाग में आये हैं वह खास तौर पर इस मामले के ऊपर ज्यादा गौर करेंगे और इस को ज़रा अच्छी तरह से देखेंगे, और जो शिकायत बंसल साहब ने की है, जिस शिकायत का हामी में भी हूं, तथा दूसरे आनरेबल मेम्बरान ने भी जिस की तरफ़ ध्यान खींचा है, उस शिकायत को वह रफा करेंगे।

इस वक्त मैं किसी खास इंटेरेस्ट को सामने न रखते हुये, किसी मैन्यूफैक्चरर के इंटेरेस्ट को सामने न रखते हुये, केवल यही कहना चाहता हूं कि इस देश की आबादी के सब से बड़े हिस्से, कंज्यूमर्स के इंटेरेस्ट को भी सामने रखना चाहिये। जो प्रोटेक्शन दिया जाय, या दिया जाता है, उस में कंज्यूमर की क्या हैसियत है। साथ ही यह सवाल उठता है कि प्रोटेक्शन देने के बाद वह इंडस्ट्री तरक्की क्यों नहीं करती है। मसलन फ्रूट प्रिजर्वेशन इंडस्ट्री को ले लीजिये। हम

रात दिन इस चीज को महसूस करते हैं कि जहाँ हमारे भोजन में अन्य पदार्थ होते हैं वहाँ फलों की भी ज्यादा से ज्यादा जरूरत होती है। हिन्दुस्तान में बहुत से ऐसे फल होते हैं जो फसल के ऊपर इस कदर बाजार में आ जाते हैं कि उन का कोई खरीदार नहीं होता, वह मिट्टी के मोल बिकते हैं या वृक्ष के नीचे रह कर सड़ गल जाते हैं। इस के बावजूद जो यूनिट्स इस वक्त देश में काम कर रही हैं फ्रूट प्रिजर्वेशन की ओर जिन की काफी कर्पसिटी है, हालांकि उन को सन् १९४८ से प्रोटेक्शन मिल रहा है, फिर भी उन का प्रोडक्शन नेग्लिजिबल है। इस के अलावा जब हम बाजारों में जाते हैं तो हम विदेशों से आये हुये फलों के डब्बों को ज्यादा आसानी से देखते हैं। चूंकि खरीदार की आंखों के सामने ज्यादा आसानी से वह डब्बे आ जाते हैं, इस लिये जब वह कीमत अदा करता है तो क्वालिटी का मुकाबला वह यहाँ की चीजों से करता है और क्वालिटी को दृष्टि से एक या दो पैसा ज्यादा दे कर भी वह विदेशों से आये हुये फलों को खरीदना चाहता है। इस तरह से इस इंडस्ट्री को प्रोटेक्शन देने से क्या फायदा ?

इसी तरह से मैं एक्सपोर्ट और इम्पोर्ट पालिसी को सामने रखना चाहता हूँ। हमारे यहाँ जो व्यापारी हैं, जिन का काम मैन्यु-फैक्चरिंग नहीं होता, सिर्फ अपने देश का माल एक स्थान से दूसरे स्थान पर ले जाना या अपने देश से बाहर भेज देना, या फिर बाहरी देशों का माल ला कर इस देश में बिकवा देना होता है। उन के सामने गालिबन देश का हित नहीं होता कि देश की बनी हुई चीजों को हमें प्रोत्साहन देना है, या हम अपने देश की बनी हुई चीजों को, जिन को हमारी गवर्नमेंट प्रोटेक्शन भी देती है, जिस की वजह से उस को अपनी टैरिफ पालिसी को हर तरीके से मोल्ड करना पड़ता है और हमारी रेबेन्यू का भी नुकसान होता है,

उस की सहायता करना है। इन सब बातों के बावजूद वे बाहर से इन चीजों का मंगा कर और उन को प्रोत्साहन देकर हमारी पालिसी को फेल करते हैं। इस लिये हमारे इम्पोर्ट और एक्सपोर्ट के साथ साथ जब तक हमारे व्यापारियों पर हमारा कंट्रोल नहीं होता है तब तक हमारा काम नहीं चल सकता है। आज हम अपनी एक पंचवर्षीय योजना को समाप्त कर के अगली पंचवर्षीय योजना शुरू कर रहे हैं जिस में इंडस्ट्रीज पर ज्यादा जोर दिया गया है। इस वक्त जरूरत है कि हमारा टैरिफ कमिशन ज्यादा एफिशिएंटली काम करे और आइन्दा हमारे सामने इस किसम का एतराज न हो, या ऐसी कमी महसूस न हो कि हमारे देश में उत्पादन कम हुआ है। एक तरफ तो लोग बेकार हैं, दूसरी तरफ आप कहते हैं कि हमारे पास स्टाफ की कमी है, यानी टेक्निकल और स्किल्ड आदमी बेरोजगार हैं। तीसरी तरफ हमारा टैरिफ कमिशन है जो सारे देश की इंडस्ट्रीज को सामने रख कर आप को एक्सपोर्ट राय देता है कि इस वक्त आप इस का टैरिफ कम कीजिये और इस का ज्यादा कीजिये। आज सारे देश में इंडस्ट्रियल डेवलपमेंट हो रहा है। जैसा बंसल साहब ने कहा है वाक्यात के लिहाज से वह सही हो सकता है, लेकिन मैं उन के लाइन आफ आर्गुमेंट को नहीं मानता। हो सकता है कि जब टैरिफ कमिशन ने अपनी रिपोर्ट तैयार की है उस वक्त इंडस्ट्रीज में कुछ कमी हो, या उस को ज्यादा मौका न मिला हो तमाम चीजों को सामने रखने का या उस समय इतनी उलझनें न रही हों, लेकिन आज हमारे इंडस्ट्रियलाइजेशन की जो स्पीड है, साथ ही साथ इस काम में जो बहुत सी चीजें आती हैं, उन को सामने रखते हुये हो सकता है कि रिपोर्ट में कमी हो। लेकिन अगर हम इस दलील को मानें कि यह वाक्यात है कि उस के सामने उलझनें हैं, तो जैसा आपने महसूस किया है वह एहसास आप के दिल में दब कर न रह जाय, बल्कि

[पंडित च० ना० मालवीय]

में चाहता हूँ कि आप का वह एहसास जरा तेज हो कर और अमली रूप में सामने आये। टैरिफ कमिशन की एफिशिएन्सी को बढ़ाने के लिये सिर्फ स्टाफ ही जरूरी नहीं है। आप को टैरिफ कमिशन की जो स्टेटवाइज रिपोर्ट है उस को ग़ौर से देख कर अगर उस में कोई संशोधन कर सकते हों तो करना चाहिये जिस में आप रीजनवाइज या स्टेटवाइज ऐसा कर सकें कि जहाँ पर इंडस्ट्री हो उसी रीजन का एक बोर्ड हो, जिस में कंज्यूमर, मैनूफैक्चरर और ट्रेड एंड कामर्स के रिप्रेजेन्टेटिव शामिल हों। जब तक आप ऐसा बोर्ड हर रीजन या हर स्टेट में नहीं बनायेंगे और आप ने जो आल इंडिया टैरिफ कमिशन बनाया है, जबतक उस के साथ उस का कोऑर्डिनेशन और सीधा सीधा सम्बन्ध नहीं होगा, उस वक्त तक टैरिफ कमिशन की नीति देश में पैदा हुई चीजों के बारे में हमेशा इनएफिशिएंट रहेगी। जब तक इस कमी को दूर नहीं किया जावेगा बराबर इस किस्म की दिक्कत बनी रहेगी। गवर्नमेंट अपने आंकड़ों की बिना पर तमाम कोशिशों से सही नतीजे निकालते हैं। उस वक्त तक स्थिति बदल जाती है। इस लिये जितनी जल्दी हमारे देश की प्रगति हो रही है उस तेज़ी को सामने रखते हुये काम करने की जरूरत है। जो भी वाकयात पेश हों उन का पूरा लिहाज रखना जरूरी है। और जिस समय में वह पेश हों उसी वक्त रखना जरूरी है। तभी हमारी इंडस्ट्रीज़ बढ़ सकती हैं। तभी जिस इंडस्ट्री को हम प्रोटेक्शन देते हैं, उस की जो पैदावार होती है उस से कंज्यूमर्स फायदा उठा सकेंगे और हमारे देश की जो जरूरतें पूरी होनी चाहियें वह पूरी हो सकेंगी, वरना 'का वर्षा जब कृषि सुखाने'? जिस वक्त हमें जिस चीज़ की जरूरत है उस के ऊपर आप ने उस वक्त ध्यान नहीं दिया और बाहरी देशों से आ कर वह चीज़ बाजार में पहुँच गई, और लोगों की जरूरत पूरी

हो गई, तो फिर आप के उस इंडस्ट्री को प्रोटेक्शन देने से कोई फायदा नहीं हो सकता।

जिन इंडस्ट्रीज़ को हम प्रोटेक्शन देते हैं उन के द्वारा जिन चीज़ों को तैयार किया जाता है उनकी क्वालिटी और उनकी कीमतों पर भी हमें नज़र रखनी चाहिये। कंज्यूमर्स के इंटेरेस्ट को सेफगार्ड करने का यही एक तरीका हो सकता है। अगर आपने कीमत तो कम कर दी लेकिन उस चीज़ की क्वालिटी खराब कर दी तो उस चीज़ की ज्यादा खपत होने वाली नहीं है। इस वास्ते आपको देखना चाहिये कि एक तो क्वालिटी अच्छी हो और दूसरे कीमत भी न बढ़ने पाये।

इसके अलावा टैरिफ कमिशन का जो काम है, उसको और अच्छा बनाने के लिये यह जरूरी है कि आप उसको और फैलायें और उसको और ज्यादा विस्तृत करें। इसको इस तरह से फैलाया जाना चाहिये कि हमारे देश में जितने भी रिजन हैं उनकी जो स्थिति है, वह जल्दी जल्दी हमारे सामने आये और जिन आंकड़ों को हम आज एकत्र करते हैं उन पर जो भी कार्रवाई हमें करनी है वह फौरन की जानी चाहियें। अगर इस तरह से काम किया जाये तो मैं उम्मीद करता हूँ कि हमारी जो टैरिफ पालिसी है जिसके जरिये से हम प्रोटेक्शन देते हैं वह लाभदायक सिद्ध होगी। अगर ऐसा न किया गया तो यह महज़ एक दिल को समझाने वाली बात ही रहेगी और जो हम इससे नतीजे निकालते हैं चाहते हैं या जो भ्रमसद हासिल करना चाहते हैं, वे हम नहीं कर पायेंगे।

अन्त में मैं इतना ही कहना चाहता हूँ कि यह बात बिल्कुल साफ है कि इस बिल के जरिये आप जिन इंडस्ट्रीज़ को प्रोटेक्शन देना चाहते हैं उसकी कोई मुस्लालिफत नहीं

करता और न की जा सकती है। उसका मैं पूरे तौर से समर्थन करता हूँ। लेकिन इसके साथ ही साथ मैं यह भी कहना चाहता हूँ कि टैरिफ कमिशन ने जिन ११ इंडस्ट्रीज़ को प्रोटेक्शन दिया है, अभी तक उन के बारे में रिपोर्ट तैयार नहीं की है। मैं चाहता हूँ कि वह अप-टू-डेट आंकड़े इकट्ठे करके अपनी रिपोर्ट प्रस्तुत करे और उसको एक साल या दो साल पुराने आंकड़ों के आधार पर कोई रिपोर्ट नहीं देनी चाहिये।

Shri Achuthan (Cranganur):
Mr. Deputy-Speaker, Sir, I welcome this Bill. Some of my hon. friends have already spoken on the detailed provisions of the Bill. In fact, Shri Bansal, who is an authority with regard to these matters, has dealt in detail and given some remark about the working of the Tariff Commission. I endorse his view. He said that the Commission must expeditiously do the work entrusted to it. There is no excuse for delay in the work of the Commission. If at all there is any difficulty, it must be looked into and the Government must see that the Commission completes the work that it has taken up so that the industry can rest assured that some process is going on whereby the Government would be able to give proper protection where needed and see that the industries are quite prospering.

Now I come to some of the items in this Bill. With regard to fruits and sago I have also to offer some remarks. Shri V. P. Nayar and Shri Thomas have already spoken about them. In fact, our region has got a number of varieties of fruits. I do not know whether the hon. Minister knows about jack fruit that is grown in our parts. That is produced in abundance in our region. That is a seasonal fruit and is available only during March and April. After those two months when the rainy season starts, although plenty of those fruits will be available all will go waste. There is no facility available to preserve them. Jams can be made

out of them. Even raw fruits can be preserved by adding some syrups. There are a number of methods by which these fruits can be preserved, but no attempt is made in that direction. If these fruits are preserved, they can be made available to the people in Central and North India. It is a very delicious fruit and people say that it has been found to contain nutritive elements also. Therefore, merely giving protection to fruits is not sufficient. The Government must see that industries come up to preserve these fruits, whether in the private sector or in the public sector, or jointly by both the Government taking some of the shares. The Government must see that the necessary technical 'know-how' and raw materials are made available. Shri V. P. Nayar mentioned about tins. Sugar also must be made available. In fact, there are many fruits which can be preserved. There is jack fruit, pine apple, plaintains and so on. Plaintains are not seasonal fruits. Plaintains can be grown at any time.

There are many varieties of plaintains. We have got a special kind of bananas. With the construction of new dams and other irrigational facilities, in areas where practically nothing was grown previously, now you can see bananas grown in thousands. Almost estate-wise you see gardens where even 5,000 banana plaintain are grown. Previously we could find only 50 to 100 banana trees in one garden, and that too was grown with very great difficulty. Now I have seen personally gardens having 5,000 to 7,000 trees. Bananas can be grown in any season because of the improved irrigation facilities. Therefore, the Government must, without waiting for private parties to come up, give due encouragement and ask the State Governments to have pilot schemes so that private parties can copy them and have their own industries in those regions. As I said already, we have got a variety of fruits in those regions. We have got a variety of plaintains. There are cashew apples which, as stated by Shri Thomas, go waste. I understand

[Shri Achuthan]

that some experiments were done for some medicinal purposes. I think the juice of that fruit can be extracted and converted into some syrups.

My friend was arguing about pine apples. In some parts of my constituency—Trichur and suburbs of Cochin, pine apples are grown in abundance. That also is not a seasonal fruit. It is grown in all seasons. I understand that a Bombay firm has gone over there and started the industry on very favourable terms. The people there complain that this Bombay firm dictates terms. This firm says that it will purchase the fruit only at a fixed rate and nothing more. The people there have no other facility to preserve the fruit. The Bombay firm has got a monopoly over it, as far as Trichur and other parts of my constituency are concerned.

Coming to sago and tapioca there is one difficulty because of the rise in the price of rice. Poor people take tapioca in large quantities because of the rise in the price of rice. Unless the Government take some measures to give due encouragement to tapioca cultivation, there is bound to be competition between the sago industry and the common man. People will require tapioca at cheap rates whereas the sago industry will pay higher prices. The cultivators will naturally sell the commodity to the industry and the common man will suffer. That is the main item of food in our parts; I do not know whether the Minister knows it. In some families tapioca is the main item of food and rice is only a second item. It is only due to poverty and unemployment that they go in for this item. Therefore, all the care must be taken by Government in this respect. I see from the Report that the Tariff Commission is going over there during December-January to enquire about this industry. The Government must inform the State Government about this and ask them to look into all matters and give proper evidence

before the Commission so that they can come to reasonable conclusions by which the industry will prosper, the cultivation will increase and the common man will not be put to much difficulty due to the rise in the price of tapioca for industrial purposes.

These are the few observations that I have to make on this Bill.

Shri M. M. Shah: Mr. Deputy-Speaker, Sir, I am very grateful to the Members for the very constructive criticism and suggestions that they have offered on this Bill. I am also most grateful to all the hon. Members for the generous references that they have made to the work of the Government and the Tariff Commission. Even though some hon. Members had a few points to suggest about the working of the Tariff Commission on one point or the other, on the qualitative side of the work of the Commission, I should like to say that on the whole hon. Members were highly satisfied with this work that the Tariff Commission has done in the last few years. After all, all these observations are born out of the experience that the working of the Tariff Commission has generated in this country. As I mentioned in the earlier part of my speech while moving the Bill for consideration, the very fact that the three industries under consideration, for which the Tariff Commission's recommendations are being embodied in the present Bill, have registered phenomenal progress shows what great care the Tariff Commission has given to each aspect of the industry under their care.

There has been some observation about the delay or the work that the Commission has done in the last year. My friend Shri Bansal mentioned that in the last year there have been submission of only eleven reports. Mr. Deputy-Speaker, may I draw the attention of the House to the very figures that Shri Bansal placed before us. In 1952-53, 19 reports were submitted by the Commission. 21 reports

were submitted by the Commission in 1953-54. In 1954-55 the Commission submitted 25 reports. All these go to show that continuously the Tariff Commission is not only exercising a very qualitative influence on the development of industries, which is the primary function, but in the expeditious disposal of the work also the number of industries considered by them is increasing.

The question might naturally arise as to why, in the year 1955-56, only eleven industries were looked into by them and only eleven reports submitted. I think that it is very clear that the nature of the work in regard to certain industries which they undertook during 1955-56 has also to be borne in mind in this connection. The Commission was engaged in looking after one of the most basic and important industries in this country, namely, locomotives, and another important industry, namely, automobiles. These two industries are so widespread and so very essential and vital for the needs of this country that it was the Government's desire—the Government instructed the Commission in this regard—that the Commission should make a very thorough study and that a long-range policy for the development of locomotives and automobiles industry in this country should be formulated and laid down. It was only because of that that the reports submitted by the Commission are with respect to eleven industries only. I may assure the House and the Members who have shown their anxiety and concern in this connection that it was no laxity on the part of the Tariff Commission but that the very vital and keen interest which the Commission has shown towards these two basic industries has been responsible for the submission of fewer reports in 1955-56 compared to the progressively increasing number of reports that they had submitted during the last three years.

There was also an observation made by my friend Pandit C. N. Malviya regarding the function of the Tariff Commission. As all of us know, the

Tariff Commission is like a Board of Health for industry. It is not a principal nutrient; it does not develop industries by a sort of promotional activity. Its main work is to look to the health of the industries, particularly, the protected industries under its care. The figures of production should be compared in this light. I may repeat to the House a few figures which I had already mentioned. They would go to show that clearly, the health part of it has been properly looked into by the Tariff Commission. Any promotional activity like the setting up of regional boards in different States is clearly not within the purview of the Tariff Commission, nor was it contemplated by this House when the Tariff Commission was established in 1951 by an Act of Parliament.

The industries which we are currently considering are the calcium carbide industry, the transformer industry and the ball-bearing industry. As I have already mentioned, production in one case has been almost three times. In the case of the ball-bearing industry, the production from 2,30,000 units has gone to a million units. In the case of transformers, the production has risen from 1,53,000 KVA to 8,64,000 KVA, which itself shows how very carefully the Tariff Commission is looking into all these industries which are entrusted to it for examination.

As for the developmental aspect of industries, we are very shortly introducing in the House a Bill called the Industries (Development and Regulation) Bill, with a view to amend it. This was an Act of Parliament, enacted in 1951, and it came into existence or actual effect from 1952. I can assure the hon. Members, who have shown great anxiety and care about these industries, that not only the development of industries in the entire country is being looked into, but the development of each industry indigenous to each region is also being looked into and special care is being exercised towards that aspect. We are

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looking into the problems of each State—what raw materials are available and in which parts of the State, the maximum extent to which the industry could be developed in the earliest possible time, etc. But I may submit that these are not the functions of the Tariff Commission, as such to look into.

Then, I come to the other aspects of the Tariff Commission, namely, the working of the Tariff Commission. It was also asked as to whether the recommendations and the criticisms that the Tariff Commission makes with respect to several industries are being borne in mind by the Government or not. I can assure the House, on behalf of the Government, that every recommendation of the Tariff Commission, as I would presently show in respect of three industries mentioned earlier, is very carefully gone into. Not only are they gone into but immediate steps are being taken to implement each one the recommendations of the Commission.

It was also mentioned that a stage has now come where perhaps the working or the orbit of working of the Commission might be slightly changed from its original function. I may submit that even though I agree to the widening of the Tariff Commission's work in principle, I do not concur with the view that the Tariff Commission's original function to look after the health of the industries is over or has become less important than the other work. I would say that for many more years to come, till the industrial base of this country is very much lifted, no such change is to be made. Today, the base is so small and therefore the increase in figures, in comparison, becomes almost very realistic. The base is 100, and with a 30 per cent increase, it becomes 130. But the base is so small and the output of the industry is very small; as such, mere percentages should not satisfy us and divert our attention from the basic aspects which have been entrusted by Parliament to the Tariff Commission, and make one say

that the Tariff Commission should be discontinued. It will have to continue function in a larger measure in the coming years along with the increase and development of industries. The protective aspect of industry and also the health aspect of industry will be continuously pursued by the Tariff Commission. It is true that a stage has now come when the consumer aspect, that is, the price aspect, and the quality aspect should also be looked into by the Tariff Commission.

I may inform the House—and I hope the hon. Members will be glad to note it—that several enquiries of this nature have come in. Very soon an enquiry on the cement industry is being entrusted to the Tariff Commission. The Commission has been specifically asked, not about the protection that may be desired by the industry as against foreign competition but has been asked to enquire into the working of every unit of the industry, how efficiently it has been doing the work, what is the price structure and the cost structure of production of each unit of the cement industry, what price-level is reasonable, what particular areas should be kept for the production of cement, etc. All these points are being referred to, while keeping in view the development of the cement industry continuously in mind. Several such enquiries touching the different aspects of the industry are being entrusted to the Commission. I can assure the hon. Members—Shri Bansal and some others who have expressed their anxiety in this connection—that the price structure, reviewing the work of the industry and the development of the industry, reviewing the technological improvement and the technological development of each industry, whether production is taking place in a proper, scientific way, etc.,—all these points are also being entrusted to the Tariff Commission along with the original aspect of looking after the protective part and the health part of the industries.

I now come to the individual items to which several hon. Members have

made reference. I will first take up the calcium carbide industry, because that is an industry which has come under protection for the first time since its manufacture in this country. It is true that the unit which has been established at Calcutta is not scientifically located. We may not forget the days when this industry come up in that region. It was at the express desire of the then Government of India that it came in. The firm was almost cajoled and was told to go ahead with production, because, during the war years, calcium carbide was a very important material, both for indigenous as well as for war requirements. But, as my hon. friend Shri V. P. Nayar has said, this industry is a highly technical industry. It is not merely limestone and electricity that are essential. As the hon. Member knows, it is not that any limestone can produce calcium carbide. It is not that every type of limestone is useful for this industry. Nor can high cost of electricity ever help to produce calcium carbide at a reasonable price. The main difficulty in the Calcutta unit is, as was ably put by the Tariff Commission themselves, the limestone that they are getting there is not of the proper quality. Any limestone is not good for this industry. The limestone should have practically no phosphorous, no arsenic, no iron. The physical structure of limestone is also of great importance. It has to be somewhat hard,—not too soft—and crystalline and porous its structure. The experiments conducted round about Calcutta, of some of which I have personal knowledge, show that this factory is not in a position to get the right type of limestone. It is also doubtful whether good limestone of the requisite type and quality will be available in any other place near about Calcutta in this country.

Another point regarding calcium carbide has also to be looked into. The process of development in other parts of the world in respect of calcium carbide has not so improved as to make a shift of this industry to another location economically possi-

ble. As every hon. Member knows, the removal of an industry like this, where brick and mortar and electrical furnaces and appliances are the main equipment and machinery and where the salvage value is hardly 10 per cent, would merely mean the destruction of a unit without any corresponding gain to the community. It is therefore in the other direction that the Government has applied its mind. I may submit that as a result of very strict instructions issued by the Government, the concern has improved the quality. From 3.4 cubic feet of acetylene per lb. it has now improved to 4.4 cubic feet of acetylene per lb. of calcium carbide as against the world standard of 4.8 cubic feet. I hope it will further improve the quality to reach the British standard specification of 4.8 cubic feet. Also, the phosphorous content of this material has improved. From .01% the present content has come down to .008% and it will soon reach the British standard specification of .006%. Phosphorous is one of the dangerous components in calcium carbide and its content should be reduced to the minimum.

Several members have spoken about the reduction of price. I may inform the House that the reduction of price in respect of electric power is not very much likely to materialise, but there is another aspect of it, namely, enlarging the capacity which is possible. At the present moment, the production is about 3,000 tons per annum. Recently who have given licences for production up to 6,000 to 9,000 tons, so that all the overheads and the consumption of electricity per ton of calcium carbide may considerably go down. In that direction very active steps are being taken and I hope those steps will help them to reduce the price of calcium carbide considerably.

Coming to the point why new industries should not be located in more favourable circumstances and in more favourable locations, I again repeat before the House what I told in my preliminary observations that four

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more units have been licensed, two in the State of Kerala, one in the State of Madras and one in Bombay, where *prima facie* good limestone of the requisite quality and cheap power are available. I can say from my personal observations that all these units are encountering so many difficulties of a technical nature, over and above the financial difficulties. So, this special industry will require the continuous support of all the hon. Members before it can really stand on its own feet. I am glad to see that on the whole the House has very warmly welcomed the protection to this very vital industry and I can assure the House on behalf of the Government that we will be taking all active steps to reach the target of 30,000 tons by the end of 1960-61.

I now come to the next industry—fruit preservation industry—about which several Members have rightly expressed their anxiety and keenness. I did not dwell on it in my preliminary remarks because it is not an industry on which the Tariff Commission has given a detailed report. However, as it is a very vital industry it is very right that hon. Members should be very anxious about its development. I may mention some of the positive steps taken by the sister Ministry—the Food and Agriculture Ministry—in this regard. In 1955, the Government of India appointed a Fruit Preservation Panel and the report of that panel has already been received by the Government. The Government have provided Rs. 1,75,00,000 for the next five years for the promotional and developmental aspect of this industry. I am sure the House will be glad to hear this. As some hon. Members have rightly observed, it is not merely the protective aspect which can put this industry on a right footing. It is the promotional and developmental aspect which alone can develop an indigenous industry. One hon. Member mentioned that the Government has not accepted the recommendation of the Tariff Commission for giving some special subsidy of Rs. 500 per ton of tinsplate.

I can assure the hon. Member that this recommendation has been accepted and a subsidy of Rs. 500 per ton of tinsplate has been sanctioned for this industry and it is also under consideration whether some more subsidy toward price of sugar should be given to this industry. Some positive steps in this direction may also be forthcoming by way of giving liberal loans at low interest. The House will be glad to know that from a production of 20,000 tons, which is the current figure, the Government have fixed a target of 50,000 tons in the second Five Year Plan. Even in the last few years, one cannot quite correctly say that the industry has not been looked into by the Government. From the production of 9,000 tons in 1951, the present production has come to 20,000 tons. Of course that is not very much, but that shows the trend in which the Government is trying to help this industry. As several hon. Members rightly suggested, this industry should be given its proper place not only in the interest of the development of the industry, but in the interest of the cultivator and the grower in this country. Regarding the export side of preserved fruits, the target has been raised from only 1,000 tons to 12,000 tons. A country like ours which is predominantly agricultural should benefit by exporting preserved fruits as much as possible.

Regarding the tin-plate industry, a reference was made that this is exclusively confined to only one company. I may inform the House that very active steps are being taken by the Government in this matter. In Rourkela, we are going to instal a tin plate plant with a capacity of 65,000 to 70,000 tons a year and this will also greatly help to meet the requirements of tin for canning purposes. Also, another industry which is making tin plate in this country is doubling its capacity very shortly. I am referring to the Tin Plate Company of India. Special care has been taken to see that the variety required for the canning of fruits is produced.

Shri V. P. Nayar: The tinplate manufacturers do not make the specific variety which is required for the canning industry. They have suggested that some other variety is required which involves a very heavy initial cost. Is that problem going to be solved?

Shri M. M. Shah: My hon. friend is right, namely, that the quality manufactured at present is not of the requisite standard. It is not that it is completely useless, but it is not up to the standard required for preserving fruits. In the Rourkela Plant, the Government have taken special care to see that a portion of the production of 60,000 tons of tin plate is devoted to meeting the requirements of the fruit canning industry.

Coming to the ball bearing industry, a reference has been made by one hon. Member that there are several small units which are manufacturing ball bearings and they should be given proper protection. I may assure him that all steps to develop this industry and help the small units are being undertaken very rigorously by the Government in the small-scale industries section through the Small-scale Industries Corporation and the other regional institutions which have been set up throughout the country. As a matter of fact, this industry is looking up and I am getting data from several places where the smaller units are functioning. Ball bearings, steel balls and roller bearings are not industries which can be very easily trifled with, because they are used in locomotion and wheels turning at extraordinary speeds. So, the Government cannot overlook the need for a lasting development of this industry producing high quality and precision bearings and as such, steps are being taken to see that more units are established very soon in this country for manufacturing different types of ball bearings.

[PANDIT THAKUR DASS BHARGAVA in the Chair.]

15 hrs.

The House will be glad to know that very soon one of the two proposals which is being actively considered will fructify and our requirements in this branch of industry will be more or less fulfilled in the coming few years.

A reference was made to the tapioca industry. It is not one of the industries on which the Tariff Commission has reported on, but I am sure that a Committee was appointed by the Government of India, headed by Dr. Nagaraja Rao. This Committee visited Kerala and submitted a report to us. I think it will be taking certain important decisions.

Shri V. P. Nayar: They visited Kerala and then held a public inquiry at Bombay.

Shri M. M. Shah: They visited Kerala once. Being the principal crop of the State, it is a very important industry, and as hon. Members know one of the glucose factories and the starch industries established in Kerala are principally based on the utilization of tapioca.

There was one mention about non-ferrous metals also by my hon. friend Shri Kasliwal. He rightly mentioned that the Zawar mines which were the only mines in this country which were giving the zinc were not being developed. I can say with full confidence that the present Corporation to which this work has been entrusted is going ahead absolutely according to schedule and production by the end of December is expected to go to 500 tons of ores per day and by end of the year 1958 the production is expected to go to about 1,000 tons per day. It will not be correct to say that they have failed in their endeavour to produce zinc in this country. It is impossible to produce zinc until a sufficient quantity of electrical power is made available, and the Chambal Project is not likely to function, until the end of November 1959 and I can assure the House that by that time the zinc smelter would have been es-

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tablished, if no other type of adverse circumstances arise. From a *prima facie* observation and preliminary data that we have got, the indications seem to be that the resources in that area seem to be good, the ore is good, electricity is easily available, and the water resources are also there. If all factors conducive to the location of zinc smelter in the Zawar Mines area found technically and economically sound and feasible, we hope that the zinc smelter will come up there according to the schedule which the Government have drawn up and for which a continuous review is being made every three months.

Most of the points which hon. Members made, I have tried to meet. I can only say that regarding the non ferrous metal industry, very great attention is being paid from different directions and I would not take up the time of the House by going into the various details.

Most of the hon. Members know that our present production of Aluminium comes to about 12,500 tons per annum and in the Second Five Year Plan, we are hoping to produce 40,000 to 50,000 tons per year. One of the factories is coming up in Mettur and another in Rihand. We are very much conscious of this fact that the country needs development in non-ferrous metal part of the industry. We are giving it a very high priority and all due care will be taken to develop it.

Sir, I am very grateful to hon. Members for the active support they have given and the generous references they have so kindly made in this connection. I have taken note of all their observations and I can assure them that their constructive comments, which are very useful will be looked into properly. I can assure every hon. Member that all the suggestions that have been made in order to improve the working of the Tariff Commission and the working of the industries which are expanding at the cost of the consumer will be properly

looked into as the benefits are to be derived by the country, the consumer and the industry.

Mr. Chairman: The question is:

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

The motion was adopted.

Mr. Chairman: I will put all the clauses together

The question is:

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

The motion was adopted.

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

Shri M. M. Shah: I beg to move:

"That the Bill be passed."

The motion was adopted.

INDUSTRIES (DEVELOPMENT AND REGULATION) AMENDMENT BILL

The Minister of Heavy Industries (Shri M. M. Shah): Sir, I beg to move:

"That the Bill further to amend the Industries (Development and Regulation) Act, 1951, be taken into consideration."

Sir, as hon. Members of this House are aware the Industries (Development and Regulation) Act was enacted in 1951. The object of that measure was to bring within the jurisdiction of the Union Government certain industries of all-India importance and to provide a machinery by which these industries could be developed and regulated in conformity with the National Plans. As the House is aware, this Act actually came into force in May, 1952. In 1953, certain amendments were made to this Act, mainly for the purpose of removing certain