

*No hon. Member dissented.*

MR. CHAIRMAN: Permission to remain absent is granted.

**ALLOTMENT OF TIME FOR CONSIDERATION OF THE REPORT OF THE COMMISSIONER FOR LINGUISTIC MINORITIES**

MR. CHAIRMAN: I have to inform Members that under rule 153 of the Rules of Procedure and Conduct of Business in the Rajya Sabha, I have allotted three hours for the consideration of the Government motion regarding the Fourth Report of the Commissioner for Linguistic Minorities.

**THE INDIAN TARIFF (AMENDMENT) BILL, 1962—continued**

THE MINISTER OF INTERNATIONAL TRADE AND THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI MANUBHAI SHAH) : Sir, yesterday it was to late to speak when I moved the Bill for consideration. This Bill mainly seeks to amend, as Members would see, the Indian Tariff Act, 1934 in order to give effect to Government's decisions on certain recommendations of the Tariff Commission, which are: —

- (a) to continue protection beyond the 31st December, 1962 in the case of (i) sheet glass, (ii) certain articles falling under non-ferrous metals and (iii) ball bearings; and
- (b) to discontinue protection with effect from the 1st January, 1963 on (i) stearic acid and oleic acid, (ii) certain articles falling under non-ferrous metals and (iii) plastics—(P.F. moulding powder).

A review of antimony industry (protected up to the 31st December, 1963)

was undertaken on the basis of recommendations of 1958 report of the Tariff Commission. There is no change either in the existing *ad valorem* duty or the existing period of protection.

Copies of the Tariff Commission's reports on all these industries and of Government's Resolutions on these reports have already been laid on the Table of the House and notes on each of these industries have been circulated for the information of Members of the House. So, I will not take the time of the House in elaborating on what is contained in those reports. There were 34 industries on the protected list on 1st January, 1959. On the recommendations of the Tariff Commission, protection granted to ten of these industries has since been withdrawn. Then, I want humbly to draw the attention of the House to the fact that it has been consistently the policy in the country that protection is continued or granted to an industry for the minimum time that is required to make that industry strong and healthy enough to stand on its own legs—not a day more than what is fully justified by the economics of working of the industry concerned—and in line with that policy ten industries had been de-protected.

Last year out of 24 protected industries, titanium dioxide, electric motors, calcium carbide, soda ash and caustic soda industries were reviewed and in all the industries protection was extended with a view to allowing the industries to stabilise their position. The Reserve Bank of India's financial analysis of the working of joint stock companies during 1955—60 shows that the period witnessed general improvement in the financial structure of industries. The processing and manufacturing group, to which most of the protected industries belong, showed good progress. If we see the history of the last ten to twelve years since the Tariff Commission has been active in analysing the working of these protected industries, we feel satisfied, the Government feel satisfied that a very large number of industries have been

de-protected. In some industries where protection had to be continued, the quantum of protection has been reduced and the general principle is, as laid down by this august House, that no industry should be allowed protection for a period more than what is desired, and the time extended for protection is not more than what is the minimum necessary to enable it to compete with the corresponding foreign industry.

Then, there is the question which has been generally asked about the burden on consumers that these protected industries impose. Here I can only say that it is consistent with the history of economic growth in other countries, though when a newly industrialised country comes of age there will always be need for a certain period of gestation during which period the protection of the indigenous industry against foreign competition becomes inescapable. In that spirit, in our country also a very wide base of industries has grown up whereby the burden on the consumer has been tried to be minimised by the relative vigilance that the Tariff Commission and the Government of India in the different Ministries are exercising on the growth of these industries. From the various reports placed before the House one can see, for instance, that the ball bearings industry three years ago had been adversely criticised by the Tariff Commission itself in regard to both the quality and the price structure. Now, not only has the production gone up, but also in general the quality of the bearings produced in this country has improved. Simultaneously, for such qualities of ball bearings which can be conveniently manufactured in the small scale sector like big ball bearings for the cycle or the hand-pulled rickshaw or the various types of semi-automatic weapons, where high precision is not required, the small-scale industries have been developed and their production has also gone up. Even in the case of the large-scale units, the quality, as I

said earlier, has considerably improved, though there may be occasionally some defects, which as the Tariff Commission has pointed out, are inherent in the structure of such an industry. We get complaints even on the imported types of ball bearings. Sometimes there are some defects even in the imported stuff. I only want to point out to the hon. House that the question of quality is uppermost in the minds of the Government and the Tariff Commission and no industry which is protected is allowed to produce sub-standard goods. If there is any complaint received, it is immediately attended to.

Then, Sir, some of the other industries have also been taken up. The sheet glass industry has shown considerable progress and more units are coming up in the sheet glass industry. We are now in a position not only to meet the national requirements but even to export to some extent. The sheet glass industry was at one time considered to be a very difficult industry for an underdeveloped country.

In regard to the non-ferrous metals industry also, there has been de-protection of a large number of alloys and semi-processed articles and only a few articles now remain, produced from non-ferrous metals, which are going to enjoy protection for some time to come. I have already referred to the ball bearings industry. Only in passing I may mention that we are thinking in the public sector to set up a huge project for the manufacture of high precision ball bearings, roller bearings, taper bearings, coach bearings, all kinds of ball bearings, from pin bearings to what is called the 36" ball bearings for earth-moving and tractor equipment. All these ball bearings are proposed to be manufactured. The project is under consideration, with the technical collaboration of a very highly competent country and the investment may range from

[Shri Manubhai Shah.]  
Rs. 12 crores to Rs. 20 crores in the public sector, because we consider that the ball bearings industry is a very vital industry. Between the large-scale public sector project and some of the private sector projects, we want to see that this very vital industry is developed to its fullest stature within the shortest possible time.

Regarding stearic acid and oleic acid, as the report mentions, it is sought to be deprotected. So also is the case with the plastics industry, where it has enjoyed sufficient protection and in the opinion of the Tariff Commission, which is approved by the Government, it does not need to enjoy any further protection; Therefore, these are the few industries which I have brought before the House under this Bill. On the general working of the Tariff Commission, as the House is fully familiar, I am not taking the time of the House. The Tariff Commission on the whole has been working very satisfactorily notwithstanding some somewhat minor controversies which sometimes arise due to some difference of opinion here and there. In all live organisations difference of opinion is a sign of health and not something to be derided at.

With these words, Sir, I would not take more time of the House, and I beg to move that the Bill be taken into consideration.

*The question was proposed.*

SHEI BHUPESH GUPTA (West Bengal):  
Mr. Chairman, right at the beginning I should like to make one or two observations about the Tariff Commission on whose recommendations the question of protection and various other matters are decided. As the Tariff Commission stand today, they have, I think, become somewhat outmoded, and the controversy in this respect is not to be brushed

aside in the manner in which the hon. Minister has sought to do. This is a very old institution which came into existence much earlier, and I think today even if you look at the terms of reference that are made to the Tariff Commission or the conditions in which they function or the method of their functioning, you would come to the conclusion that we need something better than this type of arrangement. Every year either by way of such Bills or otherwise we discuss the questions relating to the working of the Tariff Commission. We generally discuss it from the point of view of broad principles except those hon. Members who have certain very specific knowledge of it and who bring to bear on the discussion certain detailed matters which are not possible for us to go into, because this is a technical subject in a way. But you will have noted, Sir, that in the newspapers and also in other writings a controversy is gaining momentum that this Tariff Commission business has to be reviewed in the light of the experience that we have had over the past several years. I think there is something in it, and the Tariff Commission is not the type of organisation that we need to deal with the question of protection, the question of fixing prices, the question of priorities and so on, especially prices which I have in mind.

We say that the work of the Tariff Commission is wholly unsatisfactory as far as the prices are concerned or even their method of examining the cost structure in the industries. The Tariff Commission is heavily biased in favour of the industrial owners and those people who run the business and industrial concerns. This has been the experience of many people. I would request the House not to draw any ideological red herring about this matter because the criticisms on this score have come from Members belonging to all parties including the Congress Party. Therefore, we would like to know from the Government

whether in the light of these criticisms they are considering the question of the very institution, namely the Tariff Commission itself. We are not satisfied, man, people are not satisfied, and anyhow it has not led to very appreciable results either by way of fixing prices or otherwise. A technical job of this kind, of whether an industry should be given protection or not can also be left to any committee, and the Tariff Commission, I understand, has a much wider function than this. Anyhow the scope of its work is much wider. Therefore, these preliminary observations I wish to make, and I am glad the hon. Minister anticipated it and towards the end of his speech he just referred to the controversy without trying to tell us exactly what in his view the controversy was and what would be his reply to the critical points that had been made about the functioning and the work of the Tariff Commission. The hon. Minister, wise as he is, chose to be silent on both these counts.

Now, let me come to the question of protection of industries. As we have stated in this House time and again, we are not opposed to protection. In an underdeveloped economy when we have to catch up with modern economy, build up certain industries in our country against competition and so on, we naturally need to pay additional attention to them, and hence the need for protection so that they can not only grow but grow as fast as possible. In principle it is something which is not only desirable but also necessary in our economy. I agree, and there of course one has to pursue an elastic policy. Certain industries may have to be given protection in a given situation, they may not be given protection in another set of circumstances, it is possible; but I think even there within the broad framework of a flexible approach it is necessary for us to have certain other guiding principles very firmly established. In the first place I think we should deal with the question of prices. The present arrangement un-

der the Government is not at all satisfactory. I think the question of prices or the fixation of prices by the State cannot be satisfactorily handled unless we have a proper institution of cost accountants under the Government functioning all the year round covering every single industry in the country, more especially the protected industries. Unfortunately we do not have this thing. The institution of cost accountants is just developing in our country, and we have to rely more or less on the papers that are prepared by the departments concerned while we go into the question of prices. whatever else you may or may not say about our businessmen, they are past masters in double book-keeping. I am not saying that of every one of them, but Mr. Manubhai Sha'h certainly knows how they have developed this art of double book-keeping when it comes to the question of the matters relating to prices or matters relating to income-tax, corporation tax, and so on. Therefore, what is needed today is not to leave matters in their hands. I think the Government should develop a proper system of cost accounting to cover the entire industry, more especially the industries of the kind dealt with under this Bill, protected industries. I say that for all industries it is essential. We have not very direct experience in the sense when one works in such companies and so on, but it is well known how the prices are settled by the big company owners and the big industrial concerns. We come to know of such things sometimes from the trade unionists and so on who are closely linked with not only the trade unions as an organisation but with the productive processes as well. From their direct experience they tell us how the prices are manipulated before the Government comes into the picture, and the Government is placed in a situation or the Tariff Commission is placed in a situation where it more or less has to accept what the companies themselves have settled through their various manipulations, and so on. What is the protection against that? The Tariff Commission has not been a sufficient protection, it is quite

[Shri Bhupesh Gupta.] clear. Today we understand that with the productivity of the labour going up in our country, the pattern of the cost structure is also in some way changing in favour of the consumer. It would have been possible for Government if they had a proper system of checking the accounts and going systematically into the cost structure to compel these companies, especially in the private sector to bring down the prices in the interests of the country and more especially of the consumer. That should have been done. Government is a helpless on-looker in this matter; they cannot do very much in this matter at all. Therefore, this is one point which has to be borne in mind.

When we give protection to certain industries, it is all the more reason that we should go into their cost structure and look into their affairs so that we are in a position to find out exactly what should be the price policy of such industries or the price structure of a given unit or an undertaking! This is very very essential. This should be done. Government's giving protection means that they are giving them certain advantages, certain favours. It should be reciprocated by the industries, bringing in additional favour, not only in increased production or in higher quality in output, but also in falling prices wherever such a reduction of prices is possible. This is a very legitimate claim of the public and the people, and I am afraid that the Tariff Commission has not fulfilled the expectations of the people in this respect. Protected industries owe us a special obligation in the matter of prices, more especially those industries which are producing consumer goods. What is happening today? Some of the protected industries—it has been pointed out by Members on both sides of the House—take advantage of the protection in order to lower the quality and to push things which are not good, also at prices which are high. This has been the complaint with regard to a number of industries from time to time. I do not

say that the Government have not done anything to remedy the situation but what they have done is certainly not adequate to meet the requirements of the situation. This is all that I want to say in this connection. But it is well known, as you know, that whenever certain industries get protection, the internal industries here, they take advantage of the situation because they are protected against foreign competition, and they take advantage of their privileged position not to meet the needs of the consumer in a better way, not to produce better quality goods, not to produce goods at a cheaper price and so on, but to produce things that one has to buy because one cannot buy it from any other source, from any external source. Imports are restricted and the price has to be paid as determined and fixed by them. This again is not the right policy. Government should come to grips with this aspect of the problem and see that the protected industries function in the true interests of the country, not only by way of increased production and higher quality of goods but also otherwise in the interests of the consumer. And one of the tests in this respect would naturally be a reduction in price.

Then with regard to the protected industries, when I make this point he also gives an answer. I do not say that the hon. Minister is not thorough in his subject. He always gives an answer when I say that it is necessary to make a certain distinction, a certain discrimination. For example, these protected industries which have a foreign interest involved in them should be treated in a particular way because when we are giving protection to industries to build up a modern economy in our country, to develop industrialisation and promote industries generally, we would not like to see foreign investors, private individuals, taking advantage of this situation and making extraordinary and undue profits out of them. Some time back, I was reading a certain publication from London—I think it was

The Manchester Guardian' or "The Daily Telegraph"; I cannot exactly remember which—where their economics correspondent told the investors in the City of London how fine it was to invest in India today. Then he went on to say:

"Under the British we were disfavoured by the Indian nationalists, Indian leaders. Today we are much favoured. In the first place, the Five Year Plans give us a prestige when we invest money there. We fly under the colours of the Five Year Plans. On the other hands, it enables us also to take advantage of the protection that is given to the industries there."

Something like this is what he wrote. You invest money in India because you can gain in prestige and it will be shown that you are participating in the fulfilment of the Five Year Plans. Also you will be getting, in some cases, protection which is given normally to Indian nationals because you go there as an investor, and so long as you are there in a protected industry, you participate in the protection of the industry and get advantage out of it. Certainly, this is not very edifying thing for us. Something should be done to make a little discrimination, between an Indian capitalist and foreign capitalist. The Indian capitalist is after all an Indian and his wealth remains within the country normally. It is not taken out of the country by way of profit, interest, dividend and so on, and whatever is earned remains the asset of the Indian national, and remains in the hands of the Indian State. If you put it in that way, when we take it over. Anyhow, it cannot be disposed of to the disadvantage of our country generally. But when a foreigner comes, invests his money and starts industries here, in the first place, a part at least of the profits and dividends which are earned is sent out of the country, which is a loss to the country. Especially, when we have foreign exchange difficulties, this loss

is severe. Secondly, under the agreements in such cases they are in a position to sell whenever they like and take all the capital money out of the country. All the while, they have been taking advantage of protection. Therefore, you will see that this system of protection, as far as the foreign element is concerned, is not based on very secure and solid national foundations. That is the point that I would like to make. A discrimination has to be made.

Of course, I would like the smaller industries to gain. It is necessary for the Government to consider from time to time which of the smaller and medium industries are handicapped because of foreign competition and would require protection. Although in the priority list they may not figure very high, from the point of view of national economy as a whole, they should be considered. In such cases, I would like this matter to be approached from the point of view of medium and small industries also. Now, it is not for you to say, but somehow or other, we have the impression that certain big industries which have got good assets and so on generally get protection whereas the smaller ones do not always get protection. Well, this is for the Government to consider but here again, I should like to discriminate.

And then comes the question of public sector and private sector. That is very important today. I do not know where we stand with regard to the equation of the private and the public sectors. It is a changing ratio all the time and one does not know where the Planning Commission is going to land us ultimately. We were told at the start of the Second Five Year Plan that the public sector would be developed much more rapidly than the private sector. The ratio would be continually changing in favour of the public sector, we were told. Undoubtedly, investments have been

[Shri Bhupesh Gupta.] made in quantitative terms, in monetary terms, in the public sector as well; they have gone up; no doubt about it. But so has the private sector. When I say private sector, I do not have in mind the small and medium industries. I have in mind the big organised industries, which actually is the description of private sector when we talk about private sector here. That position should be borne in mind. I think, when some of the public sector industries should be promoted, if necessary they should be given every possible protection so that they can stand against competition from the foreigners and so on.

Now, Mr. Chairman, here, in this connection, again I cannot but touch on one point. For many industrial raw materials in the private sector protected or unprotected industries we have to rely, somehow or other, it seems, on imports, and it seems that these industries, which are foreign-owned or foreign-controlled generally, go in for imports for their requirements of industrial raw materials instead of developing these raw materials within our country. I think that again is a point that should be borne in mind. The Tariff Commission surely pays attention to this thing, but if you look at the Reserve Bank figures and other figures and so on, you find that still we are spending huge amounts of money for importing industrial raw materials. Why should it not be possible in our country? For ten years or thirteen years of planning why should it not be possible to create a situation where we get much more than we get today, industrial raw materials from the internal resources within the country? That is another aspect of the matter that one should bear in mind.

Now, therefore the question of protection has to be judged, not as in the old days, some ten or fifteen years ago, or even now five or six years ago.

Today we have made a little advance in the industrial sector. We have developed certain machine building and other vital industries in our country; we have to do much more, I know. But when we deal with the question of protection now, we must see that the economy does not rely on protection indefinitely. This is most important because, whatever you may say, if the policy of protection continues, it comes in the way of normal development of trade with the various countries. So, that is one factor which cannot be accepted as a long-term principle. After all we stand, or if I understand the policy of the Government right, ultimately we stand for normal flow of trade, export and import trade, between our country and other countries. Now, the protection is an artificial arrangement. As I said, it is a necessary arrangement in a given situation, but it is an artificial arrangement, and we should see that the industry becomes self-sufficient, and the industries get past that stage when they would require protection. This is very very important. I should like to know from the Government whether they have got any idea as to how long this protection will go on. I am all in favour of protection so long as necessary. But I ask this question in order to assure myself that by a given time we shall be absolutely dependent on our own industries, that vital industries will be in a position to hold their own without having this kind of protection or artificial arrangement. That is why I ask this question. This cannot be done, Mr. Chairman, unless we step up industrialisation in the country.

Well, we are not satisfied with the rate of progress. We have been given some statistics as far as the heavy and machine-building industries are concerned—steel and so on. Undoubtedly considerable advance has been made; in other fields too advance has been made; I am not denying it. But if you take the total rate of industrial development, then it is extremely

glow. We want a much faster rate of industrial development in the country, number one. If you look at the share of industrial goods in the total national income, or the share of industry, so to say, in the national income, you will see that the percentage remains more or less the same. It has improved a little, but materially it has not. You do not see any big qualitative change in this matter. Here again I think all these commissions and so on, which are engaged in this task, should see that industrial development goes on on a much faster scale. Now here again the problem of the public sector undoubtedly comes in. Therefore, unless you have the public sector and unless you have a higher rate of industrial development, you will not overcome the phase when you need protection of this kind. I say this thing because today a number of other nations, newly liberated nations, are looking forward to imports from other countries. The South-East Asian market and also the Middle-East market are there. Now, the hon. Minister just said that the ball bearing industry was a good industry, and I think some other industry there, the sheet glass industry, and so on have developed and some of them were in a position to export. It is a good thing. I support this thing—export should be protected by all accounts. But today, if we want to tap the unexplored markets that are opening up before us in South-East Asia, in parts of Africa, in the Middle East, due to their developing economy, because they are developing their economy after their independence, then naturally we need to develop our own Industries and those industries which are in a position to export things at a faster rate. We have the advantage of a lead in this matter as far as the newly liberated countries are concerned and I think we should take full advantage of this lead and develop. It is not a question of cut-throat competition. Also I would stand for proper international division of labour. We need not produce things to a very great extent, things which we can, on advantageous terms,

import from certain countries, whatever the countries are, but as far as the vital things are concerned, we must be absolutely self-sufficient, and we should meet our requirements, of imported machinery and so on by exports. On this score again we are not doing very well. Therefore, the protection policy of the Government should be related to the entire industrialisation policy of the country. The British used to treat it in a particular way in the old days—this kind of thing. Somehow, under the pressure of the Indian capitalists they used to give a little protection, and you know what a fight used to go on on the floor of the Assembly and otherwise to seek a little minor protection from the British. It was given unwillingly; the British were forced to do so under certain circumstances. Today, we are free and our protection policy should have wider scope and perspective in this matter. We should give protection, administer and shape our protection policy in such a manner that it promotes industrialisation all along the line, it raises the quality of the goods, it brings down the prices of consumer goods and it makes the country self-sufficient leading ultimately to a situation when there will not be any need for such a kind of protection. I think the hon. Minister likes to see the day when there is no need for protection.

And now finally I would say something about this Tariff Commission which is a body of conservative men. You see who are the members of the Tariff Commission. They are taken from among people who are very very conservative. I think most of them are over fifty or so in age also. They are highly conservative people. They do not have the orientation of the Third Five Year Plan. Some of them had read text-books in the very old days, which had become outmoded in modern times. They acquired experience under a different set-up, and their way of living has been so much conditioned that it is very difficult for them to come out of the old ruts and



[Shri Bhupesh Gupta.] do a little bold and forward thinking in such matters. If you, Mr. Chairman read the reports of the Tariff Commission, almost the same language is seen *mutatis mutandis*. They are the same type of things—this industry now, that industry now, this little percentage here, this little percentage there, but the idiom in which they speak, the economic idiom is the same. Almost the language is the same. You will find that the words sometimes are the same. It seems sometimes that when they write the report of the Tariff Commission the authors read up the past volumes of the reports, and more or less fall in the line. Small changes here and there are of course there—nobody will deny—otherwise the Bills will not be coming here—but I think they should better save themselves from the hands of these conservatives. They were still living in the days when we just became free and perhaps they have forgotten that we have certain social objectives, that two Five Year Plans are over and the Third Five Year Plan is in progress and by the fourth we are supposed to be in a position to take-off. Nowadays, we do not hear this favourite, fashionable expression of "takeoff". I do not know why it has been given up. Somebody said, it is not a good expression. Find out whatever expression is suitable, appropriate. But the point is that by the time of the Fifth Five Year Plan, starting of it, and the end of the Fourth Five Year Plan, we should be in a position to say that the Indian economy today is self-sufficient in every way. We can go into the world economic field as equals of others, not in every way, but generally as a self-sufficient unit. Americans and others will be bigger, I know this thing. But we should be self-sufficient. We should not be dependent as we are today. And I think that I would appeal to the Government that they should consult Members of Parliament on both sides of the House, consult public opinion and decide as to what to do with the present Tariff Commission as an ins-

titution, whether it serves any purpose or whether there should be some other institution, whatever name—if they have love for this name, Tariff Commission, well, they can have it. I have no quarrel—but a different type of body has to be created in order to deal with the situation of today, in order to achieve the objectives that we have in mind, and I think some light should be thrown.

Mr. Shah has been making the same speech every year, and I think we are also making the same speech every year. I think the time has come when we come to a pact together, that we must break, both of us, in making speeches, with the past. That is to say, he must say that he is making a break with the past ideas and arrangements and I should also give up, that a speech will not be a repeat performance, like his or mine, when we speak on this subject. We are left with no other alternative but to have a mechanical Bill, technical Bill of this kind, and given the opportunity, only to make certain technical speeches, almost repeat what has been said in 1952 or in 1966.

I think, Mr. Chairman, you will agree that we want to be rescued from this position and one of the ways to rescue us from this position is to change the ideas and concepts of the Tariff Commission and see that such bodies are manned by people who are forward-looking, whose thoughts are dynamic, and who know the business better than this institution and know how to achieve the objectives that we have set before ourselves. I think to that task we should address ourselves in the coming days.

SHRI AKBAR ALI KHAN (Andhra Pradesh): May I ask a question of

the hon. Member with your permission? Could Mr. Bhupesh Gupta give one item which ought to be given protection but which has not been protected by the Tariff Commission or an item which has been given protection but which ought not to have been given protection because this is a Tariff Bill?

SHRI BHUPESH GUPTA: Mr. Chairman, by the question itself it is clear how the Tariff Commission has hopelessly conditioned our thoughts.

SHRI SURESH J. DESAI (Gujarat): Mr. Chairman, Sir, I welcome the Indian Tariff (Amendment) Bill which is before the House. The Bill seeks to amend the Indian Tariff Act of 1934 and implement the recommendations of the Tariff Commission regarding certain industries. The main purpose of the Bill is to continue protection in the case of (i) sheet glass, (ii) certain articles falling under non-ferrous metals and (iii) ball bearings and to discontinue protection on (i) stearic acid and oleic acid, (ii) certain articles falling under non-ferrous metals and (iii) plastics.

Sir, the policy of granting protection was accepted by the Government of India as early as 1921 as a result of the recommendation of the Fiscal Commission. In the days of the British the industries had to wait for a long time before protection was granted to it because most of the manufactured articles were coming from Britain, and the Britishers, naturally, did not like that industry should develop in India and imports from Britain should stop. We have gone a long way since those times, and especially since independence the policy of the Government of India has been to grant protection rather liberally or, I should say, with proper discretion. The phenomenal growth of Indian industries that we have witnessed in the last few years, Sir, has been appreciably due, I should say, to a very large extent

due, to the policy of protection with discretion which the Government of India have been following.

Sir, protection is a weapon which has to be wielded with great discretion and used very wisely. On the one hand, we have to see that the industry takes its roots in the country, it stands upon its legs, produces goods of quality at the right price and the availability of goods is also secured and sooner or later the industry develops to such an extent that the goods produced are able to compete in the international market. On the other hand, Sir, it is very necessary to see that protection does not become a burden on the consumer or a source of enrichment for a few capitalists or industrialists at the expense of the community. That is why protection as a weapon has to be wielded very carefully.

Also, Sir, it has to be remembered that we are members of the General Agreement on Tariffs and Trade. If we go on raising a tariff wall against manufactured articles of other countries, naturally, the other countries would also raise tariff walls and prohibit our articles from going into them, and that would be harmful to our exports. That is why protection has to be very carefully wielded. The policy should be that the correct measure of protection is given up to the proper period of time only. And that has always been the policy of the Indian Tariff Commission.

Sir, I should pay here a compliment to the very good work which the Indian Tariff Commission has been doing. Most of the remarks which my hon. friend, Mr. Bhupesh Gupta, made against the Tariff Commission were not only uncalled for but were irrelevant also. The Indian Tariff Commission have been doing their work most impartially, I should say. They are not frowning upon anybody nor are they favouring anybody. About the price level, for instance, to which Mr. Bhupesh Gupta

[Shri Suresh J. Desai.] referred, it is not the business of the Tariff Commission to maintain the price level in the country. The Tariff Commission are not concerned with it at all. To say that the Tariff Commission are concerned with the trade union activities, Or the other point that he made about the public or private sector, is not relevant. How does this BUI in any way decide the question of what should be in the public sector and what should be in the private sector? All these remarks which Mr. Bhupesh Gupta made just now were more or less irrelevant.

Sir, he also mentioned about British capital coming in the country. Certainly, for our own industrial development we welcome not only British capital coming into this country, but at this period of time we welcome British armaments also, howsoever Mr. Bhupesh Gupta may dislike it. So I do not see anything objectionable in British capital coming in collaboration with our industry for our industrial development. And certainly that has been the policy of the Government of India. Wherever the foreign capital goes, it goes for profit. In no country does foreign capital go simply for humanitarian things. It goes for profit. Supposing that we have also got enough capital and it goes to foreign countries; it will also go for profit. Certainly, if the Britishers find that the conditions in India are stable, are likely to give some profits to them, British capital will be forthcoming to this country. And I do not see anything objectionable in it provided we have got the right control over all foreign capital that comes in this country. If foreign capital comes with a string, certainly we do not like it. But if foreign capital is coming to our country without any strings, with our Government exercising proper control over it, as they are doing at present, certainly there is nothing objection-

able in foreign capital coming to this country.

Mr. Bhupesh Gupta also made a point that protection should not come in the way of the normal flow of trade. I cannot understand this point, how an enlightened Member, like Mr. Bhupesh Gupta, makes the point that the normal flow of trade should not be impeded. After all, the very purpose of protection is to see that industries develop in this country.

SHRI BHUPESH GUPTA: For the present I did not say that. I said that ultimately you have to bear in mind this arrangement. Today it may be all right because of unequal development, but when we become strong we need not go in for this kind of thing. This is a long-term thing. This is what I am suggesting.

SHRI SURESH J. DESAI: Shri Bhupesh Gupta also mentioned that the normal exports and imports should be carried on and protection was coming in the way of normal imports and exports. Perhaps he meant normal imports and exports with the Communist group of countries. I do not know if he meant that but if he meant normal imports and exports, naturally protection, when it starts, when we protect an industry in this country, we want that industry to come up, that nascent industry to grow up, naturally to that extent the normal flow of trade is bound to be impeded. Otherwise what is the meaning of protection? The very meaning of protection is that your nascent industry, you, young industry, should take its roots in the country, should be put on its legs and then after a few years, when it develops, the goods will be available and as I mentioned, the goods will be available at the international competitive price.

SHRI BHUPESH GUPTA: That is what I said.

SERI SURESH J. DESAI: Naturally, at that time, where is the normal flow of trade? The normal flow of trade is bound to be impeded for a few years, there is no doubt about it. Anybody who understands the basic principle of protection will never raise such a question as Mr. Gupta has done.

SHRI BHUPESH GUPTA: Do you want it?

SHRI SURESH J. DESAI: The Tariff Commission have been really doing good work. These are people, a body of experts, who do not frown on any industry, who do not favour any industry. Most impartially they are working. Moreover, it is not merely the business of the Tariff Commission just to grant protection. They are the watch-dogs of the industry also. Continuously they go on studying the industry, whether the goods are available in the market or not, whether the goods are produced at the right price or not, in the right quality or not, how the industry is developing and if there are any difficulties which the industry feels they also point out that these are the difficulties. They point out to the Government that these difficulties shall be removed. They determine the right price at which goods should be sold. These things they are continuously doing as they are the watch-dogs of those industries which are protected.

SHRI BHUPESH GUPTA: The watch-dogs are not seeing the black-marketeers in the backyard.

SHRI SURESH J. DESAI: They are the watch-dogs of the industries and anybody who knows about protection, about the working of the Tariff Commission in the last so many years would have seen how the Commission acts as the watch-dog of the industries. That is, the quantum of protection is also reduced from time to time and the Tariff Commission sees that the industry as soon as it develops or acquires a certain position, is de-protected immediately. In

this way, several industries have been de-protected. As my hon. friend Shri Akbar Ali Khan pointed out just now, the industries that have been granted protection, practically all of them, have developed. Take the Sugar industry, for instance. We were importing large quantities of sugar from Java. We were not producing even an ounce of sugar in this country. After protection was granted to the sugar industry, the industry has not only come on its own, has taken roots, and is standing on its own legs but the sugar industry has got a surplus production and we are trying to export sugar to other countries also. Why our sugar cannot be exported at a particular price is a different matter. The yield of sugar per acre is very low. The sucrose content of the sugarcane is low. At the same time the recovery percentage is low. On account of these we may not be able to compete because in Java per acre they grow much more sugar. We may not be able to compete with sugar in Cuba or in Java. That is a different matter but the industry has certainly taken roots in the country and today we have surplus production of sugar. Whatever industries have been granted protection by the Tariff Commission, these industries have grown and certainly, as I said before, the industrial development in the country has been largely due to the policy of protection which has been very wisely given by the Tariff Commission and the Government of India.

I would say one more thing in this connection. The Tariff Commission has nothing to do, for instance, with the policy of the Government. It is not a policy-making body. Shri Bhupesh Gupta also mentioned about certain ideological considerations, whether the Tariff Commission should have certain ideological considerations and he had some dig at the personnel of the Tariff Commission also which was quite unjustified. After all in this House, the members of the Tariff Commission are not present to defend themselves. When the other

[Shri Suresh J. Desai.] day Mr. Vajpayee was mentioning about Mr. Kumaramangalala, that Communist Leader of Andhra, who made some speech, it was Mr. Gupta who said at that time that Mr. Kumaramangalam was not present in this House and any remarks made against Mr. Kumaramangalam should not be allowed. That was the point he raised.

SHRI BHUPESH GUPTA: The report is there with us. On the basis of the report, we judge them. You can have a different opinion.

SHRI SURESH J. DESAI: If you will bear me out for a moment, I will develop my point. He made the point that Mr. Kumaramangalam was not present in this House and that was why no remarks should be made. Personal remarks against any member of the Tariff Commission, whether they read old text books or whether they are over 50 or under 50 should not have been allowed to be made in this House.

MR. CHAIRMAN: I am afraid I have allowed them to be made. You may proceed.

SHRI BHUPESH GUPTA: I have not named anybody.

SHRI SURESH J. DESAI: I am not yielding and it is no use interrupting me. The Tariff Commission has nothing to do with the policy of the Government. It is the Government which decides the policy. The Tariff Commission only makes the recommendation. The Government is not bound to accept that recommendation. For instance, regarding the retention price of steel recently, the Tariff Commission made a recommendation and the Government did not accept that recommendation. They are not bound to accept that recommendation. This is only a body of experts, a scholarly body which goes into every detail. They are experts who go into every detail of the industry, work out the recommendation, and submit the recommendation

to the Government. They have nothing to do with ideological considerations, they have nothing to do with the policy of the Government, they have nothing to do with the price line, they have nothing to do with the trade union activities, they have nothing to do with the public and private sectors. All these observations of Mr. Gupta were completely irrelevant to the issue, irrelevant to the Bill which is under consideration today.

SHRI BHUPESH GUPTA: Why did they recommend such a high retention price for steel?

SHRI SURESH J. DESAI: There is another point which is very often raised that when there is an import control policy of the Government of India and when most of the items are controlled, what is the point in giving protection to certain industries? There also, there is a fallacy in the argument. Even when there is import control and the industry is coming up, the goods are certainly coming in to a restricted extent and goods are imported. Secondly, the Tariff Commission has to be the watch-dog over the industry about the price, availability of goods, the quality produced, etc. All these the Tariff Commission has to continuously go on seeing and that is why even when the import control policy is there, the need for granting protection and the need of the Commission keeping a watch over the industry certainly are very important.

Coming to the various industries which are mentioned here, I will only mention about one industry and that is about the ball bearing industry. In the bearing industry the

bearings are of various kinds. There are not only ball bearings but there are gasket bearings, coach bearings, sleeve bearings, roller bearings and there are taper bearings and bearings. Now the ball bearing industry in the country is very important because the ball bearing industry provides the sinews for war-

ous other industries also and ball bearing is such a technical item—of course I do not mean the big ball bearings which are not bearings but which are more or less like steel balls—it is such a highly mechanised industry, that even technologically advanced countries also have been importing ball bearings from countries like Sweden. Even the Soviet Union used to import ball bearings—I would tell Mr. Bhupesh Gupta— from Sweden and other countries for a number of years even though it had quite an advanced technological development. So, this industry which has been established in this country in the last 10 to 12 years has been progressing very well. The capacity is also being expanded. A new unit is coming up in the public sector also. I would like the hon. Minister to inform the House whether the new unit which is coming up in the public sector is in addition to the 9 licences which have been given. That will be very desirable if a big unit in the public sector also comes up because our demand for ball bearings has been very large and it would certainly be very creditable to the Government if a big ball-bearing industry comes up in the public sector also.

1 IMVT.

MR. CHAIRMAN: If you could finish in a couple of minutes, I would let you do that. Otherwise, you may continue after lunch. Will you be finishing in two minutes or you would like to end later?

SHRI SURESH J. DESAI: I will be taking only another two minutes, Sir.

MR. CHAIRMAN: All right.

SHRI SURESH J. DESAI: There is another point which I would like the hon. Minister to clarify and it is this. The imports of various kinds of ball bearings are going up notwithstanding the fact that since 1958 the quota

has been reduced from 7½ per cent to 2-1 per cent, and especially since April of this year imports have been cut by 50 per cent. Imports have increased from 379 tonnes in 1959, for the whole year, to 462 tonnes for the half year in the current year. So I would like to know whether it would not be possible to ask those people to whom licences have been granted to expedite the installation of the capacity and where licence for expansion has been granted, to expedite such expansion, so that these imports may be reduced? I do appreciate that with the development of industries in the country, especially in engineering goods, the demand for ball bearings is bound to increase much and some imports will have to be made. But at the same time, if something can be done to see that this expanded capacity comes into existence as early as possible, it will be very useful. With these remarks, Sir, I support the Bill.

MR. CHAIRMAN: The House stands adjourned till 2.30 P.M.

The House then adjourned for lunch at one minute past one of the clock.

The House reassembled after lunch at half-past two of the clock, the DEPUTY CHAIRMAN in the Chair.

**श्री विमलकुमार मन्नालालजी चौरड़िया :**  
(मध्य प्रदेश) : माननीया उपसभापति महोदया, जो बिल प्रस्तुत किया गया है वह देखने को तो बहुत छोटा है परन्तु उसमें जो अर्थ भरा है वह बहुत ही गम्भीर है। वैसे देखा जाय तो अपने देश में उद्योग को प्रोत्साहन देने के लिये संरक्षण आवश्यक है, बिना संरक्षण के उद्योग को पनपाना कठिन होता है पर जहां तक इस बिल में जो सिफारिश की गई है उसके बारे में देखें तो कुछ थोड़ा अजीब सा लगता है।

SHRI AKBAR ALI KHAN: This Is limited to only four or five items.

**श्री विमलकुमार मन्नालालजी चौरड़िया:**  
मेरे शब्दों में इसके विपरीत कौन सी बात आई उसका खुलासा कर दें तो मैं आपको जवाब दे हूँ ।

**श्री अखण्डर अली खान :** मेरा अर्थ करना यह है कि जो आप इस वक्त फर्मा रहे हैं कि जो फायदा या नुकसान है वह लिमिटेड है चार या पांच आइटम्स के लिये ।

**श्री विमलकुमार मन्नालालजी चौरड़िया :**  
जनाबअली, मैं यही अर्थ कर रहा था । आप थोड़ी तसल्ली रखते तो मैं आपकी खिदमत में सारी बातें अच्छी तरह से पेश कर देता और आपको भी सारी बातें अच्छी तरह से खयाल में आ जाती । खैर, आपको उतावली है, उससे तो काम चलेगा नहीं, मुझे तो अपने ढंग से ही अपनी चर्चा करनी है ।

तो जो अर्थशास्त्र का सिद्धांत है उसके अनुसार जैसा कि है :

"Nurse the baby, protect the child and free the adult"

चाहे जितना भी पुराना हो गया हो फिर भी आज उतना ही वह आवश्यक है और जैसे युनिवर्सल टूथ हो जाते हैं उसी प्रकार से यह भी एक प्रकार से युनिवर्सल टूथ के समान है कि अगर किसी भी उद्योग को पनपाना है या किसी बच्चे को पालना पोसना है तो जब तक कि वह बड़ा न हो जाय तब तक रक्षण भी करना होगा और उस को प्रोटेक्ट करने की व्यवस्था भी करनी होगी और जब बड़ा हो जाय तब उसको स्वतंत्रता भी देनी होगी । हमारे सामने जो चार कम्पनीज का वर्णन किया था, जिनका कि प्रोटेक्शन अभी खत्म होने वाला है, १९६२ ई० के दिसम्बर में खत्म होने वाला है, उनमें से तीन कम्पनीज को चालू रखने का प्रस्ताव है ।

SHRI AKBAR ALI KHAN: Industries, you mean, not companies.

**श्री विमलकुमार मन्नालालजी चौरड़िया:**  
जी हाँ, इंडस्ट्रीज । जो आपने करेक्ट किया उसके लिये मैं आपका बहुत बहुत शुक्रिया अदा करता हूँ ।

**उपसभापति :** अब जरा संभल कर बोलना ।

**श्री विमलकुमार मन्नालालजी चौरड़िया:**  
आपके सुझाव के लिये धन्यवाद ।

तो इन तीनों उद्योगों के बारे में ध्यान करना संभव नहीं है और इन सब पर चर्चा करना भी कठिन है मगर इनमें से जो प्रमुख उद्योग है बालबेयरिंग का उसके बारे में चर्चा करना चाहता हूँ । यह बाल बेयरिंग उद्योग का प्रारम्भ यहां पर हुआ, दि नैशनल इंजीनियरिंग इंडस्ट्री जोकि पहले दि नैशनल बाल बेयरिंग कम्पनी लिमिटेड के नाम से थी वह जयपुर में १९४६ में प्रारम्भ हुई थी और उसको प्रोटेक्शन देना शुरू किया जब कि टैरिफ कमिशन बना और उसके बाद वह सरकार की योजना के अनुसार चलता रहा ।

सब से पहले इस विभाग के जो दो प्रकाशन हैं उसकी ओर मैं मंत्री जी का ध्यान दिलाना चाहता हूँ । शासन की ओर से जो दो प्रकाशन हुए उन दोनों में गलत तिथियां दी गई हैं । वैसे उसका कोई महत्व ज्यादा नहीं है लेकिन ऐसा गलत प्रकाशन किस कारण से हुआ इसका स्पष्टीकरण में अवश्य चाहूंगा । इस पुस्तिका में : The Tariff Commission's Review of work, October, 1961 to September 1962. के पेज २१ पर दिया हुआ है पहले आइटम में : Ball bearing Date of grant of protection 16-3-53.

और दूसरी जो पुस्तिका दी गई है : Note circulated by the Ministry of Commerce and Industry on the Indian Tariff (Amendment) Bill, 1962. इसके पेज ४ पर दिया है : The ball bearing industry was first granted protection in 1952. जबकि यहां पर सन् १९५३ ई० है और तारीख बगैरह सारा का सारा दिया हुआ है। तो ऐसी स्थिति में—हालांकि यह नैग-लिजिबिल है, उस का कोई विशेष महत्व नहीं है, यह १९५२ में हुआ या १९५३ में हुआ, क्या हुआ—में चाहूंगा कि आपको अपने पब्लिकेशंस में एंजैक्ट होना चाहिये। यह तो देखने में आ गया लेकिन इसके फिगर्स की भी वैसी ही जगलरी हो सकती है और फिगर्स का एडजस्टमेंट कर के सारा ठीक बता सकते हैं। तो यह जो गलती है शासकीय प्रकाशन में, इसकी ओर भी ध्यान देने की आवश्यकता है।

तो हमारी यह नैशनल इंजीनियरिंग इंडस्ट्री जो है, जो मुख्य रूप में बाल बेयरिंग बनाने वाली है, इसका दो करोड़ रुपये का कैपिटल है और इसका पेड-अप कैपिटल ६० लाख रुपये के करीब है। इस बच्चे को उठाने के लिये, इस छोटे उद्योग को ठीक तरह से करने के लिये नसिंग करने का जहां तक सवाल है तो नसिंग में ओवरफीडिंग तक हो गई। उस कम्पनी की ६० लाख रुपये पेड-अप कैपिटल थी पर १९६० की फिगर्स के आधार पर उस ने ७७ लाख ६६ हजार २५१ रुपये का लोन प्राप्त कर रखा था। इसमें से कुछ हमारी गवर्नमेंट का भी होगा और कुछ दूसरों का भी होगा, सब तरह का लोन होगा लेकिन जितनी उसकी साइज नहीं थी, उसकी पूंजी नहीं थी उससे ज्यादा लोन प्राप्त कर के यह चाहा गया कि वह जल्दी से बड़ी हो और जल्दी से पूरा काम करे और उसको हम

932 RS-2.

अभी तक प्रोटेक्शन देते जा रहे हैं तो यह मुझे कुछ ठीक नहीं लगता है।

इसी में आगे बताया गया है कि टैरिफ कमिशन ने पहले से ही साढ़े चौरानवें प्रतिशत के करीब प्रोटेक्शन देने का सुझाव दिया और इसमें अलग अलग आइटम्स का सारा विवरण है। तो उस हिसाब से हमारी सरकार और आगे बढ़ी है और ६४।। की बजाय राउंड-अप करने के लिये ६५ प्रतिशत का प्रोटेक्शन उसे देना प्रारम्भ किया है। मुझे यह समझ में नहीं आया कि आधा प्रतिशत के लिये, राउंड-अप करने के लिये ६५ प्रतिशत किया है या क्यों किया है? जब टैरिफ कमिशन का ६४।। प्रतिशत का सुझाव है तो जहां तक सवाल राउंड-अप करने का है हमारी सरकार ने ६५ प्रतिशत के बदले शतप्रतिशत क्यों नहीं कर दिया जिससे हिसाब बहुत सरल हो जाता। ऐसा कर देती तो भी कोई उसमें हिसाब सम्बन्धी बुराई पैदा नहीं होती। एक रुपये का जो माल था वह दो रुपये का हो जाता, एक रुपया ड्यूटी का और एक रुपये का माल, दो रुपये का सीधा-सादा हिसाब हो सकता था परन्तु वैसा हुआ नहीं।

जो प्राइसेज दी गई हैं उसको देखने पर ऐसा लगता है कि यह जो कम्पनीज हैं वह चाहती हैं कि हमारा सारा प्रोटेक्शन बदस्तूर कायम रहे। किसी किसी आइटम्स में तो ४८० प्रतिशत तक उनके भावों की बढ़ोतरी है। यह पहला आइटम है Rs. 1.45 का, उसकी wholesale market price of imported product, landed cost, ex-duty हमारे यहां १.४५ है लेकिन इस कम्पनी की जो प्राइस है वह २.८६ रुपये है। जो दूसरा एक और आइटम है, ग्यारहवां आइटम, उसमें दे रखा है : cost-wholesale market price of imported product—Rs. 1.96 and selling price—Rs. 5.03



[श्री विमलकुमार मुन्नालाल जी रचौड़िया]

उसी तरह से १२वें आइटम के लिये है कि इम्पोर्टेड की प्राइस २.५२ रुपये है और सेलिंग प्राइस ६.३७ रुपये है। यहाँ तक कि एक आइटम में ४८० प्रतिशत तक पहुँच गया है, यह २७वाँ आइटम है, उसकी होलसेल इम्पोर्टेड प्रोडक्ट की प्राइस २.७२ रुपये है और यहाँ की होलसेल प्राइस, इनडेजिनस प्रोडक्ट की, १३.१२ रुपये है। तो इस तरह से इतना अधिक मूल्य है, इतना अधिक बैरियेशन उन कीमतों में है और जो भी हम प्रोटेक्शन दे रहे हैं उस प्रोटेक्शन का सारा भार हमारे यहाँ के उपभोक्ता को उठाना पड़ता है।

SHRI SURESH J. DESAI: May I point out to the hon. Member that so far as the ball bearing industry is concerned, more than eighty per cent, to eighty-two per cent of the raw materials are imported. The foreign concerns sell the high carbon chromium steel bars and rods at a higher price than manufactured ball bearings. Often it is costlier to import the raw materials than the finished goods. The high carbon steel and other things are sold to us at a higher cost than the ball bearings themselves. It is because of this that the cost of our finished products goes up. I think perhaps the hon. Member was not familiar with this fact

श्री विमलकुमार मुन्नालालजी रचौड़िया: मैं श्रीमान् को उनकी जानकारी के लिये और उन्होंने जो इन्टरप्लान किया उसके लिये भी बन्वबाद दे दूँ और अपना स्पष्टीकरण कर दूँ कि हमारे यहाँ पर बालबेयरिंग की कम्पनी को चलाने के लिये पाँच प्रकार के आइटम्स की जरूरत पड़ती है :

Brass strips and rods, M. S. bars, plates and tubes, M. S. wires and strips, H.C.J.—High carbon chromium steel bars" and tubes, H.C.L.—High carbon chromium steel wires.

M.S. wire\* and strips, High carbon chromium steel bars and tubes and

High carbon chromium steel wires are imported.

इस तरह की पाँच चीजों की आवश्यकता है। इसमें हमारा दुर्भाग्य है कि केवल दो चीजें हम अपने यहाँ पैदा कर सकते हैं, बाकी सब इम्पोर्ट करनी पड़ती है।

SHRI SURESH J. D. ESAI: I will just point out to the hon. Member the raw materials required for the industry. These are, brass strips and rods, M.S. bars, plates and tubes, M.S. wires and strips, H.C.I.—High carbon chromium steel bars and tubes and H.C.I. High carbon chromium steel wires. Excepting the first two, the rest are materials which are imported. Out of the five items required, excepting the first two, the rest are imported which amount to 80 per cent.

श्री विमलकुमार मुन्नालालजी रचौड़िया:

मेरा दुर्भाग्य है कि मैं ऐसे मित्र से बहस कर रहा हूँ जो मुझे समझ नहीं पा रहे हैं। मैं भी यही कह रहा हूँ कि केवल दो आइटम्स हमारे यहाँ इम्पोर्ट नहीं किये जाते हैं बाकी तीन आइटम्स को हमें इम्पोर्ट करना पड़ता है। अब रहा सवाल हम जिस इन्डस्ट्री को प्रोटेक्शन देना चाहते हैं उस इन्डस्ट्री में इतने साल तक प्रोटेक्शन देने के बाद भी केवल दो आइटम्स हम अपने यहाँ मैन्युफैक्चर करते हैं और बाकी हमको इम्पोर्ट करते रहना पड़ा। तो यह प्रोटेक्शन कहां तक चलते रहता ठीक है? क्या हमारे लिये यह उचित नहीं था कि हम अपने यहाँ रा मॅटीरियल्स की भी व्यवस्था कर पाते। इतने फाइव इयर प्लान के बाद भी, इतने वर्षों के प्रयास के बाद भी हमारे यहाँ यह स्थिति है कि पाँच आइटम्स में केवल दो आइटम्स हमारे देश में बनते हैं, बाकी तीन आइटम्स विदेशों से इम्पोर्ट कराते हैं। जैसा कि मेरे मित्र देसाई कहते हैं कि आयात ८२ परसेन्ट है, उसको भी अगर मान लें तो इतना रॉ मॅटीरियल इम्पोर्ट करना बहुत अधिक है क्योंकि इतने वर्षों का संरक्षण देने के बाद भी, जब कि हमने इतने लोगों की

उद्योग करने के लिये लाइसेन्स दे रखा है, अभी तक वे उन्नति नहीं कर पाये जिससे कि इस ८० परसेन्ट को कम करके अपना उत्पादन धीरे धीरे बढ़ाते। अब हमारे सामने समस्या है कि हम उनसे फिनिश प्रोडक्ट लें तो हमको सस्ती पड़ सकती है और अगर हम अपने यहां मैनुफेक्चर करें तो इम्पोर्टेड मैटीरियल की इतनी ज्यादा कीमत कर देते हैं कि हमारे यहां के उत्पादन की कीमत बढ़ जाती है। तो क्या यह न्यायसंगत है कि हमारी सरकार इस बात को प्रोत्साहन दे कि हम कच्चा माल बाहर से मंगाएँ, मजदूरों से मेहनत कराएँ और फिर माल भी महंगा हो। विदेशों की मुनाफा बढ़ता जा रहा है क्योंकि जो रॉ मैटीरियल है उसकी कीमत इतनी अधिक है कि उसका इम्पोर्ट महंगा पड़ता है, यहां तक कि ४८० प्रतिशत तक हो गया। हमारे मित्र देसाई जी भूल जाते हैं कि विदेशों में जिस तरह इस उद्योग को चलाने के लिये मशीनरी की व्यवस्था है वैसी हमारे यहां नहीं है। हमारे एक मित्र जो रशिया गये थे वे बताते थे कि रशिया में जो बालबेरिंग इन्डस्ट्री है वहां राठ डाल दीजिये तो फिनिश प्रोडक्ट अपने आप तैयार होकर आ जाता है और बहुत कम खर्च आता है। हमारे यहां जो उद्योगपति हैं, जिनको हम लगातार इतने वर्षों से प्रोटेक्शन देते आ रहे हैं क्यों नहीं उन्होंने अभी तक इस दिशा में कदम उठाया और क्यों नहीं इस दिशा में कार्यवाही की? हमने उनको विदेशों से मशीनरी मंगाने के लिये, सामग्री मंगाने के लिये लाइसेन्स दिया और लाइसेन्स देने के बाद यह सामग्री भी उन्होंने मंगाकर रखी लेकिन अभी तक उसका उपयोग नहीं ले रहे हैं। क्या यह न्यायसंगत है, क्या यह टैरिफ कमीशन और सरकार की पालिसी के अनुकूल है कि जिसके एक्सपेंशन के लिये, या डेवलपमेंट के लिये हम लाइसेन्स दें उसका यह हाल हो?

इसी प्रकार मैं टैरिफ कमीशन की रिपोर्ट के कुछ शब्द पढ़ देता हूँ :

,"The quality of indigenous ball bearings has shown some improve-

ment but there is still large scope for further improvement. It is, therefore, necessary that N.E.I. should properly enforce statistical quality control and utilise its electronic machines for this purpose for which they were procured."

तो हमारी सरकार की या टैरिफ कमीशन की कास्ट एकाउंटिंग करके उनका हिसाब किताब रखना चाहिये उद्योग ने कास्ट एकाउंटिंग के लिये मशीनरी मंगवा रखी है पर उपयोग नहीं हो रहा है। जो इलेक्ट्रिसिटी से चलने वाली मशीनें हैं उनके आधार पर तय करके बतलाएं कि कितना कहां खर्च होता है। कास्ट एकाउंटिंग करना चाहिये। वे कुछ हिसाब देते नहीं। इसके बावजूद भी हम प्रोटेक्शन देते जायें तो हमें थोड़ा विचार करना पड़ता है कि ऐसी स्थिति में कब तक यह प्रोटेक्शन देते रहें। उनके मुनाफे का हिसाब इस प्रकार है कि उनकी ६० लाख की कैपिटल लगी हुई है और मुनाफा उनको मिला ८,२४,२०७। आखिर में सारे का सारा भार उपभोक्ता पर आता है और ऐसी स्थिति में यदि हम यह व्यवस्था चलते रहने दें इसी आड़ में कि इन्डस्ट्री को प्रोटेक्शन देना है, बढ़ावा देना है, इसी आड़ में हम उनको इस तरह का संरक्षण देते जायें तो कुछ न्यायसंगत नहीं होता। यह अवश्य है, जैसा कि मैं पहले कह चुका हूं शुरू शुरू में, कि जब तक उस इन्डस्ट्री को पनपना है, तब तक वह चलने सरीखे न हो जायें तब तक के लिये उसकी सारी व्यवस्था करनी है। लेकिन वर्तमान स्थिति में कुछ समय में नहीं आता कि कब तक, कितने वर्षों तक और यह संरक्षण मिलने वाला है। पहली रिपोर्ट में एक साल के लिये था, दूसरी रिपोर्ट में कुछ सालों के लिये दिया गया, तीसरी रिपोर्ट में कुछ और सालों के लिये दिया गया। आखिर इसकी कुछ सीमा तो हो जानी चाहिये। यह ठीक है हमने कुछ परसेन्टज पहले से फिक्स कर रखा है लेकिन किसी इन्डस्ट्री को हमने प्रोटेक्शन देना है तो पहले ठीक तरह से उसे चलना सिखायेंगे, यदि बीच में फिर पड़े

[श्री विमलकुमार मन्नालाल जी चौरङ्गिया]  
तो उठा देंगे या फिर तीन पहिये की गाड़ी में चलाने देंगे। यह जो हम राहत उस इन्डस्ट्री को दे रहे हैं उसमें कम से कम उसको हाथ छोड़कर पांव पर खड़ा होने देना और कुछ चलना सिखाना चाहिये। क्या अभी भी हमारी यह इन्डस्ट्री इस योग्य नहीं है कि ६४ परसेन्ट की अपेक्षा ५० परसेन्ट कर दें या ६४ परसेन्ट की अपेक्षा और कुछ कम कर सकें? मगर इस दिशा में हमारी सरकार कुछ करना नहीं चाहती और वही रेट, वही लाभ देना चाहती है जो अभी तक दिये जा रही है। यह कुछ न्यायसंगत लगता नहीं।

इसी तरह से जितनी हमारे देश की मांग है उतना उत्पादन नहीं हो पाता। तो इस स्थिति में हमको कुछ न कुछ विदेशों से इम्पोर्ट करना होगा। इम्पोर्ट करने के लिये सारा भार हम अपने यहां के कन्ज्यूमर पर डालें और उससे अधिक पैसा वसूल करें तो यह भी न्यायसंगत नहीं है। कहीं कहीं जहां बहुत कामन वस्तुओं की, बहुत काम में आने वाले राँ मैटिरियल की शॉर्टेज होती है इम्पोर्ट लाइसेन्स की बजह से, जैसे कि बालबेयरिंग है, वहां कुछ कंट्रोल करना चाहिये। मगर उपभोक्ता की आवश्यकता का ध्यान रखना आवश्यक है। विशेष तौर से जो अपने यहां के मैनुफेक्चरर्स हैं उनके लाभ की दृष्टि से यह नियंत्रण किया जाना चाहिये।

वैसे देखा जाये तो बाल बेयरिंग आज के युग में इतनी आवश्यक वस्तु है कि बिना उसके कोई भी इन्डस्ट्री ठीक तरह से चल नहीं सकती और हमारे यहां अच्छे बालबेयरिंग की कितनी कमी है यह मंत्री जी जानते हैं। मैं कुछ वर्षों पहले अपनी चक्की के लिये यही सामान लेने गया। पहले एस० के० एफ० टाइप की बाल बेयरिंग बेस्ट क्वालिटी की मानी जाती थी

जो अब मिलती नहीं। दूसरी क्वालिटी एन. एस. के जापान की मानी जाती है जिससे कुछ दिन काम चल सकता है। लेकिन भारत की बनी जो बाल बेयरिंग है उसकी यह हालत है कि आज किसी मशीनरी में लगाई जाय तो कुछ दिन बाद मशीन खराब हो जायेगी। जिन कंपनियों से हम अपेक्षा करते हैं कि वे अपनी अच्छी गुडविल पैदा करने की कोशिश करेंगी वे ठीक से काम करती नहीं और हम उनकी संरक्षण देते जाते हैं और उनकी कार्यवाहियों का निरीक्षण नहीं करते। जैसा कि भूपेश गुप्ता जी कहते हैं किस तरह से मानोपोली होती है, कैसे व्यवस्था होती है, उस पर नियंत्रण न करके "आन दी फेस" देखकर के प्रोटेक्शन दे दिया जाय यह कोई न्यायसंगत प्रतीत नहीं होता। ये जो हमारे यहां की कंपनीज हैं, ज्योति वाटर पम्प कम्पनी, किरोल्सकर बिजली की मोटर बनाने की कम्पनी, व अन्य इलेक्ट्रिक मोटर मैनुफेक्चरिंग कंपनी, इनकी शिकायत यह है कि हमको बाहर का अच्छी क्वालिटी का माल आयात करने का लायसेंस नहीं मिलता, हमारी इलेक्ट्रिक मोटर की जान बाल बेयरिंग पर रहती है और हमको मजबूर होकर यहां की बनी बालबेयरिंग लेनी पड़ती है जिसकी उम्र कम होती है और जिससे हमारी मशीनरी को बाजार में गुडविल भी खत्म होती है क्यों कि हम बाल बेयरिंग खराब किस्म को होने से उन्का स्टैंडर्ड नहीं मैनटेन कर सकते और उसकी क्वालिटी पर कंट्रोल नहीं कर सकते। फिर भी इसका असर और वैसे देखा जाये तो मैनुफेक्चरर पर जब तक नहीं पड़ता, उसको तो बड़ा लाभदायक है मगर कन्ज्यूमर की स्थिति बड़ी खराब होती जा रही है। अगर एक किसान वाटर पम्प लगाता है बिजली का और उसे एन० ई० आई० की बालबेयरिंग लगी मोटर मिल गई तो थोड़े ही दिन में उनकी बदल कर ठीक ठाक कर ना पड़ता है थोड़े दिनों में वे खराब हो जाती है और बालबेयरिंग के जल जाने से मोटर के बिगड़ने की संभावना हो जाती है

तो ऐसी स्थिति में हमारी सरकार का यह कर्तव्य है कि इस इंडस्ट्री को जो प्रोटेक्शन दिया जाता है उसके बारे में स्पष्टीकरण करे और बतलाये कि उसने इस इंडस्ट्री की किन किन बातों को चैक किया। क्या उसने उसके सारे हिसाब किताब जो मैनुफैक्चरिंग में आता है, या कॉस्ट एकाउन्ट के आधार पर कि किस स्टेज पर कितना खर्च होता है, इन सारी चीजों को चैक किया है या नहीं। हमारे देश में जो मुख्य कंपनी है और बाल बेयरिंग बनाती है उसमें ६० लाख की पूंजी लगी है और वह प्रतिवर्ष ८ लाख रुपया लाभ उठाती जा रही है। तो इस तरह से हम यह देखते हैं कि सरकार की यह नीति है कि वह प्रमुख उद्योग-पतियों को प्रोटेक्शन देती रहती है। चाहे माल अच्छा बने या न बने। सरकार की अन्दरूनी कोई नीति हो, मैं इस बारे में यहां पर चर्चा करना नहीं चाहता हूं। किन्तु मैं यह कहना चाहता हूं कि सरकार की चाहे कुछ भी नीति इस बारे में हो लेकिन उसे देश के हित को दृष्टि में रखकर ही विचार करना चाहिये। अगर हमें इस देश में इंडस्ट्रीज को जीवित रखना है तो उनके ऊपर कुछ मजबूती भी करनी पड़ेगी और जो उद्योगपति हैं उन्हें भी इसके लिए तैयार रहना चाहिये।

हमारे एक मित्र और स्वयं मंत्री जी ने कहा कि सरकार पब्लिक सेक्टर में इस इंडस्ट्री को कायम करने जा रहे हैं। यह तो खुशी की बात है लेकिन पब्लिक सेक्टर में गड़बड़ी भी होती है, और अच्छाई भी होती है। मैंने कल परसों ही इंडियन इग्ज एंड फार्मेस्युटिकल लिमिटेड की रिपोर्ट पढ़ी थी और उसको पढ़कर बहुत आश्चर्य हुआ। हमारे कई मित्र कहते हैं कि पब्लिक सेक्टर में बहुत अच्छा काम होता है लेकिन जब भी इस कंपनी

की रिपोर्ट पढ़ी तो बहुत निराशा हुई। इस कंपनी का सबस्क्राइड कैपिटल तो ६० लाख रुपया है और ३७ लाख से ज्यादा रुपया प्रोजेक्ट रिपोर्ट बनाने में ही खर्च हो गया है।

SHRI MANUBHAI SHAH: Without meaning to interrupt my hon. friend, may I say that this is a project on which Rs. 40 crores are to be spent? And you don't need to start with a capital of Rs. 10 crores. This sum of Rs. 60 lakhs is the initial capital and it will end up in Rs. 20 crores.

श्री विमलकुमार मन्नालालजी चौरड़िया :  
आयारिइज्ड कैपिटल तो १५ करोड़ रुपया था और अब आप २० करोड़ कहते हैं।

श्री मनुभाई शाह : १५ करोड़ रुपये चार प्रोजेक्टों में लगाये गये हैं। एक ऋषिकेश में है, दूसरा हैदराबाद में, तीसरा मद्रास में, और चौथा केरल में लगा रहे हैं। आप को पूरी बातें देखनी चाहियें।

श्री विमलकुमार मन्नालालजी चौरड़िया :  
१५ करोड़ रुपया है ?

श्री मनुभाई शाह : १५ करोड़ रुपया तो बहुत कुछ होता है।

श्री विमलकुमार मन्नालालजी चौरड़िया :  
कैपिटल प्रोजेक्ट तो १५ करोड़ रुपये का है लेकिन श्रीमान् ने २० करोड़ रुपया कर दिया है। मैं इस बारे में कुछ नहीं कहना चाहता हूं कि कैपिटल प्रोजेक्ट कितने रुपये का था और कितना रुपया खर्च हो गया है। मैं तो पब्लिक और प्राइवेट सेक्टर के झगड़े के बारे में कहना चाहता हूं। हमें तो यह देखना चाहिये कि पब्लिक को अच्छी और सस्ती से सस्ती चीज उपलब्ध होनी चाहिये। हमें इससे

[श्री विमलकुमार मन्नालाल जी चौरडिया]

कोई मतलब नहीं कि जो चीज पब्लिक को दी जाती है वह पब्लिक सेक्टर द्वारा बनाई गई है या प्राइवेट सेक्टर द्वारा बनाई गई। हमें यह भी नहीं देखना चाहिये कि पब्लिक सेक्टर द्वारा ही अच्छी चीज बनाई जाती है और प्राइवेट सेक्टर द्वारा खराब चीज बनाई जाती है। हम इसमें से किसी की हिमायत करना नहीं चाहते हैं। हमें तो सिर्फ यह देखना चाहिये कि कौन अच्छी और सस्ती चीज जनता को उपलब्ध करता है। जो चीज बनाई जाती है उस पर बहुत खर्च या अपव्यय तो नहीं होता है तथा सरकार का उस चीज पर नियंत्रण है या नहीं। इन चीजों को देखना सरकार के लिए अत्यन्त आवश्यक है।

माननीय मंत्री जी ने अपने भाषण में कहा कि बाल बेयरिंग इंडस्ट्री को और संरक्षण दिया जाना चाहिये लेकिन उन्होंने प्रोटेक्शन कम किये जाने के बारे में कुछ नहीं कहा। जब यह इंडस्ट्री इतने वर्षों से चल रही है, इतने वर्षों से इसे प्रोटेक्शन दिया जा रहा है तो इसको कम क्यों नहीं किया गया? इस समय इस इंडस्ट्री की संरक्षण देने की फिर आवश्यकता क्यों हो गई? जिस तरह से नर्स बच्चे को धीरे-धीरे दूध पिलाना छुड़ाती है उसी तरह से सरकार को भी इस इंडस्ट्री का धीरे-धीरे प्रोटेक्शन कम करना चाहिये था। नर्स पहले बच्चे को बाहर का दूध पिलाती है फिर उसके बाद अन्न खिलाती है और जब बच्चा अन्न के दाने खाने लगता है तो फिर वह दूध बिल्कुल छुड़ा देती है और बच्चा अन्न पर ही निर्भर रहने लगता है। इसी तरह से सरकार को भी इस इंडस्ट्री को धीरे-धीरे संरक्षण कम करते रहना चाहिये था ताकि कुछ समय बाद यह अपने पांवों पर खुद खड़ी हो सकती। इसलिए मैं माननीय मंत्री जी से निवेदन

करूंगा कि वह इस बारे में अपनी नीति स्पष्ट करें।

अब मैं क्वालिटी के बारे में भी यही कहना चाहता हूँ कि जैसा मैंने पहले निवेदन कर दिया है कि बाल बेयरिंग की क्वालिटी बहुत खराब है। लेकिन हमारी सरकार की नीति ऐसी मालूम देती है कि चाहे क्वालिटी कितनी ही खराब हो वे इस उद्योग को संरक्षण देने ही चले जा रहे हैं। मेरा उनसे यह निवेदन है कि उन्हें इस उद्योग को चलाने वालों से दृढ़ता के साथ कहना चाहिये कि अगर माल खराब होगा तो आगे के लिये प्रोटेक्शन नहीं दिया जायेगा और जो इयूटी लगा रखी है उसको बन्द कर दिया जायेगा। जब तक सरकार इस तरह की नीति नहीं अपनायेगी तब तक उद्योगपति माल अच्छा नहीं बनायेंगे। इसी के साथ ही साथ मुझे यह भी निवेदन करना है कि टैरिफ कमीशन ने इस उद्योग पर ६४।१ प्रतिशत इयूटी लगाने की सिफारिश की थी लेकिन सरकार ने ६५ प्रतिशत एकदम कर दिया। इसलिये मेरा माननीय मंत्री जी से निवेदन है कि भविष्य में जब वे अमेडिंग बिल लायें तो इसको कम करने का कष्ट करें। अगर सरकार स्माल स्केल इण्डस्ट्रीज को बढ़ावा देना चाहती है और यह चाहती है कि जो लोग लघु उद्योग के आधार पर बाल बेयरिंग बनाने का काम कर रहे हैं उन्हें प्रोत्साहन दिया जाय तो इस बारे में उन्हें कुछ न कुछ राहत दी जानी चाहिये। मुझे आशा है सरकार इस बारे में अवश्य कोई न कोई कदम उठायेगी ताकि स्माल स्केल इण्डस्ट्रीज वालों को बढ़ावा मिल सके। अगर उसने इस तरह की व्यवस्था की तो बहुत अधिक उचित होगा।

SHRI SANTOKH SINGH (Delhi): Madam Deputy Chairman, today's Bill is regarding the implementation of the decisions of the Government as per the recommendations of the Tariff Commission. In respect of five industries the period of protection M be-

ing sought to be extended. I fully support the Bill because some of the industries, especially the specialised and complicated ones, require protection at the hands of the Government. Why? Firstly because when some of these complicated industries are started it becomes difficult to keep up the quality and especially in the initial stages the foreign competition has got its crippling effect on them. In the very beginning they are unable to face this competition. They cannot keep up the prices and they begin to dwindle down and therein comes the need of the Government to save them. Once, these industries are established they begin to look to the improvement of the quality of their products but naturally it takes time. If anybody feels that the quality of such and such industry is not good or that it does not give proper results in the very initial stages, then he is mistaken. After the industry gets a chance to improve its quality, after it has established itself, it tries to bring down the cost of production through efficient working, increased production and through experience and with the passage of time it improves very much. Protection is also needed to enable the industry to take up the manufacture of its intermediary products, starting from the basic raw materials that are available in the country. In the case of certain specialised industries, and as I have already mentioned in the case of complicated industries, unless and until Government protection is there, they cannot be started in India.

A point has been stressed by many hon. Members that protection is being extended to the industries but we are unable to get results. I say, we must see how the textile industry in India was started. It was the time of the British raj and our industrialist, Tata, had to make quite a few trips to the west. And he was discouraged that the textile industry could not at all be started in India because the conditions were not so congenial, that the humidity was not there and so and so forth. He was discouraged although we had the raw material in our own country.

And cotton worth Rs. 1 crore was being sent to Manchester and cloth worth Rs. 80 crores was being brought back. Still it was discouraged saying

that we could not start this 3 P.M. industry. I am talking of a

century ago. But in the case of certain industries, although the basic raw materials are there in our country, the industries cannot be started without the help of the Government. In starting an industry, especially chemicals, pharmaceuticals, dyestuffs, drugs, etc., there are various steps. For example, there are the finished goods, the penultimate intermediates, the intermediates and then there are the basic chemicals. If I am to quote the drug industry, we have got plenty of raw materials in our country. It starts from coal, ordinary coal that we see. From coal we get coal tar. When coal tar is distilled we get benzene, toluene, xylene, anthracene, carbazole, etc., etc. which are known as the basic chemicals. Although we are rich in regard to basic chemicals in our country, still we were not able to start any of these specialised industries. Why? It is because in between there are the intermediates and the penultimate intermediates and the manufacture of those intermediate products requires special skill. For example, when a penultimate intermediate product is produced in our country, if anybody comes forward to invest in that line, the foreign competitor, as I mentioned earlier, is going to cripple that industry by dumping that product at a very low price because that company is making huge profits in the other hundreds of lines in which they are exporting to our country. So, they do not mind crippling that particular industry. Therein comes the need of the Government to give protection to that industry. Unless and until that protection comes forward, that industry cannot be started. If at all anybody starts it, he cannot make further progress because his economic position dwindles. Moreover, there is one great point to be taken note of, namely, the quality of a product cannot be achieved in one day. It takes years and

[Shri Santokh Singh.]

years of experience to achieve the quality. So, what I want to urge on the Government is that protection should be given. I have one instance to quote for the information of Mr. Chordia. In England the dyestuffs industry has been granted protection for the last three or four decades, which is such an advanced country. This very industry at the instance of our enlightened Shri Manubhai Shah has been started in India during the last one decade only and I make bold to say that the quality has come up to any foreign make. Still I would say that if the protection to that industry comes to a stop in two or three years' time and if our Shri Manubhai Shah comes forward in our House to seek protection to extend the time to that industry by another ten years, we should not grumble. I put a straight question to Shri Bhupesh Gupta, when he voiced many apprehensions and he rightly apprehended many things, because if I were to sympathise with him he is not a technical man, as he himself confessed. My straight question is: What harm is there if protection is granted to an industry? It manufactures goods, it sells them in the market. Your great apprehension is that the prices are high. I have instances to show, where for the last thirty, forty or even one hundred years, we have been paying very high prices unconsciously to the manufactured goods imported, from abroad. And if within ten years we begin to harp upon the prices, it is not fair. As a matter of fact, I would say that the prices in the case of these goods have gone so low that in some cases the ratio has been 50:10 one producing a certain item at Rs. 50 per pound is being sold in India today, after ten years, at Rs. 10 only. While on this point, I want to give a note of caution to our Government also. Where we give protection to a few industries, external protection may be granted as per the Tariff Commission's recommendations, but in our country internal protection should not at all be granted. What I may say is that we should not give licences

to only one or two units. In the case of antimony I find that only one company is doing work in the whole of India. If for any reason it does not work, our country will be without antimony. Similarly, in the case of other industries we are giving licences only to three or four units. Our country is too big. I wish that more licences should be granted to more parties so that there is internal competition. Mr. Bhupesh Gupta's apprehension that we are giving high prices would also be met. In the face of internal competition the price will take care of itself automatically. I know of certain cases where goods are being sold at less than the cost price. Why? It is not that the Tariff Commission is controlling them. It is because of the internal competition, it is because of the quality. The price that they will fetch depends upon what they are able to produce and give to the market. So, I wish that we should allow more of internal competition. That is my point.

Again, in the Notes circulated by the Ministry of Commerce and Industry on the Indian Tariff (Amendment) Bill, 1962, on page 23 I find that Messrs. Indo-Asahi Glass Co., Ltd., has paid an initial amount of Rs. 18 lakhs to its collaborator Messrs. Asahi Glass Co., Ltd., Tokyo and that for technical know-how, royalty is payable at £ per cent, free of tax on net sales. Although it may not be very much for these people who get their collaboration—they get their collaboration before anybody else comes into the market and maybe to save that amount because of the profits that accrue to them because of the fact that they came before and because of the march of time they were able to save that money—I am afraid ultimately this sum of Rs. 18 lakhs plus half a per cent, royalty free of tax on the net sales is certainly going to be drained away to a foreign country. That must be saved. Here my point is that while we grant some licences to some big parties who seek collaboration giving plenty of money abroad, still I would like to impress upon the Government that

licences to the indigenous know-how, who can produce these things in India without the help of any collaboration and those who do not give any money to be sent abroad, must be given for the sake of internal competition, because our country is too big and the market is too big to be taken care of by one company.

One more point and I resume my seat. It is regarding the Tariff Commission's Review of Work, October 1961 to September 1962. On page 12, it has been mentioned:—

"One unit raised the capacity for azo dyes from 716 to 1,111 tonnes, while another unit deleted certain items of azoic dyes from its manufacturing programme but raised the capacity for solubilised vat dyes from 216 to 304 tonnes."

Although this note is regarding the dyestuffs industry and we are today considering extending the time of protection for the rest of the four industries, since these papers were circulated I cannot remain without mentioning that while only two units have been discussed in this note, the entire dyestuffs industry remains unexplored. What I suggest is that while preparing these notes, some more care, as a matter of fact, I should say some more seriousness, should have been shown.

With these words, Madam, I fully support the Bill. Thank you very much.

SHRI ROHIT M. DAVE (Gujarat): Madam Deputy Chairman, I had no intention of taking part in this debate because as far as the Bill goes, I am quite satisfied with the Bill because the Tariff Commission had considered certain industries and had made out urgent cases for the recommendations they had made regarding the extension of protection and granting of new protection to highly polished zinc neeta, and the explanation which is contained in the booklet circulated by the Commerce and Industry Ministry

gives further reasons why they have accepted the recommendations of the Tariff Commission. All this material is quite satisfactory as far as it goes. But when one reads all these reports and the Government explanations, one is at times impressed by the fact that the Tariff Commission's work is of a very limited scope and that the type of rules that are being applied in determining whether protection should or should not be given requires, if not to be completely revised or changed, at least to be amplified. We are living in a planned era and here the question of protection is not merely the question of keeping the particular industry alive or not, but the question is really whether that industry is performing the tasks which are envisaged in our planned economy or not.

The previous speaker pleaded for the granting of a large number of licences, etc. Perhaps he thinks that we are living in an era of *laissez faire* where unbridled competition is very healthy and permissible, that we have got enough foreign exchange to spend, that any industry should therefore be allowed to develop as far as it wants to develop, and that thereby internal protection should be avoided. What he quite forgets is that our resources are extremely limited, and therefore, whatever priorities we assign and whatever picture we have got of the economy as a whole, are to be determined in terms of what we want to do and what our objectives are.

Now, if the Tariff Commission were merely to undertake an examination of the cost structure of a particular industry and find out what the difficulties are that this industry is facing and apply its mind only to the question whether this industry is likely to stand on its own legs in the near future or not and if it has to make recommendations regarding protection, to my mind this would be a very limited approach, and a large approach would become necessary. In his speech Mr. Chordia gave us a very interesting picture when he said that the raw



[Shri Rohit M. Dave.] materials that were required for the ball bearing industry cost us more than, the ball bearing itself. I do not know whether this is true or not. Perhaps the hon. Minister might enlighten us on this point. But if it is so, I would like respectfully to submit that it becomes the incumbent duty of the Tariff Commission to find out whether the starting of the ball bearing industry itself was a wise step in the first instance, because if we are going to have our raw material at a price higher than even the finished product, then perhaps a certain amount of lopsided development does creep in. This is not all. Suddenly we face some foreign exchange difficulties, and then if import licences for this raw material are not available, the entire industry is threatened with stoppage or with reduced capacity for production. Under these circumstances in the ball bearing industry we have perhaps to spend large sums of money in importing the raw material from abroad, and a large number of people are employed in it, but this Industry is so completely dependent for nearly 80 to 85 per cent of its requirement on imports that it becomes impossible for it to continue in case there are some foreign exchange difficulties and import licences are not fully utilised or granted.

Under these circumstances, is it not the duty of the Tariff Commission to point out these weaknesses or lacunae in our planning which result in this type of difficulties? If it was an isolated case, perhaps we might consider it to be a question of priority that we require ball bearings, that it does not matter if for some time we have to depend for our raw materials on foreign imports, that ultimately we will be able to manufacture this raw material in our own country, and that the whole economy would develop. But there are industries after industries in which this difficulty has arisen, and many of these industries are protected industries, many of these indus-

tries are such which come under the purview of the Tariff Commission, and the Tariff Commission does look into the entire industry as such when it makes a recommendation whether protection should be granted, should be continued or should be withdrawn. We have now got suddenly, because of these foreign exchange difficulties, our Government and the Planning Commission awakening to the fact that there are certain gaps in our industry and that these gaps have to be filled if our economy is to develop further. It is unfortunate that the Tariff Commission did not consider it its own responsibility to draw the attention of the Government of India or the Planning Commission to the fact that these gaps existed and that when they were reviewing various industries, they were impressed by the fact that these gaps might create difficulties at some future time. And if it was so pointed out by the Tariff Commission it to unfortunate that the Planning Commission and the Government of India did not pay sufficient attention to it till such time we suddenly came across a situation in which this became a compelling problem. I would, therefore, like to submit that perhaps the work of the Tariff Commission might be expanded up to a point. At the present moment it is mainly concerned with the question of protection and also the cost analysis of a particular industry. Government wants an analysis regarding the cost structure, regarding the prices of finished products, etc. These are very valuable items of work and should be carried on. But in our opinion, we have not got any agency which considers itself responsible to see whether the problems of a given industry are fully looked into or not, excepting the Development Councils. The Development Councils which are associated with the Ministry of Commerce and Industry do look into the problems of the industry up to a point, but it is desirable that an independent agency like the Tariff Commission undertakes this work and that whenever a particular industry is referred to it with refer-

ence to protection or analysis, the Tariff Commission goes further into the entire question whether all the requirements of this industry are properly looked after or not, and recommends to the Government not only regarding the protection of that particular industry or the prices and the cost analysis of that particular industry, but further to draw the attention of the Government and of the Planning Commission regarding the problems that are likely to arise with reference to that industry and see that all the gaps that exist in our economy are fully plugged in so that it will lie possible for us to develop on a more scientific line.

These are some of the points that arise when one tries to go through the Report of the Tariff Commission, and I hope that some attention would be paid to them. Thank you.

**श्री कृष्ण चन्द्र (उत्तर प्रदेश) :** माननीय उपसभापति महोदया जी, आज जो विधेयक हमारे सामने प्रस्तुत है वह जो टैरिफ कमीशन की रिपोर्ट है उसकी सिफारिशों पर जो गवर्नमेंट के निर्णय हैं, उनको कार्य रूप में परिणत करने के लिये है। जैसा कि माननीय मन्त्री जी ने बताया, टैरिफ कमीशन ने पांच उद्योगों की छानबीन इस दृष्टि से की थी कि आगे उनको संरक्षण देना चाहिये या नहीं देना चाहिये और देना चाहिये तो कितना देना चाहिये। और यह भी माननीय मन्त्री जी ने बताया कि पांच उद्योगों में से ढाई को संरक्षण देना है—दो तो बाल बेयरिंग और शीट ग्लास और तीसरा नान फेर्स मेटल यानी पीतल, तांबा, जस्ता, शीशा है। अन्तिम मद में कुछ चीजों को ही संरक्षण दिया है और बाकी चीजों को संरक्षण नहीं दिया, इसी से साफ जाहिर है कि पांच में से ढाई को संरक्षण देने की सिफारिश टैरिफ कमीशन ने की है और आधों को संरक्षण की सिफारिश टैरिफ कमीशन ने नहीं की है। जहां तक टैरिफ कमीशन का निष्पक्ष रूप से छानबीन

करने का सवाल है उसमें तो मैं समझता हूं कि चाहे हमारे माननीय सदस्य भूपेश गुप्ता जो कुछ भी कहें लेकिन यहां पर शंका करने की, सन्देह करने की कोई गुंजाइश दिखायी नहीं देती और न माननीय श्री भूपेश गुप्ता ने कोई ऐसी बात यहां पर प्रस्तुत की है कि जिससे किसी प्रकार का कोई सन्देह उनकी निष्पक्षता पर करने का हमें मौका यहां पर हो। टैरिफ कमीशन के सदस्य अपने विषय के बड़े विशेषज्ञ हैं, जानकार हैं, निपुण हैं, उनका लम्बा तजुर्बा है, अनुभव है। वे हर एक उद्योग की खूब अच्छी तरह से छानबीन करते हैं और यह नतीजा निकालते हैं कि किस उद्योग धंधे से कितना मुनाफा, कितना फायदा उस उद्योग को हो रहा है और किस कीमत पर वह अपना माल बाजार में बेच रहा है, उसमें उसको कितने मुनाफे की गुंजाइश है। इन सब बातों को देखने के बाद वह इस बात की सिफारिश करता है कि इस उद्योग को आगे विदेशी उद्योगों का मुकाबला करने के लिये इतने संरक्षण की जरूरत है।

बाल बेयरिंग इण्डस्ट्री की यहां पर बहुत चर्चा की गई। हमारे माननीय मित्र चोरड़िया जी ने भी कहा कि बाल बेयरिंग का जो उद्योग है उस उद्योग में बहुत मुनाफा हो रहा है और उसकी जो कम्पनी है उस कम्पनी ने ६० लाख की कैपिटल पर ८ लाख का मुनाफा कमाया है। मैं समझता हूं कि यह ८ लाख का मुनाफा ६० लाख की कैपिटल पर ज्यादा नहीं। ऐसे उद्योग में जिस उद्योग में काफी जानकारी की जरूरत है, जो कि एक वैज्ञानिक उद्योग है और हर कोई उसको नहीं चला सकता, उसमें ८ लाख का मुनाफा ६० लाख की कैपिटल पर बहुत ज्यादा नहीं कहा जा सकता। ऐसे उद्योग के भीतर जिसे उद्योग में बहुत तकनीकी ज्ञान की आवश्यकता होती है विदेशी कम्पनियों को तो दुगुना मुनाफा होता है। फिर उन्होंने यह कहा कि यहां पर हमारे जो बाल बेयरिंग बनते हैं वे विलायती बाल बेयरिंग के मुकाबले में उतने अच्छे नहीं

[श्री कृष्ण चन्द्र]

हैं। मैं तो नहीं कह सकता कहां तक अच्छे हैं, कहां तक नहीं अच्छे हैं, लेकिन इतना मैं जरूर जानता हूं कि हमारे यहां के बने हुए बाल बेयरिंग आज बहुत सी मशीनों में इस्तेमाल हो रहे हैं और उनकी बहुत ज्यादा शिकायत कहीं नहीं है। जो हमारे मोटर बिजली के बन रहे हैं उनमें वही बाल बेयरिंग लग रहे हैं हमारे जो मोटर कार चलते हैं उनमें भी कहीं कहीं वे बाल बेयरिंग आजकल लग रहे हैं। हम रोज देख रहे हैं कि जो हमारे बिजली के मोटर चलते हैं, पंखे चलते हैं, इस तरह की चीजें चलती हैं उनमें हमें कोई ऐसी शिकायत नहीं दिखाई देती। बाल बेयरिंग की हमारी इण्डस्ट्री एक बड़ी इण्डस्ट्री है, जिसका आधार तकनीकी ज्ञान पर है, वह कोई आसान उद्योग नहीं है। इसको हमने इस संरक्षण के अन्तर्गत लालन-पालन के द्वारा ही खड़ा कर पाया है और उसी के सहारे यह उभर रहा है। जो यह कहा जाता है कि कीमत ज्यादा लेते हैं, मुनाफा ज्यादा है तो इसका मतलब यह नहीं होना चाहिये कि हम इसको संरक्षण नहीं दें। बाहर से बाल बेयरिंग का आना बिल्कुल बन्द नहीं किया गया है जैसा कि हमें इस विधेयक में भी दिखाई देता है उसके ऊपर केवल ६५ प्रतिशत का कर लगाया गया है। १०० रुपये का माल अगर विदेश से आता है तो ६५ रुपये कर लगता है जिसका मतलब यह है कि दुगने से ज्यादा तो हो ही नहीं सकता। दस साल हो गये जब १९५२ में हमने इस उद्योग को संरक्षण दिया था और आज १९६२ है। तीन साल की ओर सिफारिश टैरिफ कमीशन ने की है जिसको अमल में लाने के लिये यह विधेयक आज पेश है। यह कोई ज्यादा लम्बा समय नहीं है और जहां तक कीमत कम करने का सवाल है या अच्छे बाल बेयरिंग का सवाल है, माननीय मन्त्री जी ने बताया है कि कई लाइसेंस और दिये जा चुके हैं और जहां तक धेरा खयाल है—मुझे बहुत जानकारी तो नहीं है—परन्तु जहां तक मेरी जानकारी है

एस० के० एफ० की बाल बेयरिंग जिसकी बहुत तारीफ की गई है, उसके कोलेबोरेशन में भी एक कम्पनी शायद खड़ी हो रही है जो बाल बेयरिंग बनायेगी। चौरङ्गिया जी ने जिस कम्पनी की तारीफ की है उसके कोलेबोरेशन में, उसी के सहयोग के साथ एक कम्पनी हमारे हिन्दुस्तान में अब खड़ी हो रही है, उसको लाइसेंस दिया जा चुका है और जैसा कि माननीय मन्त्री जी ने बताया, कई और कम्पनियों को भी उन्होंने बाल बेयरिंग बनाने के वास्ते लाइसेंस दिये हैं। तो फिर जब कई कम्पनियां उस बाल बेयरिंग को बनायेंगी तो चौरङ्गिया जी का जो सन्देह है कि इस कम्पनी को संरक्षण की आड़ में हम इस बात का मौका देते हैं कि वे खूब मुनाफा कमाएं तो यह मौका तो उसको रहेगा ही नहीं। जब कई कम्पनियां उसी चीज को बनाना शुरू कर देंगी और इस तरह से अच्छी कम्पनियां काम शुरू कर देंगी तो मुनाफे की ज्यादा गुंजाइश रहेगी नहीं। साथ ही माननीय मन्त्रीजी ने बताया कि एक पब्लिक सेक्टर में, सार्वजनिक क्षेत्र में, यानी सरकार की ओर से, एक वृहत् उद्योग बाल बेयरिंग का कारखाना खोलने वे जा रहे हैं जिसमें छोटी से छोटी बाल बेयरिंग से लेकर बड़ी से बड़ी बाल बेयरिंग बनायी जायेंगी। इस उद्योग को काफी बढ़ावा अभी तक मिल चुका है और आगे के लिये जैसी तस्वीर माननीय मन्त्री जी ने हमारे सदन के सामने रखी उससे जाहिर होता है कि इस उद्योग को आगे भी बढ़ावा मिलने वाला है, जो बिल्कुल उचित है।

दूसरी हमारी कांच की इण्डस्ट्री है, कांच की चादरें हैं। कांच की चादरें हमारे देश में पहले नहीं बनती थीं, बाहर से आती थीं। हमें देखने के लिये जिन दर्पणों की आवश्यकता होती है और हजामत बनाने के लिये जिन दर्पणों की आवश्यकता होती है, वे भी पहले विदेशों से आते थे। आज हम बाजारों में देखते हैं कि इन विदेशी दर्पणों का कहीं नामो-निशान नहीं है या बहुत कम दिखाई देते हैं।

और ज्यादातर देशी दर्पण, देशी कांच ही दिखाई देते हैं। देखने में और इस्तेमाल करने में हमारा जो देशी माल है वह विदेशी माल जैसा ज्यादा बढ़िया तो नहीं है लेकिन उसका मुकाबला बहुत हद तक कर चुका है। हमने इस उद्योग को सन् १९५० से संरक्षण दिया हुआ है और अब सन् १९६२ है। अब और तीन साल के संरक्षण की सिफारिश की गई है। जिस तरीके से इस उद्योग ने इतने दिनों में तरक्की की है, जिस तरह से टैरिफ कमीशन ने इसे पनपने का मौका दिया है और आज फिर तीन साल का संरक्षण दिया जा रहा है वह सिर्फ इसलिये दिया जा रहा है ताकि यह उद्योग खूब अच्छी तरह से बढ़ जाये और तेज गति में पहुँच जाये। इस तरह का संरक्षण देना बुरी बात नहीं है और मैं समझता हूँ कि इस विधेयक में संरक्षण देने का जो उद्देश्य है वह उचित है और उसका समर्थन किया जाना चाहिये।

एक बात मैं माननीय मंत्री जी की सेवा में जरूर पेश करना चाहता हूँ और वह यह है कि जहाँ तक कीमतों का सवाल है वह जैसा उन्होंने बताया टैरिफ कमीशन बहुत तहकीकात करने के बाद तय करता है। मोटर कार की कीमतें तय करने की बात मैं कहता हूँ। टैरिफ कमीशन ने काफी इन्क्वायरी करने के बाद सरकार को बतलाया है कि कारखानों में जो मोटरकारें बन रही हैं उनमें इतनी लागत आती है और इतना रुपया मैन्युफैक्चरिंग के रूप में उद्योग को मिलना चाहिये तथा इतने मुनाफे और कीमत में बाजार में बिकनी चाहिये।

इस संबंध में मुझे सरकार और माननीय मंत्री जी से यह कहना है कि जहाँ तक कीमत घटाने का सवाल है इसमें कहीं न कहीं कुछ गड़बड़ है। १२ हजार की गाड़ी में ५०० रुपया घटाया जाना कोई बड़ी चीज नहीं है। इसी सिलसिले में मैं माननीय मंत्री जी के सामने एक बात और बतलाना चाहूँगा। उस रोज सदन में सवाल हो रहे थे तो माननीय मंत्री जी सुब्रह्मण्यम् जी ने जवाब दिया कि वेस्पा

स्कूटर की कीमत घटा दी गई है और लम्ब्रेटा स्कूटर की बढ़ा दी गई है और लम्ब्रेटा की कीमत इसलिये बढ़ा दी गई ताकि दोनों की कीमत बराबर आ जाये। सवाल यह होता है कि जब वेस्पा को लाइसेंस दिया गया तो उसकी कीमत क्यों ज्यादा बढ़ा कर रखी गई थी? तो इसका जवाब यह दिया गया कि वेस्पा की कीमत कम कर दी गई है और लम्ब्रेटा की बढ़ा दी गई है ताकि दोनों की कीमतें बराबर में आ जायें। यह कुछ ऐसी हालत है जो सन्तोषजनक मालूम नहीं देती। अगर सरकार ने वेस्पा के दाम पहले ज्यादा रखे थे तो शायद इस खयाल से रखे थे कि यह नया उद्योग है और उसे उभरने और पनपने में कुछ वक्त लग जायेगा इसलिये शुरू शुरू में ज्यादा कीमत बढ़ाना उचित था। लेकिन लम्ब्रेटा की कीमत को अब बढ़ा देना और वेस्पा की कीमत को घटा कर दोनों की कीमत बराबर में लाना कहां तक उचित है? आपने वेस्पा की कीमत इसी उद्देश्य से बढ़ाई थी कि यह नया उद्योग है लेकिन लम्ब्रेटा की कीमत किस उद्देश्य को सामने रख कर अब बढ़ा दी गई है जबकि वह इतने सालों से चल रहा है? लम्ब्रेटा काफी चलने लग गया है और काफी तादाद में बनने में भी लग गया है फिर भी उसकी कीमत बढ़ाना कहां तक उचित है, यह बात मेरी समझ में नहीं आई। जहां कीमत बढ़ाने का सवाल आता है वहां पर अवश्य कुछ न कुछ गड़बड़ है जिस की ओर मैं माननीय मंत्री जी का ध्यान दिलाना चाहता हूँ और मुझे आशा है कि वे इस ओर अवश्य ध्यान देंगे।

एक बात की ओर मैं और माननीय मंत्री जी का ध्यान दिलाऊंगा। इंडियन टैरिफ ऐक्ट में जो शिड्यूल दिये हुए हैं उनमें शायद १०० या उससे भी ज्यादा मर्चे दी हुई हैं। सन् १९२४ के ऐक्ट में वे ऐक्ट बनाया गया था और उस वक्त से ही ये मर्चे भी कायम हैं जोकि अब दोषपूर्ण मालूम देती हैं। जिस समय सदन में इंडियन

[श्री कृष्ण चन्द्र]

कस्टम बिल पर बहस हो रही थी उस वक़्त भी मैंने कहा था कि इन मदों में अब सुधार किया जाना चाहिये । कस्टम ऐक्ट के अन्दर तो यह व्यवस्था है कि जो कर लगाये जायेंगे वे किस तरह से वसूल किये जायेंगे, क्या अधिकारियों के अख्तियार होंगे और क्या नहीं होंगे । किस चीज़ पर कितना टैक्स लगेगा और किस चीज़ पर नहीं लगेगा, वह टैरिफ़ ऐक्ट के मातहत किया जाता है । टैरिफ़ ऐक्ट में उसके लिये शिड्यूल दिया है । लेकिन इस शिड्यूल में आज वह दिखाई देता है कि एक चीज़ इस मद में भी आ सकती है और दूसरे मद में भी आ सकती है । इसका नतीजा यह होता है कि जो अधिकारी ड्यूटी पर होता है और उसको खुश न किया जाये तो वह उस चीज़ को ऐसी मद में लगा देता है जिस पर ज्यादा टैक्स होता है । इस तरह की बातें देखने में आती हैं जिन्हें दूर किया जाना चाहिये । इस तरह की बातों से झगड़े होते हैं । इसलिए मेरा निवेदन यह है कि इतने दिन हो गये हैं और अभी तक इसमें हमने सुधार करने की कोशिश नहीं की है । आज हमें इस के लिये, मेरा सुझाव है एक कमेटी बनानी चाहिये, जिसमें जानकार लोग हों, पार्लियामेंट के मेम्बर भी हों, इण्डस्ट्रीज़ के जानकार लोग हों, गवर्नमेंट के विशेषज्ञ हों जो इन शिड्यूलों को फिर से बनायें तो अच्छा होगा ।

मैं इस सम्बन्ध में यह भी निवेदन करना चाहता हूँ कि जो एक्सपोर्ट और इम्पोर्ट कमेटी श्री मुदालियर साहब के बेयरमैनशिप में बनाई गई थी उसने भी यह लिखा था कि माल के बारे में, शिड्यूल में जो विभाजन किया गया है उस में काफी गड़बड़ है । उन्होंने लिखा है कि दो किस्म के शिड्यूल हैं । एक तो शिड्यूल इम्पोर्ट टैरिफ़ के बारे में है जिसके अन्तर्गत माल का आयात होता है । इस शिड्यूल में भी

कितनी ही मदें हैं और माल का इन मदों में विभाजन है । एक माल इस आयात वाले शिड्यूलों में भी और कर वाले में भी है । इस तरह से माल का विभाजन इन दोनों में किया गया है । यह दोनों शिड्यूल एक दूसरे से मेल नहीं खाते । एक चीज़ एक शिड्यूल में एक मद में है तथा दूसरे में दूसरी मद में । जिसका नतीजा यह होता है कि लोगों को मुश्किल का सामना करना होता है । इस सम्बन्ध में एक्सपोर्ट और इम्पोर्ट कमेटी ने जो कुछ लिखा है, उसका एक पैराग्राफ़ पढ़ कर मैं सुना देना चाहता हूँ, जो इस प्रकार से है :

"Difficulty is often experienced by trade in clearance of goods through the Customs on account of the difference in the Import Trade Control and the Indian Customs Tariff Classification. Such difficulties particularly in the case of items which are not specially classified in I.T.C. or L.C.T. Schedule, the more so because the two authorities interpret the classification of stores from their own standpoints."

इस तरह की बात उन्होंने लिखी है और मैं समझता हूँ कि हम सब को बैठ कर फिर से इस मसले पर विचार करना आवश्यक है ।

इस सम्बन्ध में मैं एक बात और अज कहेगा कि आपके इस क्लासिफिकेशन की वजह से आज छोटे उद्योग पनप नहीं पा रहे हैं । एक चीज़ कोई आदमी बनाना चाहता है और उसके पार्ट जो हैं, पुर्जों जो हैं, उनको बाहर से मंगाना चाहता है तो आपके क्लासिफिकेशन के अन्दर पुर्जों पर कस्टम ड्यूटी ज्यादा लग रही है और अगर पूरी की पूरी चीज़ वह मंगवाता है तो उस पर ड्यूटी कम है । मैं एक ही मिसाल दूंगा, टैजेंट गलवेनोमीटर की । यह टैजेंट गलवेनोमीटर एक साइंटिफिक है । इसको अकेले मंगाया जाता है, तो इस के

ऊपर इयूटी ज्यादा है। यदि यह गलबेनोमीटर किसी मशीन का या किसी बड़े उपकरण का पार्ट या पुर्जा होकर के आता है—चाहे उसको उस उपकरण के साथ कोई फालतू भी मंगा ले—तो उसके ऊपर इयूटी कम है। इसका अरार यह होता है कि यहां पर अगर कोई उद्योगी उस उपकरण को बनाना चाहता है और टैजेंट गलबेनोमीटर बाहर से मंगवाता है तो उसे इतना कर देना होता है कि उसकी कीमत ज्यादा बैठती है। इसके कारण लोग पूरे का पूरा यंत्र बाहर से मंगवा लेते हैं बजाय इसके कि देश के अन्दर उस उद्योग की तरक्की हो। जहां तक हो सके पुर्जों पर टैक्स कम होना चाहिये और जिस यंत्र के अन्दर वह पुर्जे लगे हैं उसके ऊपर टैक्स ज्यादा होना चाहिये ताकि उस यंत्र के बनाने की दस्तकारी हमारे इस देश में चालू होने लगे। मैंने यह उचित समझा कि ये बातें मैं माननीय मंत्री जी के सामने प्रस्तुत कर दूँ।

इस बिल का अन्त में मैं समर्थन करता हूँ क्योंकि इस बिल में जो संरक्षण दिया गया है उस संरक्षण से देश के ये दो बड़े उद्योग बनपेंगे। अन्यथाद।

SHRI MANUBHAI SHAH: Madam Deputy Chairman, I am sorry that at this time most of the speakers who made observations on this Bill are not in the House. Shri Bhupesh Gupta mentioned that the same speeches are being made by Treasury Benches and the same by some of the hon. Members who take interest in this Bill. While I certainly agree with the latter part of his observation, as far as my friend, Mr. Bhupesh Gupta, is concerned. I would certainly say that in every Bill we have tried to bring about clarifications to break new ground looking to the development in this country from year to year when this Bill comes before the House.

The very fact that during the ten years any number of industrial units, running into thousands, both in the large-scale and small-scale sectors, have come up, and more so in the last six or seven years, qualitatively speaking, India today produces practically every product under the sun, though quantitative deficiencies, as Mr. Dave rightly pointed out, do exist because of the massive population in this country and the rapid pace at which we want to raise the living standards of our people. Therefore, the presentation of the picture of industrial growth, the tariff policies, the import policies, the customs policies, which are being evolved from year to year, certainly, not only break new ground but open up new vistas and horizons the like of which at least—even though I was in industry for the last two to two and a half decades—we had never dreamt of before independence. Today independent India can claim practically the foremost place in industrial development throughout Asia and Africa. And if a decade of intensive growth is again available to our people—as we hope we will have—we shall come of age in the industrial world very soon.

Madam, the question raised was: What is the policy on protection? Madam, the policy on protection is one what the Fiscal Commission, headed by Sir V. T. Krishnamachari, had adumbrated in the earlier part of this decade out of which was born the present Tariff Commission. The policy, as I said, in my brief remarks, when moving the Bill for consideration, is to reduce protection to the minimum and de-protect an industry as soon as it comes to healthy standards both of dimensional growth, of economy of scale and of quality and • performances.

I do not subscribe to what my friend, Mr. Chordia, said that the quality of Indian products is very much inferior to their counterparts throughout the world. I am, therefore, glad that Mr. Santokh Singh and

[Shri Manubhai Shah.] later on, my friends, Mr. Krishna Chandra and Mr. Suresh Desai, rebutted his argument. Too long we have talked. I myself have sometimes occasions to complain because we are critical people. We are not complacent men. We want to point out our own defects where they exist in an industry or in any part of our economy and social growth, if it is so. And yet it will not be right to run down the whole gamut of industrial development in this country in the name of quality if one fan, or a small ball bearing has given some trouble or if a taper or a roller bearing has given some noise in an electrical motor. It is today millions of ball bearings and millions of products which are being produced by the highest international standards, both acceptable in this country, running into various industries, and also being exported as finished products.

Then, Madam, the question arose, as Mr. Dave said, why was an industry allowed to come up if the raw materials, as Mr. Suresh Desai pointed out, were more expensive than the finished product? That is a very relevant question. And yet the history of all industrial growth points out that when one starts covering as many gaps in the national economy as is possible, the structure of the foreign enterprise undergoes considerable change with respect to their export markets. Because we are determined to start every sort of important and basic industry, at the time when we start, as we saw in the case of Hindustan Antibiotics, finished penicillin was being sold in this country at Rs. 2/11 while the crude drugs or their very intermediates were not even one-third its price. As soon as we made our determination and started a big public sector basic unit, down come tumbling the international price to one-third or one-fourth the rate. Today the price is roundabout 5\$ annas. That is not our fault. That is the international method of competition. That is the method of consort-

iums and cartels throughout the world, and because of that we cannot be cowed down into inaction purely because what was not true before ten years becomes true today. Therefore, what Mr. Desai has said is perfectly relevant. Today these high carbon steels are being sold to us at a slightly higher price than finished ball bearings. This was not so when we started the ball bearing industry. And if we had remained under the calculation that if some people, the international salesmen, in order to dump their goods into the absorbing, consuming, countries are going to do this, therefore, we should not start an industry like this, we would have been left with no industry at all in this country. I have seen times, in my own life, when cloth dumped by a neighbouring country was cheaper than our own cotton. Therefore, we cannot stop production of cotton or cloth in this country. These are the ups and downs of the international growth of economy and also the international competition to make a country self-sufficient, as my friend, Mr. Bhupesh Gupta, was mentioning before this House. Therefore, Madam, while we are all one with the House—and I fully share the opinion of the House that gradually we should reduce the price and the quantum of protection—we have also to see carefully that any amount of blind following of a theory should not lead to disastrous results, that the Tariff-Commission which is consisting of very specialised men—whatever the opinion of a few individuals here and there may be, they are men, experts, assisted, again, by various advisers, surveyors and observers, specialists, both from the public industry, private industry and the governmental agencies—have come to the conclusion that a certain amount of protection is inescapable—and I should think, »s I'

have always had the privilege here to believe that both the Houses fully support that—and we grant standard protection. But I can assure the House, without craving for any undue

indulgence, that we have been *very, very*, critical in these observations and we have tried to de-protect as many industries as possible. And even today 50 per cent, of the industries, which have come before the House, are sought to be de-protected not a day later than when they deserve to be de-protected. My friend Shri Santokh Singh said that while protection is admirable as far as international protection is concerned, that is, the indigenous industry to be protected against foreign competition in our own country we should have any number of units internally competing so that the prices can come down. Now, as a theoretical economic proposition, it is unexceptionable. But we must realise that we are trying to develop a country with very scare resources. Only the human resources are plentiful but we have to even convert the human resources into more equipped, more trained personnel. Natural resources are scarce and the utmost of raw material production is yet to be achieved. In industrial raw materials there are more than 9,000 to 10,000 types of generic steel which the world produces for different ball bearings. I do not think that any generation of Indian people or even Americans' or Russians could produce every raw material that every industry requires today in a very very fast-moving world. Technologically, the whole world is racing towards a development which was unheard of in the history of mankind. Therefore, what I wanted to submit to the House was that while we are very careful that competition of a healthy nature must be developed in this country, we cannot be oblivious and run away with licensing any number of industrial units and then let them all down because the economy of the scale will suffer; we will not have the foreign exchange to feed all of them; a lot of capital goods will have to be multiplied and human effort will be wasted and national investment which has to be directed in a country of poor resources, towards basic priorities, will all be frustrated. So, within the

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limits of the national investment and national resources, we do have a licensing policy in which more than one unit is approved and that is the fact which we have given in this book also that there are 7 more licences coming up. The Tata SKF is one that is going to be a huge plant of one of the best internationally known ball bearing, roller bearing, taper bearing, coach bearing factory. We are also having Japanese collaboration of the N.K.S. which is another internationally known one. An American producer with a collaboration in Calcutta has *come up* producing some of the best ball bearings. All these aspects are therefore covered, but to cover them all by a real umbrella of public sector—because these different units in the private sector have their own limitations, they cannot go into all varieties and categories of basic ball bearings, taper bearings, roller bearings, which the country needs for several industries and their machinery—we decided to put up a unit in the public sector. The public sector unit will be perhaps bigger both in output and in investment than all the private sector put together. That was very necessary. Such a basic industry cannot be left to the pleasure of the private units to come up when they liked, to produce what they liked and to produce in quantities which served their profit interests, naturally. Therefore, we cannot leave it to them. There we have tried to and still we are trying to negotiate the whole aspect with our technical collaborators from very highly industrialised countries of the world to establish this unit in the public sector. What I wanted to assure the House is this that once our size of production develops, even of the special steel, the basic steel—may be 30, 40 or 50 per cent, of our raw material requirement is also sought *to* be produced in the public sector, in some of our alloy steel plants. Once we know the quantum and the type of steel that would be required for the various types of basic bearings of these units, then we should also



[Shri Manubhai Shah.] parcel out the basic raw materials to be produced and I can assure the House that it is not our intention to rely continuously on the import of these raw materials for such basic industry, because neither economically it pays us nor it will be correct to make the country depend for such a vital thing on foreign imports.

SHRI AKBAR ALI KHAN: How long will it take?

SHRI MANUBHAI SHAH: I believe the new unit of ball bearing should take 3 or 4 years, maybe by the beginning of the Fourth Plan or maybe in the second year of the Fourth Plan, it might be "in operation and the alloy tools steel plant should follow within a year or two of the same because one of the alloy tool steel plant in the public sector is also coming forward and with a few more electrical induction furnaces of low frequency or high frequency, as the case may be, we can produce some of the basic raw materials required by the ball bearing industry. Therefore, those are the aspects which we have tried very much to look into and I can assure the House that all these aspects are constantly before us.

Then there was a question which Mr. Dave raised whether in all these calculations, the Tariff Commission's functions are clearly denned or not, or are the Tariff Commission quite a comprehensive body or is the Development Council a comprehensive body or is there any other organisation being thought of by the Government to watch, to see that these various gaps which today have come before us, could be filled up. I may point out to him very humbly that the gaps were not unknown to us nor is this a new revelation that the gaps have come up only now. In an economy which is just growing, we entered the industrial era a decade back. When we became independent, we were hewers of wood and drawers of

water. We were the processors, bottlers and assemblers in this country. No basic production was ever attempted here except for bringing some crude drugs from outside and bottling them, vialling them or bringing some c.k.d. plants and assembling them. I had occasion to tell here that there were more than 156 truck models and car models and various other types or models. It was a veritable jungle of imported goods which the previous imperial masters were allowing in this country. It was only after the achievement of independence and after evolving a national policy on planning that we have tried to rationalise all these things. Therefore, we mean to develop it in a manner in which lots of vital missing links in the national economy are gradually filled. It is not possible in the modern technological world to claim that all the gaps will be, here and now, filled, even if any high-powered body is kept. No high-powered body, in my humble opinion, knowing technology as I do, would be competent to tell, find out or analyse or point out or indicate all the gaps that would exist or that would come about in a period of growth—and such a rapid one—but I can assure the House that various bodies are working in a broadly, integrated and co-ordinated manner so that the priorities are well laid out. From year to year the priorities have got to be slightly altered to suit the new developments and new requirements and on the whole if we see the growth of the industrial gamut, the industrial machinery and machine tools, which is basic and fundamental to any economic growth, have received the highest attention in the last 6, 7 or 8 years. We have the industrial index running somewhere at 194 points today. The machine tools and industrial machinery have recorded more than 900 points whereas next comes engineering. It has recorded something like 650 and the basic chemicals have recorded 480 and consumer goods, which naturally, even though important, have low national priority are less than 194. That is

why 94 is the index. This very fact shows and if the House and the Members can kindly examine the different groups and categories of industrial products, and see what indices have been achieved in the last several years from year to year, they will fully appreciate that the priorities have belonged to where they must. The priority has been assigned where it is absolutely incumbent for a nation marching forward towards the road to industrialisation and that is what we have adhered to.

There might have been a few errors here and there because of human being or national body being not always infallible but broadly speaking, by and large, we have stuck to proper priorities. We have adjusted priorities to suit the time and now that the emergency has arisen, we are fully being geared to meet the emergent requirements of our national emergency. One does not know how long it will last but we are determined to see that India becomes one of the best defence equipment producing nations and all efforts are being made in every direction to see that the present industries and the future industries are so geared to meet the emergent requirements of our nation and to equip it with the most modern arms and equipments and supplies that any nation can require to fight a bitter enemy, the aggressor, such as the one we are facing today. With these words, I do not want to take more time of the House. I can assure Members that all their comments and suggestions would be examined. For instance, Mr. Krishna Chandra raised or rightly pointed out that there is a variation between the customs schedule and the tariff schedule. Now, there is a historical reason behind it. We were a tariff country having protection, protection and protection. The word runs into volumes, not only a few pages. I myself, even though I am conversant with all these, find myself completely at a loss to find out where a particular product belongs but deletions are taking place from week to week, from month to month

and from year to year and as we go along, new additions are being made of products which we have never thought of or dreamt of, and therefore, naturally there is sometimes a possibility that *one* product appears in one place in one form and in one name and the nomenclature for the same product which naturally to an industrialist looks like the same but in the other schedule it appears in a different name. If these discrepancies are pointed out by experienced Members of this House and industrialists, we shall be very grateful and every such suggestion to delete or to remove any discrepancy will be most welcome. With these words, Madam, I commend the Bill to the House.

4 P.M.

THE DEPUTY CHAIRMAN: The question is:

"That the Bill further to amend the Indian Tariff Act, 1934, as passed by the Lok Sabha, be taken into consideration."

*The motion was adopted.*

THE DEPUTY CHAIRMAN: Now we shall take up the clause by clause consideration of the Bill.

*Clause 2 was added to the Bill.*

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

SHRI MANUBHAI SHAH: Madam, I beg to move:

"That the Bill be returned."

*The question was put and the motion was adopted.*

#### THE HINDI SAHITYA SAMMELAN (AMENDMENT) BILL, 1962

THE MINISTER OF EDUCATION (DR. K. L. SHRIMALI) : Madam, I beg to move:

"That the Bill to amend the Hindi Sahitya Sammelan Act, 1962, be taken into consideration."