

[Shri Abid Ali.]

Disputes (Banking Companies)
Decision Act, 1955."

MR. DEPUTY CHAIRMAN: The question is:

"That leave be granted to introduce a Bill to amend the Industrial Disputes (Banking Companies) Decision Act, 1955."

The motion was adopted.

SHRI ABID ALI: Sir, I introduce the Bill.

SHRI JASWANT SINGH (Rajasthan): I want to ask one question.

MR. DEPUTY CHAIRMAN: No question at this stage. Afterwards if we have time. You can come and see me afterwards.

SHRI JASWANT SINGH: You can listen to me as you listened to Dr. Gour.

MR. DEPUTY CHAIRMAN: Even that was irregular.

THE DHOTIES (ADDITIONAL EXCISE DUTY) AMENDMENT BILL, 1957

THE MINISTER OF COMMERCE
(SHRI N. KANUNGO): Sir, I beg to move:

"That the Bill to amend the Dhoties (Additional Excise Duty) Act, 1953, as passed by the Lok Sabha, be taken into consideration."

Sir, it is a very simple Bill which was debated *in extenso* when it was passed in 1953. I would not like to take the time of the House in recapitulating the arguments. As we had discussed this at length at that time, suffice it to say that the purpose for which the Act was designed, that is, to give filip to the handloom weavers in marketing their products by reducing the production of dhoties in the mills to a certain figure, roughly 60

per cent. of the production at a given time, has served its purpose in the sense that there has been some improvement in the production of the handlooms and the acute prices of dhoties which took place at that time in 1953 have been reduced and the conditions have become normal. Under the provisions of that Act of 1953 the Textile Commissioner was given powers to decide upon the quantum of each establishment. Under the Essential Commodities Act, the Textile Commissioner issued notification and wanted to club together the products of different establishments under the same management. It has been operating but a little doubt has been expressed whether the powers available under the Essential Commodities Act and of the original Act are enough or not. Therefore, to make the position clear beyond doubt, this amending Bill has been introduced and has been passed by the Lok Sabha. I commend the Bill for the consideration of the House.

MR. DEPUTY CHAIRMAN: Motion moved:

"That the Bill to amend the Dhoties (Additional Excise Duty) Act, 1953, as passed by the Lok Sabha, be taken into consideration."

DR. R. B. GOUR (Andhra Pradesh): Sir, even though we have not moved any amendment to this Bill because we knew that at this fag end of the Session a real discussion on the amendments is not possible and also because Government could not be persuaded to accept any of the amendments—and of course it is a practice with them that they will not accept any amendment here, still I would say that this Bill is not such an innocent Bill as the Minister has made it appear when he commended it to the House just now. In the very Statement of Objects and Reasons, he has said as follows:

"In order to assist the handloom industry the Government of India

had issued in December 1952 a notification under the Cotton Textile Order, 1948 restricting production of Dhoties by a mill etc....."

This Bill is by implication a direct assistance to, as he said, the handloom industry. That is what he wants. A certain restriction was placed on the suggestion of Shri Rajagopalachari, the then Chief Minister of Madras. That restriction had been placed on the manufacture of dhoties which included also saris by the mills so that the handloom industry gets that amount of quota for internal consumption and that is the way that we sought to (1) integrate the production in the handloom sector with the production in the mill sector, and (2) subsidise the handloom sector to a certain extent, even at the cost of the mill sector. Now it is not a simple thing. We have to see how that order of the Government or how that purpose of the order has been served, how far we have achieved that objective, to what extent that integration has taken place, to what extent that competition between the handloom sector and the mill sector has been sought to be reduced, whether it is a fact or a fiction because it is quite true and nobody can deny that the handloom sector has got a little assistance and it has done somewhat well because of that particular measure of the Government. But at the same time we have to see to what extent the mill sector has tried to circumvent that order, to what extent the mill sector has tried to cheat the Government and the handloom sector and also tried to encroach on the market that was sought to be given for the handloom industry. That is why I think the Minister will take us into confidence, that some time will be given to this House to discuss the whole thing, to see to what extent for the last 2 years this has worked, to what extent the handloom industry has fared well, to what extent new modifications are required and to what extent the mill industry has cooperated in the objective of the Government.

Then I take serious objection to clause 4 which says something about group of mills. Here there is a very serious loop-hole that you have created for the mill industry to cheat us. You have said 'a group of mills', Now a group could be owned by the same persons or same agents. We know that one group will have a more advantageous mill and a disadvantageous mill, a mechanised mill and a non-mechanised mill, a better equipped mill and a poorly equipped mill, a mill that has better machinery and a mill that has not got good machinery. The quota you allot is for the entire group. It is for them to decide which particular mill of that group will consume the entire quota or most of the quota. Does it mean that quota must be equitably distributed to all units so that there is production going on in every unit and workers do not suffer because of lack of quota for production? You have not taken that into account. You have fixed quota for the entire group. Then this amending Bill does not give us provision which takes really into consideration the way these gentlemen could cheat the handloom sector as they have been doing. These things are known to Members about the question of border. You have defined dhoties according to the coloured border and that colouring could be removed or got rid of. Even a white thing could be produced. We know that dhoties without coloured borders are there.

Therefore this whole thing has to be gone into and I am sorry that this Bill does not give us an opportunity to look into matters from the angles from which this matter ought to be looked at. Now you are coming with an amending Bill for a purpose that was laid down about 3 or 4 years ago. I would like to say another thing, that the penal clauses also are not in accordance with the gravity of the situation. So I think that the whole matter required careful discussion in this House and a re-examination of the entire thing is necessary. We are labouring under a situation when we

[Dr. R. B. Gour.]

did not have the opportunity to discuss the Kanungo Committee Report. We did not have an opportunity to discuss all these various policies that the Government are implementing since the Kanungo Committee report went into the entire textile industry. When we come to the Cotton Fabrics Bill I will have something to say. I have no doubt that the entire textile problem has to be seriously considered, discussed and a proper policy has to be evolved in order to save the situation both in the handloom and also in the mill sector. With these few words, I conclude.

MR. DEPUTY CHAIRMAN: Dr. Dutta, five or six minutes. There are six speakers more.

DR. NALINAKSHA DUTT (West Bengal): Not on this Bill. I will speak on the Cotton Fabrics Bill.

SHRI C. P. PARIKH (Bombay): Mr. Deputy Chairman, my hon. friend, Dr. Gour, has tried to point out that the handloom industry is in need of protection. I would like to point out to him that, by the recent levies of excise duties which are, per yard 2 annas for medium, 3 annas for fine and 4 annas for superfine, the handloom industry is more than protected and I may add that at present it is the mill industry that requires protection against the handloom industry. That position has arisen now. There is a ceiling put on the production of the mills. They can produce only 5,400 million yards. The new looms put up are expected to manufacture for export. Under these circumstances, I think the handloom industry has a great field to work in and meet the additional requirements in our country which are of the order of 300 million yards every year. It is difficult to envisage how this industry can satisfy this demand. Unless the handloom industry is organised in the matter of standardisation of its products, I am afraid, it may not be able to achieve that target. However, all

efforts are being made in that direction by the Government and Government is giving all assistance to this industry in this respect. Therefore, I think the handloom industry will come up to that standard.

My hon. friend, Dr. Gour, also said that the handloom industry needs protection when you consider the cost of production also. But I submit, if you compare the cost of production of mill cloth along with the excise duty and the cost of production of handloom cloth, then the balance of advantage will be found to be in favour of the handloom product. Of course there is a lot of scope for improvement in handloom production, and if that improvement is effected, then this industry will be placed in even a better position.

Dr. Gour has talked about group ownership and the grouping of mills in relation to their production. In the matter of dhoties the quota has been 60 per cent. of the normal production. When the quota is thus reduced, it is the duty of the Government to see that there is sufficient quantity of dhoties available in the country. Therefore, in order that the supply may be of the standard required, it was thought fit by the Textile Commissioner, from 1952 or 1953 onwards to allow groups of mills to club their quotas if these groups of mills were under common ownership or management which is very well defined in the Companies Act of 1956. In section 370 of that Act what concerns are under common management is very well defined. I think when the Minister of Commerce and Industry has given this latitude to the Textile Commissioner, he will see that this definition given in section 370 is adhered to as regards common management. In the other Bill which is coming up later, common management does not appear. There is only ownership. It is difficult to realise the cause of difference, but I will have an opportunity to speak on the other Bill.

With regard to the production of dhoties, it is necessary also to visualise what the additional production should be in order to meet the requirements in the country. From now onwards 300 million yards per year will be required and all that additional production will go now to the handloom industry and not to the mill industry. That fact my hon. friend Dr. Gour should not forget. The handloom industry has full scope, but on the production of mills there is a ceiling. In this connection, I would like the hon. Minister of Commerce and Industry to give us the figure of quotas assigned for the production of dhoties to the mills and what they have been producing in the years 1953, 1954, 1955 and 1956, because I think their total production has fallen a little below their quota. At present there is accumulation of dhoties and the mills cannot sell them. When the quota was fixed at 60 per cent., there was a margin for the mill sector in dhoties. That was in the first year because the handloom industry had not adjusted itself in the first year for the additional production of dhoties. When it got adjusted, I think the handloom industry has been able to meet the requirements which are necessary for the country and which are assigned to it, I mean the other 40 per cent. You will see from an examination of the published figures, that when this penalty was levied in 1953, in the first year an amount of Rs. 9 lakhs as revenue was realised on account of this penalty. This has come down in the last year to one lakh of rupees, and I think in course of time it will practically be nothing, because there is no violation of this account. It was only in the first year when the handloom industry had to be adjusted to the additional requirement which was assigned to that industry, that the mill industry had greater profits and there was a scramble for utilising this quota. That position no longer exists. I may also inform my hon. friend, Dr. Gour, that production of dhoties forms only 12 per cent. of the total production of the mills. Therefore, it

is not a big item for the mills which they would like to take advantage of. As regards sarees, my hon. friend says there is quota fixed, but it is not so. It is only laid down that certain types of sarees will not be allowed to be manufactured by the mills. These are restrictions in other forms which also operate as a fixation of quota. He will see that in the matter of sarees also the handloom industry has a greater field, because mills cannot manufacture sarees of certain varieties, of certain designs and certain colours. There, if he examines the textile policy, he will see that it is very well managed as regards dhoties.

SHRI KISHEN CHAND (Andhra Pradesh): Mr. Deputy Chairman, the hon. Member who just preceded me has said that because there is an excise duty on medium, fine and extra fine cloth, the handloom industry does not need any help, that this industry is now able to stand on its own legs and stand competition. May I point out to my hon. friend that the production of handloom cloth has not gone up to the same extent as was expected of it? After a great deal of consideration, we came to the conclusion that the handloom industry needs some support and even now that need for support or help continues. The handloom industry must be supported and unless you earmark certain spheres of production and give the two sectors definite spheres of production, the handloom industry has no chance of survival. As it has great potential for employment—the biggest potential for employment—I think it is but reasonable that we should be careful and strict and see that the mill industry does not abuse its privileges.

I am going to speak on this Bill only from the point of view that when there is fixation of a certain quota, I do not want that quota to be hoodwinked and circumvented by this type of amalgamation of various mills. I am not asking that the quota for handloom industry should be raised

[Shri Kishen Chand.]
or that the quota for the mill industry should be reduced. All I want is that by this grouping of mills, our purpose is not defeated. There are a large number of mills and their production has to be grouped together. The result will be that it will give an opportunity for managing agents to somehow make a little bungling of accounts and although actually producing more, try to show that they have produced less.

SHRI C. P. PARIKH: How can that be done?

SHRI KISHEN CHAND: Well, we are not here going into the details as to how it can be manipulated. I do not know myself. It is for the people who are manipulating to tell us and we should not give them an opportunity for manipulating. After all, the accounts of every mill can be separated.

DR. R. B. GOUR: If the hon. Member writes his reminiscences he can very well say how to do it.

SHRI KISHEN CHAND: We have given 60 per cent. quota to the mills. These mills are distributed all over India, in Bombay, Ahmedabad, Kanpur and various other places in India. They are not uniformly distributed, but they are there all over the country. If they are all producing dhoties in their own particular areas, then it will not lead to transport bottlenecks.

Now, what will happen is that only one or two particular mills in Ahmedabad will be producing the dhoties and in the other areas the dhoties will not be produced and they will be specialising in other varieties. The result will be, Sir, that the consumer will suffer and the handloom industry will suffer.

SHRI N. KANUNGO: How will the consumer suffer?

SHRI KISHEN CHAND: Of course, if you agree that the mill industry produces articles cheaper, naturally you will say that if you give a bigger quota to the mill industry the consumer will get it at cheaper prices but I am talking from the larger interests of the consumer, not the narrow point of view that the particular dhoti that he purchases is available at a cheap rate. If you believe in it, then do not encourage the handloom industry at all but give the entire quota to the mill industry. Do not levy any excise duty and the consumer will get it cheap. Whenever I say that the consumer suffers, it is not on that particular deal of a dhoti that he is purchasing but as an overall thing. If the handloom industry suffers and mill industry has no competitor, indirectly the consumer suffers by the non-presence of the handloom industry. That is my larger point of view so far as this problem is concerned, not the narrow aspect of a particular deal. Sir, I submit that I do not mind the grouping of the mills but I will only request the hon. Minister to be very careful about the submission of their accounts. Secondly, this particular concession is not restricted to one or two mills in particular areas but is spread all over India.

SHRI N. R. MALKANI (Nominated): I welcome the Bill in a way, not fully.

DR. ANUP SINGH (Punjab): Which way?

SHRI N. R. MALKANI: I will make it clear now. I welcome it in the sense that it professes to give protection to the handloom industry and wants to give it more and more. That is the professed object of the Bill. To me, it is quite clear that the handloom industry requires protection for a number of years. It is not making progress at the rate at which we expected it to make. As my friend just now said, the increase in production of handloom cloth is not as

expected by us, has not come up to our expectation and is not according to schedule. It was 1,475 million yards in 1955-56 and it increased only to 1,565 million yards, an increase of 90 million yards over last year. We had provided for an increase of 140 million yards and, at this rate, at the end of five years, it would have been 700 million yards. It has not increased to that extent. On the other hand, the production in the mill industry has shot up by leaps and bounds. It has produced 288 million yards last year in addition to what it was producing the previous year. The total additional production expected in five years is 350 million yards whereas in one year alone, in 1956-57, it has come up to 288 million yards. In regard to the handloom sector, Sir, it appears to me that the protection given is not effective protection. The aid is given and grant or loan is given to what is known as the co-operative section in the handloom sector but that sector today is less than half the total sector and, as far as I know, even to that sector, the aid given is not efficient and effective as it ought to be. Either our organisation is defective or there is something wrong. They do not get the subsidies; they do not get the loans as they ought to. Even in the co-operative sector, I am pained to state that they do not get the yarn in adequate quantities, of the quality and of the grade that they need. When they want 20s they will get 10s and they will get 20s when they want 30s. They do not get the yarn in adequate quantities and counts and today we are thinking already of exporting yarn though the handloom industry does not get the yarn that it wants. Even the export of handloom cloth is only 55 million yards while the export of the mill-made cloth is about 800 or 900 million yards. The mills will be reaching their target with the aid that they are getting, with the stimulus that they are getting but in the case of handlooms it is only 50 million yards. I am certain that something is lacking either in the designs or in the quality or in the

markets. Or, the organisation is, to my mind, very deficient.

SHRI C. P. PARIKH: Or the price.

SHRI N. R. MALKANI: Or the price may be, who knows? You know it better than me. I understand designs better than you, I understand quality better than you but, as you say, prices may be high—it may be so—but the point is that export is not as it ought to be.

Sir, in this Statement of Objects and Reasons it is stated that, in order to clarify beyond doubt, group of mills under the same ownership or common management could combine and so on. I am not able to understand this really. How could this give additional protection? I would accept that the mills should produce not more than 60 per cent. of dhoties. But progressively it should be only 50 per cent. or 40 per cent. and I would reduce it even to 20 per cent. of dhoties by the mills and nothing more. This 20 per cent. might be there in order to have some competition with the handlooms but I see no such efforts being made to reduce it. On the other hand, we are circumventing it one way or the other and trying to maintain this 60 per cent. As my friend just now said there are certain varieties which ought to be reserved for handlooms and dhoties should be one of those. I would say that sarees should be another but we see no effort being made in that direction, to reserve any varieties at all.

DR. R. B. GOUR: Dhoties include sarees, just as he includes she.

DR. ANUP SINGH: For that he will be sorry!

SHRI N. R. MALKANI: I would say that this combination, this grouping of mill's, does not give additional protection to handlooms but it may be giving additional protection to mills. It is not clear to my mind. When a

[Shri N. R. Malkani.]
particular mill X is not able to produce dhoties, it does not matter at all to me but if another in the group is allowed to produce, it may produce the entire 60 per cent. The result will be that some mills which are unable to produce dhoties will allow another in the same group to produce 80 per cent. or even cent. per cent. of dhoties for the matter of that. Therefore, it does not appear to me as if it is giving protection to the handloom sector; it appears as if it is giving protection to the mill sector. I cannot understand it and I cannot understand what is mentioned in the Statement of Objects and Reasons and I say that you cannot implement it without increased protection being given to the mill sector.

MR. DEPUTY CHAIRMAN: Yes, Mr. Deokinandan Narayan.

SHRI DEOKINANDAN NARAYAN (Bombay): I wanted to speak on the other Bill, Sir, not on this.

MR. DEPUTY CHAIRMAN: All right.

श्री पी० एन० राजभोज (मुम्बई) :
उपाध्यक्ष महोदय, यह बिल जो यहां रखा गया है इसको देखकर मुझे संतोष होता है। इसमें जो कमिश्नर को ज्यादा अधिकार दिये गये हैं, मेरे विचार में यह अच्छी बात की गई है क्योंकि उसको अधिकार देने से सब प्रकार की सहूलियतें मिल जायेंगी।

DR. R. B. GOUR: Does the hon. Member know that the Commissioner's decision is not final?

श्री पी० एन० राजभोज : आप थोड़ा बैठिये, शान्ति रखिये। मैं जानता हूं आपका दिमाग। तो हमारे यहां हिन्दुस्तान में जो गरीबी है और अनइम्प्लायमेंट का प्राबलम है वह हमारी मिलों में बहुत बढ़ रहा है। गरीबों को रोजगार दिलाने के लिये एक दृष्टि से सरकार यह कर

रही है कि स्माल काटेज इंडस्ट्रीज को उत्तेजन दे रही है। लेकिन दूसरी दृष्टि से यह देखने में आता है कि जहां जहां मिलें बन्द हो जाती हैं वहां वहां मजदूर लोग बेकार हो जाते हैं। अभी डेढ़, दो हजार करोड़ की कैपिटल हमारे देश के तीन या चार सौ मिलों में लगी हुई है, और मेरे पास फिगर्स मौजूद हैं कि कितनी मिलें बन्द पड़ी हैं जिनकी वजह से हजारों गरीब आदमी बेरोजगार पड़े हैं। इसलिए मैं प्रार्थना करता हूं कि सरकार उनके लिए कुछ न कुछ बन्दोबस्त करे। मैं यह जानता हूं कि हमारी जो छोटी छोटी इंडस्ट्रीज हैं, घरेलू उद्योग धंधे हैं उनके प्रति हमारी सरकार की पालिमी बढ़िया है, अच्छी है। सरकार को हैंडलूम को उत्तेजन देने के लिये उसका कीटा ज्यादा बढ़ाना चाहिये और उस क्षेत्र में ज्यादा सहायता देनी चाहिये। मैं अभी कह रहा था कि धोती के बारे में जो अधिकार टैक्सटाइल कमिश्नर को दिया गया है वह वह ठीक ही किया गया है। मेरी प्रार्थना इतनी है कि शोलापुर, जलगांव अमलनेर और चालीसगांव में आज मिलें बन्द पड़ी हैं जिसकी वजह से वहां के गरीब लोग बेरोजगार हो गये हैं और इस अवसर का फायदा हमारे विरोधी गुट के लोग उठा रहे हैं। वे कहते हैं हम स्ट्राइक करा देंगे, ये करेंगे, वह करेंगे और अड़ंगा डालते हैं। तो गवर्नमेंट को इस स्थिति की ओर ध्यान देना चाहिये जिससे ये लोग जो कि अवसर से लाभ उठाना चाहते हैं और चाहते हैं कि स्ट्राइक हो, गड़बड़ हो, और हमारी आ बने, उनको वह मौका न मिले। शोलापुर में आप जाइये, वहां आपको चार, साढ़े चार हजार आदमी बेकार मिलेंगे। इसमें गवर्नमेंट की तरफ से कुछ मिसमैनेजमेंट हो रहा है और मिल मालिकों की तरफ से भी मिसमैनेजमेंट हो रहा है। कुछ मालिकों ने मिल अपने कब्जे में ले भी ली है फिर भी उसको ठीक तरह से नहीं चला पा रहे हैं...

श्री सी० पी० पारिख : गवर्नमेंट ने नुकसान किया।

श्री पी० एन० राजभोज इसीलिये में कह रहा हूँ कि जहाँ जहाँ भी मिसमेंजेमेट हो रहा है वहाँ गवर्नमेंट को कुछ न कुछ ऐसा बंदोबस्त करना चाहिये कि काम बन्द न होने पाये और लाग बेरोजगार न हो पाये जिसमें उपद्रव करने वाले और भडकाने वाले लोगों को मौका न मिले। थोड़ी देर पहले मैंने श्री माराजी देसाई से इश्ट किया था कि शोलापुर की मिलों के बारे में गवर्नमेंट क्या करने जा रही है तो उन्होंने कहा था कि एक कमेटी बिठाई गई है। क्योंकि शोलापुर में हंडलूम ज्यादा है इसलिये मेरी प्रार्थना है कि सरकार वहाँ के इस उद्योग को ज्यादा से ज्यादा उत्तेजन दे। शोलापुर, जलगाव, अमलनेर और चालीसगाव इन जगहों में कई मिलें बन्द हो चुकी हैं जिससे कई हजार लोग बेकार हो चुके हैं। मैंने सुना है शोलापुर में १५००, जलगाव में १५०० और चालीसगाव में १००० आदमी बेकार हो गये हैं। इसी वास्ते मेरी प्रार्थना है कि कम से कम ये जितने लोग बेकार हो गये हैं इनके मामले में सरकार को जल्दी करनी चाहिये और गवर्नमेंट को उसे अपने हाथ में लेकर जल्दी से फैसला करना चाहिये।

इस सम्बन्ध में मैं एक बात यह कहना चाहता हूँ कि हमारे जो छोटे उद्योग धंधे हैं, इनमें चर्म उद्योग का उतना इनकरेजमेंट नहीं मिलता है जितना मिलना चाहिये। देहातों में विशेष रूप से स्मालस्केल इंडस्ट्रीज को इनकरेजमेंट मिलना चाहिए। मिल की बनी हुई धोनियों पर टैक्स बढ़ाना चाहिये, यह ठीक बात है मगर हंडलूम का प्राप्ताह न देने के लिये और उसको बढ़ावा देने के बारे में भी कुछ उद्योग सरकार की तरफ से होना चाहिए। सरकार को ध्यान रखना चाहिये कि जो लोग बेकार हो जाते हैं उनकी स्थिति में हमारे विरोधी गुट के लोग पूरा लाभ उठाते हैं इसलिये सरकार का उनके लिये इतजाम करने के वास्ते जल्दी से जल्दी कदम उठाना चाहिये। यह जो अधिकार टैक्सटाइल कमिशनर का मिला है,

यह बहुत अच्छा है और इसमें ठीक तरह से इतजाम होगा, ऐसी मुझे उम्मीद है।

DR R B GOUR: Does the hon Member want that the Government should take over scrap by paying compensation when he suggests that the mills should be taken over?

SHRI N KANUNGO. Sir, as far as this particular amending Bill is concerned, it has the implied or explicit support of all the Members of the House. Doubts have been expressed about the adequacy of this particular measure in giving a fillip to the handloom weaver. Doubts have also been expressed by Mr Kishen Chand that the provisions of the amending Bill will give room for manipulations of an undesirable character.

Regarding the first I would mention that this particular measure, that means the main Act, is only a negative aspect of the help which is given for the handloom industry. No one expects results out of this negative Act, least of all the Government. Many positive steps have been taken but this is not the occasion when I should recount them though Dr Gour would like to have a discussion on the subject but I think that the matter has been amply discussed in 1956 when the duties on cloth were increased. However, the Parliament procedure is there and discussion can be raised on any point and the scope and content of the discussion can be decided by the Member subject to the decision of the hon Chairman, but I submit that this is not the occasion for it. All that I want to emphasize is that this particular measure by itself is not going to help the handloom weaver and it is not going to help the consumer also. Patently, it restricts the availability of a particular product to the consumer. As to Mr Malkani, I will ask him to be reminded of the conditions where this particular measure was first introduced in 1953. The price of dhoties shot up as much as 40 per cent Mr Malkani mentioned that handloom production had not

[Shri N. Kanungo.]
been progressing as per schedule. Well, it hasn't; human activities do not progress as per schedule, particularly where price factors are concerned. However, I can mention that the cumulative effect of the negative and positive measures undertaken by the Government has resulted in the increase of handloom production from 1,100 million to 1,500 million and it is steadily increasing since the last three years.

Regarding manipulations, the incentive for manipulations or malpractices is so small that no one will go for them. Mr. Kishen Chand who, I understand, is an academician particularly in mathematics, if he computes, will find that the duties and restrictions have been so designed that, all taken together, the incentive for malpractices and manipulations is almost nil and in any case . . .

DR. R. B. GOUR: It is not the Professor who manipulates but it is the businessman who will manipulate.

SHRI N. KANUNGO: Please, let us not read motives, particularly unworthy motives, in other persons.

DR. R. B. GOUR: Let us not see motives; let us see practice.

SHRI N. KANUNGO: No; I do not agree with that point of view and the very fact that the amount of penal duty has dropped down from Rs. 9 lakhs to almost Rs. 1 lakh clearly shows that there is no incentive for paying the penal duty.

SHRI N. R. MALKANI: How is this going to give additional protection to handlooms by recognising group of mills?

SHRI N. KANUNGO: I will come to that. The apprehension about manipulations and all that has been there. It is not a new factor; it is contained in the 1953 Act. Whether it will increase the total quantum of dhoties

available from the mill sector or not, the statistics of the last three years will prove. The effect of the law as it stands can be checked only by the production figures which are available to the hon. Members almost every month or even fortnightly which will show that the total quantum of dhoties, capacity for which exists, cannot increase beyond 60 per cent. of the production at a given period. If it had, then the measure has failed and I would plead guilty at that time to Prof. Malkani's charge, but not now.

Now, the grouping together will give advantage in this sense that certain mills which have better capacity of production or which go down in production of certain varieties, will be able to utilise their machinery to a certain extent while keeping within the ceiling of 60 per cent. Parliament's desire is to keep a ceiling of 60 per cent. and if it exceeds, then only there is the question of failure of this measure. But it cannot exceed; that is my contention. Sir, I submit that the Bill may be approved by the House.

MR. DEPUTY CHAIRMAN: The question is:

"That the Bill to amend the Dhoties (Additional Excise Duty) Act, 1953, as passed by the Lok Sabha, be taken into consideration."

The motion was adopted.

MR. DEPUTY CHAIRMAN: We shall now take up clause by clause consideration of the Bill.

Clauses 2 to 7 were added to the Bill.

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

SHRI N. KANUNGO: Sir, I move:

"That the Bill be returned."

MR. DEPUTY CHAIRMAN: The question is:

"That the Bill be returned."

The motion was adopted.