

[Shri Rajendra Pratap Sinha.] The second point, Sir, that I would like to say is with regard to the proposition made out by my hon. friend that we cannot possibly stop altogether the other automobile manufacturers who have put in their money for assembling and for a variety of reasons. I appreciate the point that he has made, but, Sir, we have got to keep two things in view. We have got to manufacture cent per cent, automobiles in this country and we have got to manufacture them at prices which may be within the reach of the common man in this country. Sir, this can only be achieved, as I have said earlier, by seeing that economic production takes place in the different units. If this is not done, my fears are that we will not be producing at low costs the automobiles. Well, there is quarrel with the ends we have in view. The end which the Government or the Minister or myself hold is just the same. We want the entire production from our own units, cent, per cent, components to be manufactured here and then all that should be made available at reasonable prices. So let the hon. Minister come forward with a definite scheme that we will be achieving these things that is the ends I have explained, within a certain fixed period of time; in whatever manner he proposes to do that, it is none of my concern, if he can give me the results.

SHRI D. P. KARMARKAR: Sir, I will be very brief. First I should say that whatever I said in respect of transformers applies to other industries also. In the case of some industries we might reach the target much earlier than we thought we would. For instance, in the matter of cloth production we have already reached the target that the Planning Commission said should be reached before the end of 1956. For this transformer industry also we will give all help as in respect of any other industry and we will always hope for the best. In respect of industrial development there can be no two opinions that we should develop as fast as possible.

As regards the automobile industry, I would not allow myself to be tempted into the consideration of the point raised by my hon. friend. He was speaking of a particular problem. He mentioned two firms. He asked, 'Why not limit yourself to one particular thing?' I will only point out this. We invited people with manufacturing programmes to come forward. People have come forward. We are examining their proposals.

Our public opinion being what it is, supposing we just say we shall produce only one type of car for the whole of the country, we are not sure whether public opinion would like that. The public may like to have a bit of a variety, a smaller car or a bigger one; and in the matter of trucks they may want to have trucks of different tonnage and so on. We are at the moment considering this problem and prompting manufacturers to come into the field. And I cannot avoid telling our hon. friend that we have to do what appears to be the best for the whole country. Whether it is three or four or five or seven, it all depends on whatever is in the interests of the country.

M(R. DEPUTY CHAIRMAN: The question is:

"That the Bill be returned."

The motion was adopted.

#### THE INDIAN TARIFF (THIRD AMENDMENT) BILL, 1953

THE MINISTER FOR COMMERCE (SHRI D. P. KARMARKAR): Sir, I beg to move:

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

Sir, the main objects of the Bill are three; firstly to grant protection to the titanium dioxide industry; second to continue protection to a number of industries; and thirdly to discontinue protection to certain others as mentioned in the **Statement of Objects and Reasons**.

Sir, I may state at the outset that the case of the titanium dioxide industry has some distinctive and special features of its own. The industry which now consists of a single firm, namely, the Travancore Titanium Products Ltd., has after a promising start gone into a state of suspended animation and the immediate problem is to bring it back to life and activity. The product of the industry, viz., titanium dioxide is an important white pigment used in a number of industries including paints, printing ink, rubber, enamel-ware, soap and cosmetics, rayon, etc. It has, however, to compete with several substitutes which hold a strong grip over the Indian market, viz., litho-phone, zinc oxide and white lead. Its principal raw material, namely, ilme-nite, is available within the country in abundance. The range of production of the industry does not cover at present all types of titanium dioxide; the 'anatase' type of titanium dioxide constitutes the main line of its activity. It is however equipped to manufacture the other type, that is, the 'rutile' grade also. The Tariff Commission considers that the chief obstacle in the way of the speedy development of the industry is the comparative smallness of the internal demand. It is important, therefore, that steps should be taken to enlarge the volume of demand and that we should avoid all steps which would have the effect of raising prices. The Commission recommended and the Government have agreed that the existing rates of duty namely, 25 1/5 per cent, *ad valorem* Preferential, and 35 1/5 per cent, *ad valorem* Standard should be converted into protective duties and that protection should for the present be limited to one year.

With regard to the second part of the Bill, I may state that the protection granted to industries on the recommendation of the Tariff Commission is, as a rule, limited to a specific period of time. Before the period of protection expires, the Commission is expected to make a review of the manner in which protection

granted to the industry is operated. On the basis of the report of the Commission, Government decide whether protection should be continued for a further period of time or withdrawn. Thus this is not a new measure which the House has been called upon to consider. As Members will have observed from the Bill, the period of protection granted to twenty-nine industries is due to expire on the 31st December 1953. Detailed notes in respect of twenty-four industries will be found in the notes which have been circulated to the Members. Copies of the Tariff Commission's reports on the remaining five industries have been laid on the Table of the House during its current session as required under section 16(2) of the Tariff Commission Act, 1951. Copies have also been placed in the Parliament Library for purposes of reference by the Members.

Hon. Members might like to know why protection in respect of twenty-four industries is being extended for a short period, that is, till the 31st December 1954. I may, therefore, briefly explain the position. Owing to the number of important enquiries which the Tariff Commission have had to undertake during the current year, it has not been possible for them to submit their reports on all these industries. They have, however, expressed their views that it would not be desirable to allow protection to lapse in the case of any of these industries without proper investigation and that the duration of protection in respect of these twenty-four industries should be extended for another year, that is, till the 31st December 1954 by which date they hope to complete their investigation.

Of the twenty-four industries protection has been granted to seventeen by mere conversion of the revenue duty into an equivalent protective duty. The extension of the period of protection of these seventeen industries for a year will not, therefore, be open to criticism that it involves an additional burden on the consumer.

[Shri D. P. Karmarkar.]

Now, I come to the remaining seven industries where protection was initially granted by an increase in the revenue duty in force prior to the grant of protection. They are soda ash, calcium chloride, coated abrasives, artificial silk and cotton and artificial silk, mixed fabrics, cotton textiles machinery, electrical accessories made of plastics, and bicycles industries. The rates of duty before protection and those in force at present have been indicated in the notes which have been circulated to the Members. All these industries are of sufficient importance to this country and it would not be proper to withdraw protection without proper investigation by the Tariff Commission. Should, however, the Commission find that the existing protection is inadequate or excessive in respect of any of the industries which are enjoying protection it will be open to them to recommend a modification of the rates of duty. This can be effected at any time by a notification under section 4(1) of the Indian Tariff Act, 1934, without having recourse to legislation.

The Tariff Commission has also recommended discontinuance of tariff protection in respect of pencils, fountain pen ink, ferro-silicon and certain categories of buttons as the measure of protection needed by them is less than that afforded by the normal revenue duty. Government have accepted the Commission's recommendations and the Bill seeks to give effect to the decisions. It will, however, be open to the industries to apply for protection if these industries find themselves unable to meet foreign competition.

Sir, I would not like to dilate further at the present stage but I will be happy to reply later to any points that may be raised.

MR. DEPUTY CHAIRMAN: Motion moved:

"That the Bill further to amend the Indian Tariff Act, 1934, as passed

by the House of the People, be taken into consideration."

DR. SHRIMATI SEETA PARMANAND (Madhya Pradesh): Mr. Deputy Chairman, I rise to support the Indian Tariff (Third Amendment) Bill, 1953. But before I proceed with the Bill proper, I would like to make a remark or two with regard to the method in which it becomes necessary for the Government to bring two or three Bills in a year.

[THE VICE-CHAIRMAN (SHRI B. C. GHOSE) in the Chair.]

It is of course understood that as the occasion arises, the Government in order to meet the situation has to bring the Bill say once a year, but it is necessary to bring two Bills in one session as has been done now is not understood. This is particularly important, Sir, when the Government has sent a letter addressed to Members by the Minister for Parliamentary Affairs in which he has pointed out how it has not been possible to proceed with any section of the Hindu Code Bill for want of time required for important Government business as if the Hindu Code Bill is not Government business, as if it is not important business. But it is beside the point for the time being. I would like to request the other Ministries to 5 P.M. leave, in future, some time at least for social legislation introduced by Government itself. Otherwise, these Bills (social legislation Bills) are ordinarily crowded out.

I would first like to sympathise with the Commerce Minister in particular though the Ministers with the portfolios of Finance and Food and Agriculture also come in for a fair deal of criticism. These two other Ministries get out of that by putting their responsibility on other shoulders by saying that they have not been getting enough taxes and so they cannot make adequate provision. The Food and Agriculture Ministry are able to say that the vagaries of nature are responsible for their shortcomings but the poor Commerce and Industry

Minister has no such resort to take to. In the plays of Gilbert and Sullivan, I they refer to the policeman's lot as not being a happy one when the constabulary duty is to be done. I would parody it here and say that "when the Commerce Minister's duty is to be done the Minister's lot is not a happy one, not a happy one" as it is not possible to please all interests.

I would like to make one or two observations; but I would like to inform the hon. Minister that it is not in a spirit of criticism that they are made but in a spirit of helping him to understand the problem from other points of view which he may not be able to see from the place he occupies. Sir, I would take from the long Schedule given here one item, particularly item No. 71(11)—Oil Pressure Lamps. As a woman, naturally I wish to see light where there is darkness; and as a person who lives in Madhya Pradesh—though I come from Bombay—a person who appreciates the importance of petromax lamps where electricity is not able to reach, I would like to dwell on that industry which produces such a useful commodity. I would like to point out to the hon. Minister the straits to which this industry has been reduced.

Some of you would be aware, those who go to the countryside, what an important part the petromax or oil pressure lamps play in the life of the countryside. You will find this in every small restaurant and small roadside shops or anywhere in the village where there are social education lectures or where any *tamasha* is going on, people collecting together to enjoy the petromax light. We know the condition of their homes where they will not have enough oil to burn their lights; and you need not be reminded of this, that it is on account of their dire poverty they have no oil to burn. Very often they try to finish off their evening meal before darkness sets in.

The history of this industry is very interesting and for all those people who are not conversant with **it, it will**

be interesting to know that it is a war baby in a way; it has developed because of the impetus given to it during the war. There are twelve firms in the country which are dealing with this industry. Two important ones are in Calcutta and two in Bombay. Government thought that the industry, on account of its complicated nature—in which there are about fifty small parts which are to be manufactured and on account of the long experience of the people outside—thought it best to give some sort of help to it and converted it from a revenue duty into protection after the Report of the Tariff Commission submitted in 1950.

Before the war it was stated that nearly 2 lakhs of petromax lamps came from Germany and about 2 lakhs and a half from the U.K. That was, perhaps, an exaggerated claim but today it has been estimated by the Commission that nearly 91,000 lamps is the country's requirement and the industry is able to produce really that much; but it is not able so far to produce lamps above two hundred to four hundred candle power. So with a view to leaving a margin for imports, the Commission decided that about 9,000 lamps should be imported above the power of 400 to 5,000 candle power. But so many things have been done to short-circuit this. That is really surprising how the efficient staff under the hon. Minister has not been able to detect the mischief that has been played to the detriment of the industry, so that some of the firms are likely to be closed down. There is a firm called 'Dazzle' in Calcutta which is about to close. Sir, the Commerce and Industry Minister, Shri T. T. Krishnamachari, had on the floor of this House said 'in a complaining manner, and perhaps rightly too, when Members asked that certain imports should be altogether banned, that they did not realize other countries also will act with as much reciprocity. That is quite true. Now it would be necessary perhaps to import some petromax lamps particularly of the high candle power because they are not manufactured in the country. But,

[Dr. Shrimati Seeta Parmanand.] at the same time, it is necessary to see that particular vigilance is exercised. Would you be surprised if I tell you that though the Government have allowed 9,000 only as import quota to the foreign industry, during this year, within the first four months, up to something like 47,994 lamps have been imported, and up to now, that is November, something like 61,528 lamps have been imported. I should like to ask the hon. Minister how it has happened. They have their Sea Trade Control Board and it is therefore necessary for him to see where all these lamps are coming from, whether from the Portuguese territory or whether they are coming in from the French territory; very probably that is the case, if reports are to be believed. Before the hon. Minister decided that the industry should get one year's more, protection, it was necessary for him to institute, rather it was necessary for the Tariff Board to institute an enquiry into the condition of the industry, at once to seize the extra number of lamps that have come and not allow that number to be sold. I would also say that they should hold this quantity even now against the lamps that are to be imported in the next few years. It is not only that. It would also be surprising that the country is ordinarily expected to require only 9,000 lamps above the power of 400 to 5,000 candle power, but it is likely to consume 60,000 extra, imported already in place of the domestic product. It is obvious that some trick is being played and the lamps are being marked as above 400 candle power but that they are actually below 400 c.p. So, there is some sort of dirty trick that is being played and it is for the Ministry to go into the whole scandal and it is also necessary to find out who are all the officers responsible for this and to bring them to book.

As women we are trying to see what can be done for cottage industries and small-scale industries; and the Planning Commission also has laid stress on the development of small-scale industries. The Planning Com-

mission was once thinking and I remember the Finance Minister was saying somewhere that Government might think of starting some industries with a view to attracting shy capital and then handing them over to private firms. If this is the Government's policy it would be wrong if these industries, which have started on their own, are allowed to die out because of certain negligence or lack of vigilance on the part of Government.

In this connection, I would like to make certain suggestions to Government. Just now, the hon. Minister said that their policy was to use, as far as possible, all Indian made things in the country. It was during the last Budget discussion that so many people stressed that 'swadeshi' should be the slogan of the Commerce and Industry Ministry. I think the Minister also has referred to it in several places. But I have seen no sign of its implementation so far. It was suggested that the postal envelope should bear the mark, "Use Swadeshi Only." The Minister was asked whether that was done. He said that he thought that it was done. But during the whole year I have never seen anywhere that mark on the envelope saying, "Use Swadeshi Only". I suggest that he should do that even now. And as far as the extra quota lying with the various oil-pressure lamps companies is concerned, the Government might see to it that all extra quota—only of Indian-made—is used in all their offices. The Government and the Planning Commission etc. is in need of so many petromax lamps that it should not be very difficult for them to give preference and consume all this quota at once.

I would also suggest to Government the various ways and means in which they can help the small-scale industries. For instance the question of finance comes in. When the capital of these small concerns is locked up in unused stocks, it is the duty of the Government to take over their stocks and request the Industrial Finance Corporation to advance to them money against the security of those stocks.

There is no co-ordination, I am very sorry to say, Sir, between the different Ministries, and if these suggestions were to come from the Ministry of Commerce, they should be acceptable to the Finance Ministry and the Finance Ministry in turn would pass them on to the Industrial Finance Corporation. Government is also finding it difficult to get the adequate personnel for the purpose of nationalisation and I would suggest that if Government were to invest—even if they are short of capital just now—about 5 per cent, in every small industry, in order to train the necessary personnel which would be subject to the Government control, that would be a good beginning, and the Commerce and Industry Ministry could press the Home Ministry to make a start with the establishment of that Indian Economic Service. From that they would be able to draw the personnel required for this purpose. Then, Sir, with regard to raw materials, the industries find it very difficult to compete with the foreign-made stuff. To meet this difficulty, if Government were to buy the stocks of raw materials required for all the firms together and then sell them those stocks gradually, it would be cheaper for these firms to buy stocks through Government stores. Then, Sir, when Government would be taking so much interest in the promotion of the small scale industries, it is necessary that Government should control prices and see that as the time passes and as help is made available, the prices are also reduced in a proportionate manner.

Sir, I would like Government to see that when an industry makes an extra profit, after having a reasonable dividend for the industry, which should not be more than four per cent, as far as the shareholders are concerned, remaining 50 per cent, should be set aside for the development of that industry and 50 per cent, for helping the reduction in prices. Then, Sir, I want the Government to pick up some industries—not all the industries—and see that they come to stay. Otherwise

there would be a sense of frustration prevailing not only in that particular industry but in all other similar small scale industries. And when the capital has already come forward, it would be a great mistake—and I should say a crime—to let such industries die down. And, Sir, if the people are asked to use the inferior type of products such as the petromax lamps, which would not be as good and as durable as the foreign products, it is the duty of the business people to see that the prices later on are reduced and the consumers get the benefit of it.

Sir, I would like to make only one or two small points. I would like to say a few words to the business people as well as the common consumers like ourselves that we in our country fail in so many schemes because we are always lethargic in doing our public duty and allow things to drift. I was reading the same thing about China and it was thought by many people that Chinese people would never be able to rise quickly because they were having that oriental mentality of allowing things to drift. So, Sir, the business people have to play the game and appreciate all concessions given to them by Government and all the trouble that Government would take to enable the industry to rise. It is well-known that very often when business people make profits, they play the usual tricks of maintaining double accounts and they are not willing to reduce the prices. But in the Western countries immediately an industry is able to make some improvement in its product as a result of scientific investigation, it passes on that benefit to the consumers. It is the duty of the business people to respond to Government's effort and not allow Government's effort to be a failure. And it is the duty of the consumers also that if they find a certain product available in the market when the same has been banned by Government, they should report at once to the Government through whatever source possible by saying, "I have found such and such a product in the country and it must have come through blackmarket or smuggled through the French territory

[Dr. Shrimati Seeta Parmanand.] or the Portuguese territory." Unless we all do our duty as nationals, it is not possible for any industry, small or big, to prosper. And when Government is trying to do whatever it can to help certain industries at the sacrifice of other industries, it is for those small industries to co-operate with Government and not to seek Government's help in the matter of protection for a long time, but pass that help on to other industries which deserve to be helped at a later time. Thank you, Sir.

SHRI M. MANJURAN (Travancore-Cochin): Mr. Vice-Chairman, after all the advocacy of inabilities by the Commerce Minister I am constrained to say that there is no point in speaking because he has already stated that whatever are the plans and whatever are the designs, the Government will not be able to fulfil them, because they have none of the knowledge that is necessary and they haven't got the right type of men. I am sure that these are the same things which we have always been telling them. They should improve the quality of their knowledge if they want to preside over the destiny of this country. So long they have been doing it, but they have not yet realised that they are charged with a certain responsibility for the industrial progress of this country. Every time excuses are put forward before us. I do not know why there should be so many wise men of India put on the Treasury Benches. Why not so many unwise men? It does not require any wisdom to produce excuses. From time immemorial, it has been the fashion of those people who default every time to blame some other person for their own faults. Here, this country has been trying so much to get out of foreign domination both politically and economically, and here is an industry which the Government would now like to protect and foster. That is Titanium Dioxide industry, and they have converted a revenue duty of 25 1/5 per cent, into a protective duty of 25 1/5 per cent., so that the industry may flourish. I

am at times surprised to see how they apply logic in their activities, and if they do not apply logic, I am sure they would always fail and failing, they would always tell us that it was the fault of not having the necessary equipment. 'After achieving independence, a company was floated for the manufacture of Titanium Dioxide. That was as near as 1950. It was in the knowledge of the Government that this particular product is manufactured out of the supplies of ilmenite obtained in the West Coast and the industry was already dominated by foreign interests as the National Lead Company of the U.S.A., the E.I. Du Pont de Nemours and Co. of the U.S.A. and the British Titan Products Co. Ltd., who had their associates working on the spot. When the Travancore Government thought that the Titanium Dioxide industry should be established there, they floated a concern, taking 51 per cent, of the shares for themselves and distributed the rest of the shares among those who were interested in the mining of ilmenite in Travancore. But it is found that the same people, i.e., the British Titan Products Co. Ltd., were authorised somehow or other to carry on the business.

THE DEPUTY MINISTER FOR  
NATURAL RESOURCES  
AND  
SCIENTIFIC RESEARCH (SHRI K. D.  
MALAVIYA): YOU are referring to the ilmenite sand.

SHRI M. MANJURAN: Please wait. A subsidiary concern was floated by the British Titan Products Co. Ltd., called the Indian Titan Products Co. Ltd., and they were appointed the Managing Agents of this Travancore company. So, the industry was left in the hands of the same people who had so far held all the interests and who had also their alliance with the American manufacturers as far as I understand. They set up a factory here and they began to manufacture Titanium Dioxide which was of course of the lowest quality that could be manufactured out of the best ilmenite that is produced in India. They began

to manufacture anatase type of titanium which could not be used for all purposes unless the rutile variety of titanium was also produced. It is now said that this particular company has readjusted their plans to produce the rutile variety of titanium also. Why were they in so much anxiety to restart their firm and to re-employ people there recently? There have been large orders received by them from foreign concerns and they wanted to fulfil those orders. For this purpose and for this purpose alone, they are now coming into the field again. This factory was closed all the time. The world at large and India too were in great need of titanium products. Now when that company has obtained big foreign orders, we are talking about protecting this industry.

Now, I cannot understand one thing in this Tariff Commission's Report. That report says that titanium products do not enjoy an inland market, and on the other hand, they themselves state that this particular company has now obtained large orders from foreign countries. Is it because they are going to supply to foreign countries, that this industry is going to be given protection? I can understand giving protection to this industry in order to compete with other countries manufacturing the same thing but we have also to realise that unless the native demand for titanium products is increased by limiting the import of the substitutes for this, which are not indigenous to this country, we are not going to develop this industry. You are not going to develop this industry because you have now given over this industry to people who do not want to develop it. It would not be to the interests of those people to develop this industry here in this country, with immense natural resources for it, and allow it to become the greatest competitor both for the American and British manufacturers. As a matter of fact, from the figures available, we can find that the U.S.A. and the U.K. were the largest importers of ilmenite from

India. In 1951, out of the total exports from India of 2,43,811 tons, the U.S.A. imported 1,44,935 tons and the U.K. imported 40,975 tons. These two industrially advanced countries are importing ilmenite in order to build up their own titanium industry. To allow one of the subsidiary concerns of theirs to develop this industry here, I think, is suicidal for the growth of that industry in this country. With all that our National Laboratories have done and the progress we have made in the direction of scientific research, this suggests that it is easy to produce titanium from ilmenite and reduce it to pigments. It is not at all difficult. But from the reports that are available to us, it seems that we are not able to make full use of these in our country, and we leave the full interest thereon to the foreigners. So long as they are importing ilmenite from India and exporting titanium products to other countries, they would not like the same industry to be developed in India, because the Indian industry would then successfully compete with them. Sir, scientific experiments to introduce titanium pigments for all painting works in India would have been started long ago. We have not done that so far. There is some reference in the Tariff Commission's report that they have written to the laboratory in Poona to find out whether instead of sulphuric acid, chlorine could be used for the manufacture of titanium. What does it show? It shows that because we are short of sulphuric acid we are not able to produce titanium for industrial uses. We are short of sulphuric acid and we do not know whether chlorine could be effectively used for reducing titanium to pigments. Under these circumstances we are only led to think what the hon. Minister for Commerce has honestly said, that they are short of good men, they are short of good equipment, they are short of the knowledge as to how to use these. I do accept the plea of inability, for in a very sporting spirit he said it, but that kind of pleading alone will not do. They are not of any avail if this nation is to improve, and if we are to fight for our independent exis-



[ShrMVT. Manjuran.] tence. We have to fight on the industrial front more than on the political front. It is all right, Pakistan may not attack us. But tomorrow, if we have to fight anybody, we have to harness our materials and learn to put them to practical use before we can fight. Shouting will not solve the economic problems nor the industrial problems of this country, much less the political problem. Today politics depends on the industrial advancement of the country. It depends on how our resources can be practically utilised. What theory or practice are you following in this matter of titanium? The Tariff Commission's report says that it was known long ago that India produces the best titanium in the world in the purest form available. They could not put it to practical use. It could not be put to practical use by us although we talk so much about scientific advancement. We have to look into our own resource?, and see what are the things available. Places where you have ilmenite contain not only ilmenite, but also monazite, cerium, thorium and so many precious minerals, which can be utilised in this country. That has not been done. I say the fault is the Government's. It is not something which the Tariff Commission alone ought to have gone into. It is something which should have been done by an industrial commission, or rather a scientific commission consisting of people who understand the different properties of matter and who understand how these things could be put to use. That has not been done. That is the initial mistake.

I am not worried if this protective duty is a little more or a little less. I object to your giving it to the foreigner to exploit, **not allowing our** own people to go near it, keeping it a secret from them. That is the kind of spirit that we should avoid, the kind of spirit that we should get rid of. Unless we get rid of that spirit, we will have no success in nationalism and all talk of nationalism is bunkum. Dr. Shrimati Seeta Parmanand was speaking about petromax lights. We

want petromax lights as much as we can make them. But there is the proverb which says, though you do not see the elephant falling down, you see a mustard falling down. We should guard against bigger losses. Therein lies wisdom. The titanium industry should be put on a proper footing. This material should be put to proper use in our country. We must have industrial development all **round** by putting all our natural materials to their proper and best use. For instance, you should find out better processes of utilising titanium and putting it to several other uses. Titanium dioxide could be used for painting purposes and we should not import zinc oxide or white lead or whatever other substances are now **used**. **This** cannot be done by following a policy of *laissez-faire*. **It** has to be **done by** adopting a different attitude. You have to advertise it, you have to publicise it and make people understand that here is a material which can be used as a substitute for so many other products and you have to tell the people how this could be done. The Minister for Commerce should make the people understand these things. I do not think for the ordinary man if Tariff Commission makes a report. It is not going to be understood by the ordinary man. It has to be made available to the nation at large, that there are the titanium products which can be used for such and such purposes, in place of zinc oxide or white lead or such other things which used to be imported. That is an act of omission and I hope the Government will take up the work, buck up in time and see that this industry is fostered.

Another thing which I want to speak about is about the protection for sago globules and tapioca. I find that recently tapioca prices have gone up in Travancore-Cochin and what is more, it is not available to the poor people. You might be knowing, Sir, that that State has been passing through a great crisis due to food scarcity and tapioca was a substitute food for the poor people. But now, due to this material entering into the manufacturing field, there has been a considerable demand

for it for use in manufactures with the result that the poor people especially are not able to get it for one thing, and even if they get it, they do not get it at the price they used to get it before. This is a thing which should be seriously thought of. I do not mind tapioca being used for sago or tapioca pearls—or diamonds even. But the point is if you take away tapioca from the area where there is already food scarcity, you should import to that place so much quantity of other food-stuffs so that the prices of foodstuffs in that place are kept down. Tapioca was being sold for one anna or half an anna per pound and I think it is now available only for two annas or so per pound. So if you are able to supply rice to Travancore-Cochin at one anna per pound you can take away tapioca for industrial use, otherwise you will be hitting at the stomach of the poor man. I would like you to bear this in mind and see that the industry does not prosper at the risk of the poor man's belly.

Then as regards aluminium industry, it is a protected industry. I feel the same difficulty in the case of aluminium as I felt in the case of titanium. Sufficient research has not been done in this material either, nor have we got into that adventurous habit of finding out if bauxite is available in our country sufficiently.

[MR. DEPUTY CHAIRMAN in the Chair.] From reports I understood that bauxite is present in large quantities near Ratnagiri, but in reply to a question that was put the other day, the answer given was that that bauxite was not of a high quality. I am not a chemist, but I was told that it was of a very good quality.

The Government, so far as I could understand from the reply, has not ascertained the percentage of aluminium in the bauxite found in Ratnagiri. This means that they are very very lukewarm about matters. Aluminium industry is also getting very very important. Aeroplanes and even automobiles are going to be built by us as a free nation in due course of

( time, when our people will be well equipped with all the technical know-how. Aluminium will be invaluable then. Before that we have to find resources of bauxite in this country and develop aluminium industry. Protection does not, therefore, mean duty alone as it is in this Bill.

The Tariff Commission can go only to this extent, but industrial development is the essence of protection and unless you are going to develop industries in an all-round manner, you are not going to achieve the purposes for which these Bills are intended. We can allow you to pass them through; there is nothing objectionable in these but we cannot allow this lethargy with which you are going about.

SHRI JAGANNATH DAS (Orissa): When I spoke earlier, I was referring to a subject which was included in the Third Amendment Bill here. However, I have heard much regarding Government's efforts. It is a thing for which the Government should be congratulated—for their efforts to help these industries. We ourselves do nothing to help these indigenous industries. I remember the earlier *Swadeshi* movement days of 1910 and 1911 when the *Swadeshi* movement was started after the partition of Bengal. We were asked then by our leaders to serve the country by making propaganda throughout the country for use of *Swadeshi* articles. In those days, there was in Bengal a cotton mill which was producing coarse cloth. People, at the cost of their comfort and at the cost of money were purchasing those dhoties instead of the fine Manchester dhoties during those times. If *Swadeshi* spirit is not revived again, no Government can help the growth of industries here in this country.

As I live in interior, I shall confine my remarks to the hurricane lamps and the oil pressure lamps. The oil pressure lamps industry came into existence after the second Great War. The Defence services and the railways wanted large quantities of oil pressure lamps and the military camps situated

[Shri Jagannath Das.] in very remote corners of the country where there was no electricity available also wanted these lamps in large quantities.

M/R. DEPUTY CHAIRMAN: Please speak into the mike.

SHRI JAGANNATH DAS: These lamps were manufactured as an exigency of the war and the products were very good. Even though there was an O.G.L. for these articles then for want of shipping space they were not imported in large quantities nor were the countries that are competing with us now able to send these lamps to our country in large quantities.

In 1951 these indigenous factories produced nearly 63,000 lamps up to 400 candle power. In 1952 the production decreased and in 1953 (till June) they produced only 13,000 lamps because the whole market is flooded with foreign lamps.

They do not come from the French and Portuguese possessions. They come by cheating our Government. Import of only 9,000 lamps above 400 candle power is allowed by the Government. As there is not much difference between 400 candle power and 500 candle power and the price being nearly the same, shrewd businessmen taking advantage of this position have imported 60,000 lamps in one year only by changing the shape of the lamps and branding them as above 400 candle power. This is the ingenious way through which they are able to import such a large quantity of lamps to stifle our own indigenous industry. In one year they have imported 60,000 lights. That is really seven times more than they are allowed to import. In this way these industries are going to be killed. By this method much of our foreign exchange will be spent up, the unemployed labour will increase and it will result in the loss of capital invested in the plant and machinery here. So I request the Government that the import

[ of these lights should be banned for at least one year. After the accumu-

lated manufactured articles of these factories are sold, normally only 9,000 lamps of 500 candle power and above only of hanging type should be allowed to be imported, if need be. Now, they must restrict imports completely as heavy imports have already taken place, at least for one year. The ban should be enforced on the import of

pressure lamps at least for one year. This will help our industry. We on our part should make a propaganda for all our *Swadeshi* articles. You will be surprised to know that one thermos flask manufacturer was not able to sell these locally manufactured articles in the market because it was manufactured in some *Swadeshi* factory and so he changed the label and put it showing that it was German made and then he could sell them. It is all due to the prejudice of our people towards locally manufactured articles and to their favouring foreign makes. Instead of blaming the Government we should inculcate the idea into our own people to use our own *Swadeshi* articles. Then only the indigenous industries will thrive. Otherwise these industries cannot prosper and many of them will even die. I hope the Government will take steps to see that unduly large quantities of these articles are not allowed to be imported. With these remarks I support the Bill.

SHRI V. G. GOPAL (Bihar): Mr. Deputy Chairman, I rise to support this Bill, and in doing so I want to confine myself only to one industry, that is, the sheet glass industry. At present there are three factories in India which manufacture sheet glass. Two are in Bihar and one is in U.P. The two in Bihar are situated one at Bhur Kunda in Hazaribagh district and the other in Seraikella in Singh -

pur district. The one at Bhur Kunda was first started by one business magnate, Lala Gurusaranlal, but later he bungled the whole thing and I understand that Government have given a loan of more than Rs. 50 lakhs to this industry to start manufacture there. A few months ago I personally visited

this factory and I was shocked to see the condition there. The rated capacity of this industry at present is the highest of the three, but I understand it is not manufacturing even half of that quantity at present. But whatever it is manufacturing, more than 50 per cent, of it is rejected because of the fact that they have not got the proper technicians to run the whole show. Students from the college are recruited and they 'are asked to run this highly technical industry with the result that the desired production is not achieved there. Even the suggestions of those experienced in manufacturing glass and who are on the top there receive very scant respect. Another thing I have seen there is that large quantities of stores materials are lying in the open, for example, those stores like packing cases or raw materials are all lying outside unprotected from weather conditions. Now if this is the position of this industry and if this industry is to get protection from us and when already more than Rs. 50 lakhs have been given by Government to this industry to run this show, I think it is high time that the Government should tell that industry or the people who are running the show that they must manage things in a better way. Government should not allow this high-rated rejections there and they should see that the experienced people are taken into confidence. Stores materials should not be exposed to weather conditions. Although the Government have since taken over the administration of this industry, even now, they have not made any real headway in production. The other one is in Seraikella in Singhbhum District. This is run by a private manufacturer and the same proprietor of the other factory in U.P. As far as I know, this particular proprietor is running the show very efficiently, but at the same time the conditions which obtain at Seraikella are very very unsatisfactory. They are making huge profits, but the workers are not given a square deal. The condition of the workers is deteriorating day by day. The wages are low, the living conditions are very **bad** and

the Union is not given the necessary recognition. The management is playing with the workers and they are trying their best to see that trade unionism does not flourish there. Then again I have found that their private expenses are met out of the factory earnings. His private establishment, his servants are all paid by the company. Expenses on his furniture are also borne by the Company. Although he makes lakhs of rupees as profit, he does not give fair wages to the workers. They do not get any fair wages, nor fair working conditions. The factory owner also seems to have no respect for the Factories Act. As that factory in Seraikella is receiving protection from the Government, he should be told that he has to give a square deal to the workers and that their interests should not be neglected. Our requirement of glass is about 35 million square feet per annum and our production is only about 15 million square feet. Now, I cannot understand why, while the rated capacity is 76J million square feet, production should be only about 25 per cent. Why should not this factory owner be asked to manufacture up to his rated capacity. I feel, Sir, that improvement can be made in these three factories, particularly at Bhur Kunda and Seraikella. But this can be done only if the management takes into confidence the workers and the trade union there. It should also employ proper technicians. Then only more production can be achieved. Sir, I particularly want to bring home to the hon. Minister that we do not want to object to give protection to this industry. As a matter of fact, this industry must get protection, but at the same time I request him to bring home to the proprietor of the Seraikella Glass Works that he cannot neglect the interests of the workers.

SHRI S. N. MAZUMDAR (West Bengal):  
Mr. Deputy Chairman, I shall not repeat what I said earlier in connection with the Indian Tariff (Second Amendment) Bill, but will reiterate my views after listening to

[Shri S. N. Mazumdar:] the speech of my hon. friend Mr. Karmarkar. Mr. Karmarkar has characterised my criticism as impatient, uninformed and unbalanced.

SHRI D. P. KARMARKAR: Not yours.

SHRI S. N. MAZUMDAR: I need not answer that charge of the criticism being impatient, because that is the stock-in-trade of argument of Government spokesmen.

MR. DEPUTY CHAIRMAN: Each party has its own stock-in-trade.

SHRI S. N. MAZUMDAR: As regards the criticism being uninformed I shall request my friend Mr. Karmarkar that if he takes up this proposal, which he himself offered, of studying the whole question, by taking off his ministerial glasses, then he will come to the same conclusion as I have done. It is not a question of gathering information or giving information about this aspect of the matter. Sir, I make a definite charge with all the force at my command. There was the cry from all sides about the British domination in tea, industry working to the detriment of national interests and there was a demand that there should be an open inquiry as to how this British domination is exercised, but the Government refused to do anything in the matter. There are many such matters. Sir, I am prepared to accept his offer. Let us sit together. I shall be very glad to do that, but it is not a question of his studying or my studying. It is a question of the Government taking up a definite attitude. This criticism that foreign capital which has been allowed to participate here in industries, in -our protected industries, is not working to our national interests has been made not only from this side of the House but even by industrialists who know something about the industry and trade. Even the Tatas had to complain against the unfair competition they are suffering from the competition of Messrs. Lever Brothers in the soap industry which does not require any

heavy capital investment. I shall take up some of the policies but I definitely say that I am not against the healthy participation of foreign capital in industry. Let it participate provided it does not work to the detriment of our industry. But, what do we mind in every matter? The profession of the Government is one and practice is opposite and this charge has even been voiced by others. I shall take some industry and point out how this takes place. If Government want the criticism to be really informed, let them take up the study of this, let them institute an inquiry. Why fight shy about enquiring into these questions? There is a cry from all sections of the people that the policy of the Government is unbalanced and it is leaning on the side of the foreign interests .....

SHRI D. P. KARMARKAR: Sir, in fairness to my hon. friend, I should like to make it clear, but my time is very short. I should not like to be misunderstood; when I said that the criticism was uninformed and biased, I was on a more serious topic. What I meant to say was that the criticism of Government's policy was uninformed and biased; and I was generally referring to the atmosphere of the country and not to my hon. friend unless these adjectives suit him. I was just mentioning that such criticism was seriously hindering the economic progress of our country, and I hope my hon. friend did not apply to himself what I did not say unless it suits him.

SHRI S. N. MAZUMDAR: I am thankful to the hon. Minister for this. I have not taken it personally. I was also saying that that was the policy of the Government. Take off your ministerial glasses and come to see these things in a scientific manner. I will then prove that what I am saying is substantially true.

Let me take the industry of soda-ash. In this field, I mentioned earlier that the import of soda-ash is neces-Heavy imports there have been, but the Imperial Chemical Industries hold a monopoly over the import of

soda-ash in this country. For a long time, when Government granted protection to the two industrial units which are engaged in the production of soda-ash, then also it was the policy of Government to favour the monopoly of the Imperial Chemical Industries. The import quota allotted to the Imperial Chemical Industries was based on the bases to war-time production. Their policy was that when the indigenous units started production here, they lowered their prices. When that lowering of the prices hit the Indian interests, there was a fall in their production; then the Imperial Chemical Industries raised their prices and made good the loss in a greater degree. The Imperial Chemical Industries charges from 140 to 160 rupees to foreigners and they charge Rs. 250 to Indian consumers. In 1948-49 and in 1951-52, India lost a sum of Rs. 11 crores in the soda-ash that it imported. This soda-ash industry is very important for our industrial development. It is necessary for the manufacture of glass and specially for the textile industry and for the manufacture of caustic soda. When the monopoly of imports is in the hands of the I.C.I., our industrial units which are producing these, they have to suffer very very heavily. There is no use granting them some protection if heavy imports which are coming are to be the monopoly of the Imperial Chemical Industries who use that monopoly against our interests. Their policy, throughout, has been to strangle the Indian industry. Now due to the prices of soda-ash, particularly of the heavy variety, our glass industries have suffered seriously.

Now, Sir, I shall come to the question of some other indigenous industries. I have no objection to the protection being granted to them. But I want to know whether the Tariff Commission has seen that they are working in a proper manner. Sir, I have had complaints from the persons who have got the knowledge of soda ash industries' and who have got the scientific knowledge of soda ash industries. They have said that the location which was chosen by the industries

producing soda-ash was uneconomic from all points of view. Simply there was the cheapness of salt, but from all other points of view it was uneconomic. Then, Sir, suggestions were offered to the effect that Government should undertake the establishment of soda-ash and associated alkali industries, but the representatives of these firms were in the Development Councils and they advised the Government not to do that. The real reason behind it was that if Government undertook such a venture, the interests of those Indian units would suffer.

Now I shall come to the question of sheet glass, Sir. I quite agree with what my hon. friend, Mr. V. G. Gopal, has said that the sheet glass industry does not afford proper conditions of work to its labour. Actually the condition of labour in the glass industry is worse. I shall not deal with that point in detail here. But there is one very important point which I think need be mentioned here. The sheet glass industry had stopped production for four months. That is according to the information supplied by the Department of my friend, the Minister for Commerce. It was in 1952. The production has since been resumed. But the reason for the stoppage of production as given by the manufacturers was the irregular and insufficient supplies of raw materials and also the irregular and insufficient supply of certain consumable stores. But the real fact was that those persons who were in control of the sheet glass industry also got a dominant control over the import of foreign-manufactured sheet glass. Hence the stoppage of production here. They were to gain more by the middle-man's profit. So, Sir, these are the facts which should be gone into by the Tariff Commission.

Now, as regards the aluminium industry, I shall not go into detail. But I would simply say that in the aluminium industry foreign capital is entrenched. I shall here, Sir, only ask my friend to institute an enquiry and find out as to how this industry is

[Shri S. N. Mazumdar.] working, whether it is working in the national interests or not.

Then, Sir, I come to the cycle industry. I shall quote only one example. Let the hon. Minister enquire into it. I shall take the example of Messrs. Sen-Raleigh in Asansol. The Manager of that firm—a foreigner—gets Rs. 3,000 per month. And there is another officer who draws Rs. 2,000 per month, but the workers in that industry do not get even their negligible pittance. Not only that, Sir, but I have had very serious complaints from the representatives of the employees in that Sen-Raleigh factory that the Indian technicians, who have got far better qualifications than their British counterparts, are being discriminated against. If this thing continues, surely that does not prove that foreign capital, which has been invited here, is working in our interests.

As regards some other industries, the Tariff Commission has recommended discontinuance of protection. The fountain pen ink industry is also one of them. I shall only mention this fact, that the manufacturers of fountain pen ink in India have protested against » it. I do not know how far and to what extent enquiry has been made into that. There is also another serious charge which they have made, that Government has allowed two foreign fountain pen ink concerns to come to India and start manufacture here. This is not the way to help our own industries. The manufacture of fountain pen ink does not require any heavy capital investment.

As regards some other points which my hon. friend made earlier, before I resume my seat, I shall mention that I did not say that the Government merely set up a Tariff Commission and in the meantime had not done anything, but my charge was this that it did not come out with a definite, well-thought out policy. Even after the Tariff Commission was set up, it was not given any clear perspective. The Fiscal Commission had submitted its

report in 1950 and that report accepted the principle that tariff policy and protection was primarily a means to an end and was an instrument of policy which should be adopted for the planned economic development of the country. Then the Planning Commission also accepted this principle. As regards the policy of protection, there is no dispute, but in practice it is working in quite the opposite way. Lastly, the Tariff Commission has wide powers no doubt, but I do not know how far the Tariff Commission has taken the initiative in its enquiries on the various aspects of the protected industries, because I do not find much information which I want in the notes circulated to us.

(Shri Rajendra Pratap Sinha rose.)

MR. DEPUTY CHAIRMAN: Be brief. We have to complete by 6.30 and the Minister also must have some time to reply.

SHRI RAJENDRA 'PRATAP SINHA: (Bihar): Mr. Deputy Chairman, we are now considering the Third Tariff Amendment Bill which extends the period of protection to several industries. Sir, we have to be clear in our minds as to what is the purpose of granting this protection. Obviously, we want to develop the economic activities in the country and to produce more wealth, and that is why the Government have appointed a Tariff Commission for determining the exact quantum of protection needed. Because the foreign manufacturers will be competing with our own articles, are not allowed to come in unless they pay a certain amount of duty. That is the rationale of protection. But we have to be very clear whether this is all that we have got to do or something more needs to be done in order to help the protected industries. I said, whilst speaking on the other Bill, that we have got to see whether other facilities are required for the development of industries. It is the duty of the Government to see that the other conditions are created which will help the industries to develop, and I pointed out in my speech the case of

the Transformer industry, where they were not getting the cables at the proper prices.

Now, I will draw your attention in this Bill to the tinned fruits industry, Item No. 1, Preserved Fruits. The report says that the production of this material has gone down by 71 to 80 per cent. We know that we are an agricultural country and how important the fruits are for us and how our fruits rot during the season and how imperative it is that we must preserve all the fruits that we produce. Why this industry has gone down in this manner I was looking into the report, and I will not take much of your time, and I find that there are two or three things that need be done. That is also of general application. Take the example of cans. The cans that are supplied to the canners here are at a very much higher price than the rates at which they are supplied to canners in foreign countries. The Metal Box Company which is a foreign concern—it is said, made Rs. 37 lakhs profit and objections were raised as to why they should not supply the cans at a cheaper price. In England it was pointed out that the price of can is Rs. 96 per thousand cheaper than in India. How can we make available the cans at a cheaper price? It is just like the case of the Indian Cable Company in the case of Transformers. We have got to examine the cost of production and other things of the Metal Box Company and the Government has got to come to a decision whether the raw materials available in this country produced by other manufacturers should be made available at reasonable prices, at cheaper prices to the protected industries or not. That is the point they have to decide. Now if the tin plates are made available to the Metal Box Company at cheaper rates, if on the tin plates are not levied the equalisation fund surcharge, and that is waived off and thus some rebate is given on the tin plates, then that can be made available at a very much cheaper price—about Rs. 96 per thousand cheaper. These are the things that the Government must con-

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sider, whether they are not out to help the industry in every possible manner as recommended by the Tariff Board or Tariff Commission.

Now another example is that 20 per cent, of the cost of the canning industry is on account of sugar. They have asked for a rebate in the excise duty and a rebate in the cess charged by the State Governments on the sugar consumed by the canners. This is also done in Australia. They give a rebate of £50 per ton of canning material. These are the things that Government has to see. In other industries such rebates in excise duty are allowed. Why should not the canning industry get that? What I am emphasising is that before this industry suffered a loss of production of 71 to 80 per cent, the Government ought to have seen that these facilities were given to them so that their production may not have suffered. Thank you, Sir.

SHRI D. P. KARMAKAR: Mr. Deputy Chairman, I need only be very brief, because, of the many key industries for which protection is extended, only a few have been referred to. There is another consideration also which impels me not to attempt to reply in detail, *viz.*, those are the industries in the case of which we have sought only extension of protection for a year, because obviously those industries are being considered by the Tariff Commission and the reason why we have come forward in respect of those industries is obviously that the Tariff Commission's advice is in favour of the continuation pending their consideration. Doubtless, the many observations and suggestions that have been made on the floor of this House as also the other House in respect of these industries will also be considered by the Tariff Commission and in the meantime, it will not be proper for me to anticipate their careful study by butting in with a detailed reply on those points.

I would • refer to only two things. Dr. Shrimati Seeta Parmanand spoke about petromax light. I think the complaint that has been made about



[Shri D. P. Karmarkar.] them is not that the import policy was wrong, but that certain parties have been more active or rather cleverer than Government thought them to be. We have to admit that many times, successful efforts are made by unscrupulous parties to get over our policy. Let me, with your permission, Sir, give just one instance. We wanted to protect the local pencil making industry, especially the cheaper variety of pencils which cost c.i.l up to Rs. 16 per gross. So we said that pencils of this quality, costing this much or below, should not be imported. But then it never occurred to us that we should define what a pencil was. After all as everyone knows, a pencil is a piece of wood, 9 inches long with a lead piece inside it. But some one imported pencils, each pencil 36 inches long and cut each into four bits of nine inches each and thus got over the thing. We came to know of it when it was imported. So we as a Government or people have to deal with this fact, that there are parties who are much cleverer than we imagine them to be and their business is, as soon as our import policy is out, to think out ways and means of defeating it, of getting to know what loopholes could be found in it. We of course exercise all possible care. Demands have been made for restrictions to be placed on hurricane type lanterns of 400 candle-power and less, but these, it has been urged, have been successfully evaded. I need hardly assure the House that we shall look into it.

Then my hon. friend Shri Manjuran, to whom I listened very patiently, made out some points. At the moment I do not know that Titanium Dioxide had any explosive properties, but whether it was explosive or not, my hon. friend's remarks were fairly explosive.

SHRI M. MANJURAN: I did not say that titanium was explosive.

SHRI D. P. KARMARKAR: But taken on the whole and in essence, it came to this that in this country enough

research has not been carried out— research with regard to the use of these materials. Well, there is no difference of opinion about that. My hon. friend had a grouse against foreign capital. Well, I will not go into the history of it, for my hon. friend doubtless knows that the Travancore Government helped this industry in the first instance. Well, it employs a number of workers. He of course said that it should be fostered because there is internal demand for it. But we recently allowed them to export certain quantities. We know that the Tariff Commission has, in fact, made a suggestion in that regard, but we have allowed the export of a certain quantity to help them to tide over the crisis. Regarding the production of dioxides or substitutes for lithopone and things like that, so far as imports are concerned, we have banned imports. But as regards the actual users, we do not want them to be handicapped for want of such materials and so we have placed it on an *ad hoc* basis 'so that we may consider each request very carefully and allow imports in such a manner as not to hit the local production.

I appreciate the suggestion made by Shri Jagannath Das with regard to the propagation of Swadeshi and I am sure every one here as representative of the people will do his utmost in this direction. I am also sure that we agree with the remarks of Shri Manjuran in this respect, in so far as they are reasonable and rational. But this is a point on which I think opinion has to be mobilised and I heartily endorse what my friend said about that point.

Now, about sheet glass, I am glad Sir—I will not take long—that it was mentioned. When we discuss industry I think we should not mix up other factors. As I said earlier, we cannot avoid the temptation of referring to labour conditions in any industrial unit but Government as a whole have a policy about labour. In fact we have been charged with doing far too much to labour than what is justified by the circumstances at the moment of the country. We may also point out the

instance of a country in Asia where these discussions do not arise, where the one incentive is production, more production, more wealth for the country. How they produce, whether labour works still longer hours than is necessary or not does not matter. I have, on a recent occasion, visited a country, of whose efforts any one can be proud of. When they were suffering from occupation, when the industrial plant was nothing, the manufacturers, and workers gathered together and they have done a tremendous thing. Certainly no one grudges labour of its rightful things— all the relief that could be given— but then, when we consider these things, we have to consider them as a whole, especially when we discuss a matter of tariff protection, I think we are travelling a little away from the fact, were we to mix up the conditions of labour in a particular factory. Government policy in respect of labour has been laid down. It is reflected in the welfare measures that are being promoted by way of legislation by the Ministry in charge of that subject and, therefore, Sir, I do not think it relevant at this point to turn to the conditions of labour when we are considering this matter.

SHRI V. G. GOPAL: What about the Bhur Kunda factory?

SHRI D. P. KARMARKAR: Sir, it is not our practice to go into particular cases. We think sometimes attempts are made to bring in such cases so that they may get greater attention than they deserve so far as the floor of this House is concerned. If my hon. friend were to mix up the Bhur Kunda factory or any other factory and were he to draw our attention to that, I think it is hardly fair because there will be many other factories, and may be they have reasons to press their case. So, Sir, I deny myself the pleasure of dealing with any particular concern on the floor of this House. It has not been our policy to refer to particular cases but if certain cases are brought to our notice, I need hardly assure my hon. friend that they

would receive our best attention possible.

Then, Sir, I shall also deny myself the pleasure of attempting to answer what Mr. Mazumdar said. Earlier, when I referred to the comments and the types of comments, I referred to the general economic atmosphere in the country in the present stage of Indian progress. So far as economic development is concerned, we have to be vigilant, we have to be caustic in our comments, if comments are necessary. I do not grudge anybody's right to do that, because, ultimately, in a democracy, well reasoned comments are the best safeguards possible for progress but we should not create an atmosphere that everything is chaotic, everything is wrong, that no steps are being taken, etc. Let us appreciate what is being done; let us be impatient about progress to be achieved but let us not create an atmosphere of impatience, discontent, which will be one of the biggest enemies of progress. One of the strategies in times of war is for the enemy to create chaotic conditions in the country which he wants to capture. Let us not emulate that practice; let us be a little patient about the situation. Let us also imagine, Sir, what difficulties we are facing, what are our capital resources, what are our human resources, what is our technical skill, what is the condition of India taken as a whole, what is the atmosphere and climate that we should create in order to make our progress substantial and positive. It is on that basis that I referred to the unbalanced criticism or comments, and I am sorry in a hurried moment, and my hon. friend Mr. Mazumdar thought that it applied to him.

(*Interruptions by Shri S. N. Mazumdar.*)

I would call it a great misfortune if that much unbalance is ever shown by my friend for whom I have esteem. I am sometimes surprised, how such a well reasoned friend of mine, like my friend Shri Mazumdar, allows himself to be tempted to deviate into things

[Shri D. P. Karmarkar.] which by a stretch of longish reasoning one might be tempted to call a little unbalanced. That is all that I said.

SHRI S. N. MAZUMDAR: What about the policy?

SHRI D. P. KARMARKAR: Then something was said about our policy. We certainly try to do things according to a policy and in respect of the established industries we go by their quantum of imports previously and if there is anything wrong.....

SHRI S. N. MAZUMDAR: Definitely wrong.

SHRI D. P. KARMARKAR: .....and if there is anything wrong about the working of that policy we shall certainly examine the question. But, situated as we are, if we once indulged in the luxury of inviting all newcomers, the position becomes unmanageable. Because the licence fee is only Rs. 10 or Rs. 25 at the time of making the application, all newcomers began to apply and 125,000 applications came in. The people came at random and this led to maladministration as it was physically impossible for any section of the Ministry to handle 125,000 applications in the course of six months. Though our policy has been to invite applications from newcomers this made us to proceed cautiously than would otherwise be the case and which would have led to taking away established importers from the field of imports.

Then, Sir, something was said about fountain pen in ink. Sir, we have given sufficient protection for a very very long time and it is found to be sufficient. The manufacture of fountain pen ink may require special knowledge but one cannot help it. Take the razor blade, for instance, the manufacture of which should produce first class results and if you do anything wrong even in the least degree and if we allowed large scale manufacture of such a thing we will find ourselves covered with criticism from

all sides for allowing or protecting such an industry, where the consumers' interests are at stake. Therefore it is, I think, necessary that our people who manufacture such things should produce them in a manner so that there is no complaint against them in actual use. Now, in the case of fountain pen ink or typewriters, we really cannot stand in the way of our countrymen having the best product available either the local one or the imported one and if some other person comes forward with better ink and we think it necessary in the larger interests of the country to encourage the new person, we cannot go on giving protection to the previous person. On this account, therefore, there cannot be any grouse.

SHRI S. N. MAZUMDAR: If the foreign concerns established here gradually squeeze out the existing industry there will be great unemployment.

SHRI D. P. KARMARKAR: If all the views of my hon. friend were right, I would resign my seat on the Treasury Bench. There are certain things where the consumers' interests are at stake and if all the things that were said by Shri Mazumdar were to be given effect to, the consumers will rise against us.

MR. DEPUTY CHAIRMAN: I may remind the hon. Minister that he will please finish soon and give me two or three minutes.

SHRI D. P. KARMARKAR: As only two minutes are left, I cannot take up more points. I think I have dealt with all the important points. I shall not again deal with matters of policy because I dealt with them a little earlier. I content myself with these observations and I cannot appreciate the impatience that is being shown in spite of the support that we have given to the industries as a whole. I think we have to do just what is necessary and no more and that is in answer to

j what fell from my hon. friend Mr.  
1 Sinha. Thank you.

MR. DEPUTY CHAIRMAN: The ,  
question is:

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

The motion was adopted.

MR. DEPUTY CHAIRMAN: We shall now take up clause by clause consideration of the Bill. There are no amendments to clause 2.

Clause 2 was added to the Bill. Clause 1, the Title and the Enacting Formula were added to the Bill.

SHRI D. P. KARMARKAR: I beg to move:

"That the Bill be returned."

MR. DEPUTY CHAIRMAN: The question is:

"That the Bill be returned."

The motion was adopted.

## MESSAGES FROM THE HOUSE OF THE PEOPLE

### I. THE APPROPRIATION (NO. 5) BILL, 1953

### II. THE PEPSU APPROPRIATION (NO. 3) BILL, 1953

### III. THE SALT CESS BILL, 1953

SECRETARY: Sir, I have to report to the Council the following messages received from the House of the People, signed by the Secretary to the House:

"In accordance with the provisions of Rule 115 of the Rules of Procedure and Conduct of Business in the House of the People, I am directed to enclose herewith a copy of the Appropriation (No. 5) Bill, 1953 115 C.S.D.

which was passed by the House at its sitting held on the 19th DecemDer, 1953.

"The Speaker has certified that this Bill is a Money Bill within the meaning of article 110 of the Constitution of India."

## II

"In accordance with the provisions of Rule 115 of the Rules of Procedure and Conduct of Business in the House of the People, I am directed to enclose herewith a copy of the Patiala and East Punjab States Union Appropriation (No. 3) Bill, 1953 which has been passed by the House at its sitting held on the 19th December, 1953.

"The Speaker has certified that the Bill is a Money Bill within the meaning of article 110 of the Constitution of India."

## III

"In accordance with the provisions of Rule 115 of the Rules of Procedure and Conduct of Business in the House of the People, I am directed to enclose herewith a copy of the Salt Cess Bill, 1953, which was passed by the House at its sitting held on the 21st December, 1953.

"The Speaker has certified that the Bill is a Money Bill within the meaning of article 110 of the Constitution of India."

I lay the Bills on the Table.

MR. DEPUTY CHAIRMAN: The House stands adjourned till 1.30 P.M. tomorrow.

The Council then adjourned till half past one of the clock on Tuesday, the 22nd December 1953.