

Sewal, Shri A. R.  
 Shah, Shri C. C.  
 Shah, Shri R. N.  
 Sharma, Pandit Balkrishna  
 Sharma, Pandit K. C.  
 Sharma, Shri D. C.  
 Sharma, Shri K. R.  
 Sharma, Shri R. C.  
 Shobha Ram, Shri  
 Shukla, Pandit B.  
 Siddananjappa, Shri  
 Singh, Shri D. N.  
 Singh, Shri Babunath  
 Singh, Shri G. S.  
 Singh, Shri L. Jogeswar  
 Singh, Shri M. N.  
 Singh, Shri T. N.  
 Singhal, Shri S. C.  
 Sinha, Dr. S. N.  
 Sinha, Shri A. P.  
 Sinha, Shri Anirudha

Sinha, Shri G. P.  
 Sinha, Shri Jhulan  
 Sinha, Shri K. P.  
 Sinha, Shri Nageswar Prasad  
 Sinha, Shri Satya Narayan  
 Sinha, Shri Satyendra Narayan  
 Sinha, Shrimati Tarkeswari  
 Snatak, Shri  
 Somana, Shri N.  
 Subramanyam, Shri T.  
 Suriya Prasad, Shri  
 Syed Ahmed, Shri  
 Syed Mahmud, Dr.  
 Tandon, Shri  
 Tek Chand, Shri  
 Telikar, Shri  
 Tewari, Sardar R. B. S.  
 Thimmaiah, Shri  
 Thomas, Shri A. M.  
 Tiwari, Pandit B. L.  
 Tiwari, Shri R. S.

Tiwary, Pandit D. N.  
 Tripathi, Shri H. V.  
 Tripathi, Shri K. P.  
 Tripathi, Shri V. D.  
 Tyagi, Shri  
 Ulkey, Shri  
 Upadhyay, Pandit Muniswar Das  
 Upadhyay, Shri Shiva Dayal  
 Upadhyay, Shri S. D.  
 Vaisnav, Shri H. G.  
 Vaishya, Shri M. B.  
 Varma, Shri B. B.  
 Varma, Shri B. R.  
 Verma, Shri M. L.  
 Venkataraman, Shri  
 Vidyalankar, Shri A. N.  
 Vishwanath Prasad, Shri  
 Vyas, Shri Radhehal  
 Wilson, Shri J. N.  
 Zaidi, Col.

### NOES

Amjad Ali Shri  
 Chatterjee, Shri Tushar  
 Chatterjee, Shri N. C.  
 Chaudhuri, Shri T. K.  
 Chowdhury, Shri N. B.  
 Das, Shri B. C.  
 Das, Shri Sarangadhar  
 Dasaratha Deb, Shri  
 Deo, Shri R. N. S.  
 Deshpande, Shri V. G.  
 Gadilingana Gowd, Shri

Gidwani, Shri  
 Gupta, Shri Sadhan  
 Jayaraman, Shri  
 Krishnaswami, Dr.  
 Mehta, Shri Asoka  
 Misir, Shri V.  
 Mukerjee, Shri H. N.  
 Mushar, Shri  
 Nambiar, Shri  
 Nayar, Shri V. P.  
 Raghavachari, Shri

Ramasami, Shri M. D.  
 Ramnarayan Singh, Babu  
 Rao, Dr. Rama  
 Rao, Shri Gopala  
 Rao, Shri P. Subba  
 Rao, Shri T. B. Vittal  
 Reddi, Shri Madhao  
 Reddi, Shri Bswara  
 Rishang Keishing, Shri  
 Swami, Shri Sivamurthi  
 V

*The motion was adopted.*

**Mr. Speaker:** The motion is carried by a majority of the total membership of the House and by a majority of not less than two-thirds of the Members present and voting.

### INDIAN TARIFF (SECOND AMENDMENT) BILL

**Mr. Speaker:** The House will now proceed with the Bill it was discussing—the Tariff Amendment Bill.

**Shri Bansal:** Sir, I give my wholehearted support to the principles underlying this Bill. My friend Mr. Nayar made a speech which left an impression on me that public memory is very short. He seems to have forgotten those days when import control was being assailed on all sides. We know very well how import

control was working during the time of war and after the war until the time the present Commerce and Industry Minister changed the whole attitude of the Department towards import control.

The chief objections against the working of import control were that, because it was uncertain and vacillating, therefore it was speculative; because it was based on executive action, therefore it was discriminating and leading to corruption. We know who benefited from this import control. We have not forgotten those days when import control was becoming a monopoly of people who were working in the by-ways and alley-ways of the Secretariat. Another defect of the import control was that its incidence was difficult to work out on the protective element which it provided to indigenous industries. It is well-known that in a

large number of cases, where on account of exchange requirements strict import control was imposed, the indigenous industry flourished for the time being, but, when, after one or two years the exchange position eased, imports were relaxed with the result that the industries concerned were thrown to the wall. This kind of see-saw that was being experienced by a large number of industries is not easy to forget. Even today, in the *Times of India* there is a write-up which gives the story that on a number of cases of import items, before this policy came to be announced, high premia were being paid. In the case of woollen fabrics the premium was as much as 60 per cent, and in the case of another article the premium was 50 per cent. Now, in as much as this new policy of the Commerce and Industry Minister, which was inaugurated last year at the time of the Budget, removes the danger of these things happening, I wholeheartedly give my support to this policy.

I am one of those, who, ever since 1949, have been saying that import controls are not in the best interests of the country. My friend to my right, Shrimati Tarkeshwari Sinha, quoted some commercial body as having said that import controls must be imposed with some greater force. Now, I must tell you that she has not read that particular brochure quite completely. In fact, all that is said in the brochure is that the policy of import control is not an unmixed blessing. As a matter of fact, that brochure makes the plea for substituting import control by a higher level of tariff. Therefore, as I have said, I wholeheartedly welcome this Bill, but only to the extent that it is going to do away with the defects which our import and export policy was experiencing all these days. I want to know if all the actions that Government have taken through the announcements go to fulfil that particular aim. Generally they do, but I am really nervous of the very blanket powers that have now been given to

the import control authorities in connection with all those items which will be liberally licensed under this policy. I must at once say that: in respect of those items where certain quotas have been raised, the liberalisation is not so pronounced and I do not fear much complications from that liberalisation. But, in respect of those items which have been kept on the liberal licensing scheme, I am a bit nervous and I would request the hon. Minister for Commerce and Industry to think over that a bit more calmly.

Now, Sir, what I find is: in respect of those items which are being licensed liberally, established importers will be granted supplementary licences for reasonable amounts. Who will decide as to what is the reasonable amount? Obviously, the Import-Trade Controllers will decide as to what is a reasonable amount. Then, applications from actual users for such items will also be considered liberally. This again is left to the executive authority to decide. In case of new-comers it is provided that if the applicants furnish evidence of their ability to handle these imports, they will also be given licences liberally. In all these three cases, I must submit, quite a great deal of discretion has been left in the hands of the licensing authority, which may or may not work very uniformly.

[PANDIT THAKUR DAS BHARGAVA  
in the Chair]

Sir, I have no fear; and I am not flattering the Commerce and Industry Minister when I say that as long as the present incumbent is there I have absolutely no fear. I have no fear, also, as long as some of the officers, whom he has in his department, continue with him. But, when we are having a legislation, we cannot legislate on the basis of individuals; we have to legislate on the basis of certain principles. Therefore, I am a bit nervous as far as these powers under the liberal licensing scheme are sought to be given to the officers. I must at once say that this policy

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has been in existence for some time now and no cases have been brought to light where it has been used to the detriment of the country. But, as I say, my apprehensions are there and I would request the hon. Minister for Commerce and Industry to see that even in these cases definite quotas for all these three categories are fixed.

I also welcome this Bill on another ground. We are having the next session—which, in my opinion is going to be one of the most important sessions—of the GATT (General Agreements on Tariff and Trade). In as much as this policy which has been announced indicates to the world that the Government of India is not at all in love with import quota—that is, quantitative restriction—it is bound to have a very good effect on the gathering which will decide the fate of the future of GATT. I am not divulging any secret and whatever I am in a position to say on the subject, I am handicapped by the fact that I am likely to be one of the delegates to the conference. Therefore, I am not going to speak much on the subject, but I must say this: that this policy is bound to strengthen the hands of the Government of India delegation in as much as the world will come to know that India is not for 'quantitative restrictions' and we do not favour 'quantitative restrictions' for the sake of 'quantitative restrictions'. At the same time, we will have to make it clear to all the participating nations that, although we are not in love with 'quantitative restrictions', their utility is there for backward countries like India which are wanting to develop very fast. Apart from this, 'quantitative restrictions' become necessary in certain other cases also. Government of India are well aware of that and I am glad that the hon. Minister for Commerce and Industry made a reference to that. These cases are: raw materials, capital goods and goods where 'consumer prejudice' exists. In these cases, particularly in countries the

economy of which is under-developed, import controls—that is, 'quantitative restrictions' may be necessary and I am glad that there is nothing in the policy—except in respect of two or three items to which I will shortly refer—that prejudices this policy.

Now, I am a bit afraid about the policy that has been announced in regard to razor blades, pencils, shoes and motor cars. As regards razor blades and pencils I must say that a high degree of 'consumer prejudice' exists and the users, because the value of these two articles is comparatively small, generally would like to go in for imported goods the brands of which have made an impression on the consumers. I will give you a small example. The other day my child who goes to school came back and told me that his teacher wants him to purchase a particular brand of pencil for his drawing class. I told him that I was not going to buy any foreign pencil but he replied that his teacher had asked him to buy 4-H pencil and therefore I must go and get it for him. I went to the market and purchased a local made 4-H pencil. He took it to the school, his master tried it and I am glad to say that my child came back and reported that the school master said the Indian pencil was as good as any foreign imported variety. He was, therefore, allowed to use that pencil. I am just indicating how much consumer prejudice exists in our country for certain items. The same applies to a great extent to razor blades. Therefore, to the extent the import quota in respect of these two items has been liberalised, I am afraid it may prejudice the indigenous industries to some extent. I must say that up-to-date reports in the Press, which have come, do not show a very marked tendency in the import of these items although the prices seem to have fallen. These are two commodities in respect of which Government will do well to watch the situation.

The third item is shoes. In respect of shoes, the duty has been changed from 100 per cent. *ad valorem* to Rs. 20 specific and Rs. 5 specific in the case of children's footwear. In the case of shoes also, I think the types of shoes which are imported from outside are costly varieties, costing about Rs. 40, Rs. 50 or Rs. 60, and a duty of Rs. 20 specific will not be sufficient on them. I think there is a good deal of scope to raise this duty. My suggestion would be that in the case of shoes, the *ad valorem* duty of Rs. 100 should have been retained.

In the case of motor cars, the duty has been raised to Rs. 6,000 specific and 75 per cent. *ad valorem*. I know the import licensing policy remains as it was, that is, no one can import cars in completely built-up condition, but this concession will be applicable to persons who will be going abroad and bringing cars as personal baggage. I want to know whether this facility will be provided to any person who goes out of India for a week or a month or whether some time-limit will continue to be imposed as it is there at present. I am told that there is a feeling in certain circles that the import of motor cars will also be allowed to persons on order basis. Suppose I want to order a Ford car from America for my personal use, there is a feeling that there will be no ban on that. I would like the hon. Minister for Commerce and Industry to clarify that point because I must tell the House that there is quite a good deal of nervousness on that score.

**Shri T. T. Krishnamachari:** I might say that it is not at present the intention to allow commercial imports of cars.

**Shri Bansal:** I am thankful to the hon. Minister for making that clarification. It is not as if this is the first time this new policy has been announced. This is the third instalment and I welcome it all the more for that reason. I would like to impress on the Government to remove

all such hurdles as stand in the way of Government taking this policy a step further. I refer to the fact that this policy of Government is being put under severe pressure and strain from two sources. One is the GATT—I am afraid I am again coming to GATT, but I would request the hon. Minister not to get nervous because I am not going to divulge any secrets—and the other is the Tariff Commission.

I will take a few minutes more to explain what I mean by strain. This policy is influenced by our commitments in the GATT and the attitude that the Tariff Commission has taken in regard to recommendation of protection to various industries.

Firstly, I would like to take up the GATT. It is well known that our Government approached the GATT authorities and the participant countries for seeking releases on a number of items. These items were fish canned, wines, lithophones, tooth paste, dyes, fountain pens complete glass beads, safety razors and parts thereof, etc. There was also another item ball bearings and adaptor bearings. Out of these Government got releases only for four items—wines, dyes, glass beads and safety razors. In the case of dyes and safety razors, I am informed that the release that we got was only a partial release, not complete release, and what is more, India had to give some more concessions in order to get these concessions. The hon. Minister for Commerce and Industry is shaking his head, but I may bring to his notice that in respect of these items we had to reduce duty on certain items as compensation such as plastic raw materials and raw materials used in the manufacture of small tools. He can verify this statement. What I am trying to inform the House is that there are a number of items on which we have given concessions to various countries, that is, on which either we have bound the existing rates of duty or we have reduced our rates of duty. We have been approaching the participating Governments to give us

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releases from those items, but we have not yet got them. There are a large number of other items on which, in my opinion, we should have approached the other participating Governments for releases. I have made out a list of some 29 items on which, in my opinion, it is essential that we should seek releases. The level of duty on these items is between 20 and 30 per cent., excepting in one or two cases where it is as much as 50 per cent. Here we have a level of duty, to which we stand committed, that is, 20 to 30 per cent. on the average.

The other point is in regard to the Tariff Commission. The Tariff Commission's position is that there are a number of items where the Commission has recommended duties of the level of 30 to 35 per cent. and in fact, they have gone so far as to say that if the difference between the ex-works price and the imported price is a quarter per cent., then we should give protection to the extent of half per cent. For example, in the case of flax and raw silk, they said that the differential between C.I.F. price of imported stuff is 29.2 per cent. and they recommended an import duty of 30 per cent. Similarly, there is the case of hydroquinine where they calculated that the differential was 49.72 per cent. and they recommended a duty of 50 per cent. In the case of the glucose industry, the differential was 49 per cent. and they recommended a duty of 50 per cent. In the case of wood screw industry, the differential was 29.5 per cent. and they recommended a duty of 32.5 per cent. Similarly, in the case of plywood, the differential was 24 per cent. and they recommended 30 per cent. duty. I ask the hon. Minister that when he is going to raise the tariff level from about 25, 30 or 35 per cent. to 66-2/3 per cent.—in some cases even 75 per cent. and some of these items are protected items—how can one justify the Tariff Commission taking an attitude and recommending a duty between 30 and 35

per cent. Our commitments with both these bodies are making our tariff structure lopsided. While the level of our revenue duties is of the order roughly of 66-2/3 per cent., the level of duty on items on which we have entered into commitment with GATT and the Tariff Commission is of the order of 20, 30 or 35 per cent. at the most. I am suggesting to the Industry Minister that this is leading to a lopsided development in our tariff structure and sooner or later, he will have to give thought to this matter. After all, why are we raising the revenue duty and why, in the case of certain items, even where a particular level of duty is recommended by the Tariff Commission we are resorting to the expedient of not accepting their recommendation and we are taking recourse to revenue duty? It is because the Government of India believes that in the interest of developing our economy, it is essential to raise the tariff structure of our country. If this is the policy of the Government, then how can they countenance this continued commitment with the GATT in respect of these items and this sort of attitude on the part of the Tariff Commission? I agree that the Tariff Commission has an important part to play. After all, they are the judges to find out as to what quantum of protection is needed for the indigenous industries. But, Sir, when you have a locomotive, you have a safety valve, and the safety valve must have the same resisting power as the power of the locomotive. If you place a small safety valve in a big locomotive, the safety valve will burst and the engine will not work. Therefore, the Tariff Commission which, in my opinion, works as a safety valve to our industrial policy as far as tariff protection is concerned, must gear itself to the same kind of tempo to which the Government of India are committed by virtue of their developmental policies. Otherwise, all our development will get stuck up against this unimaginative attitude of the Tariff Commission. Therefore, my sugges-

tion would be that a definite instruction or directive should be sent to the Tariff Commission to change their attitude in regard to cases which are referred to them for examination. Otherwise, I do not see any point because Government of India themselves are raising revenue duties without referring the cases to the Tariff Commission. There is no point unless you think that the Tariff Commission must remain there as an ornament in our Governmental machinery.

I want to be clear on one point. It is about the statement of the hon. Finance Minister which says that the additional income to the Central Exchequer by virtue of this raising of the duties would be of the order of Rs. 4½ crores during the remaining period. That means—if my calculation is correct—that roughly we will be importing goods to the tune of Rs. 30 crores more. Otherwise, I do not know how we could raise this duty of Rs. 4½ crores. This Rs. 4½ crores represents only the extra income from duties which have been increased i.e., it represents the additional income which will come in addition to the duties which were in existence before this Bill was brought...

**Shri T. T. Krishnamachari:** On very rough calculations, we expect that the additional imports would be in the region of about Rs. 3 crores.

**Shri Bansal:** If the additional imports would be about Rs. 3 crores, it would be something of a miracle to bring in a revenue of Rs. 4½ crores.

**Shri T. T. Krishnamachari:** Hon. Member must realise that these duties are imposed on goods which will normally come; there are some goods which will be coming in addition. Additional duties are imposed on both these cases and when you are taking into account we think it would be in the region of about Rs. 2½ crores; we expect that the new goods would bring about Rs. 1 to 1½ crores, making in all Rs. 3½ to Rs. 4 crores.

**Shri Bansal:** All I can say is that it will be hard for me to agree with the hon. Commerce and Industry Minister. My calculation will not be less than Rs. 15 crores; that is another thing. What I am driving at is this. Before formulating this policy of relaxation have the Government of India considered what will be the effect of this policy—on the long term policy of the Government as regards the development of our industries? As I had stated, I am wholeheartedly in agreement with the policy and I am throwing out my doubts which arise in my mind just at the moment. After all, we are committed—the Commerce and Industry Minister himself has stated—that in the next Five Year Plan, the pride of place will be given to the industrial development. In fact he is thinking in terms of a target of Rs. 3,000 crores for industrial sector only—both private and public. If that is so, the capital investment would be of the order of Rs. 3,000 crores, all that cannot be available in the country itself. To a very large extent, we will have to depend on foreign exchange and foreign resources. I want to know: how are we going to solve the contingency of depending for capital on external resources unless we conserve our foreign exchange from now. It is true that in 1953 our balance of payment position was favourable; that does not mean that our balance of trade position was favourable. Our balance of trade position was running in deficit in 1953-54; it was of the order of Rs. 46 crores. As against that we had a favourable balance of payment position to the extent of Rs. 59 crores. That was because we have been depending on foreign aid and so many other types of devices. Between April and June 1954 our balance of trade has had a deficit of Rs. 32 crores. If this is the position of our balance of trade for three months and a deficit of Rs. 46 crores for the year 1953-54, I do not think that it will be safe to take a complacent view of our balance of payment position. After all, firstly we are not yet absolutely out of the woods as re-

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gards our food situation. I know we are happily placed. God forbid if anything untoward happens what will be the position? Large tracts in the country have had no rains; in large areas we have had devastating floods. I do not know about the repercussions of all this on the sum total of our food position. We are still importing huge quantities of sugar. I am sure in the next year also we may have to import huge quantities of sugar. Over and above all these requirements, the import of heavy machinery will still remain. In fact if the Commerce and Industry Minister's calculations come true—I am one with him; in fact I want that industrial development should be on a quicker pace—then, I am afraid it will be dangerous to take a complacent view of our foreign exchange requirements. In fact, I am of the view that we must go on building our foreign exchange so that it comes handy to us when we are launching this huge programme of industrial development. I think the Commerce and Industry Minister and the Finance Minister would be good enough to give some indication as to how their minds are running as regards our foreign exchange position *vis-a-vis* the next Five Year Plan.

I have only one or two more points to refer to. They are just, so to say, by the side. I was really disturbed at a Press report which came from Manchester. The President or Chairman of the Lancashire Textile Exporters was not impressed by the relaxation which the Government of India gave to the import of cloth from that country. There is no quota fixed. In fact this item has been placed on liberal licensing. Only duty is there—I believe of 60 per cent. As long as the duty was there and the quota was fixed, I am in a position to tell the House very authoritatively, the Board of Trade and the officials told me themselves that they will be happy if the quota is relaxed from 10 to 20 per cent. When the quota is relaxed and the item is placed on liberal licence,

they are not impressed. In fact they say that as long as this high duty remains they do not see much prospect of exporting textiles to our country. But they forget one thing. They are importing only greys from our country and greys are manufactured out of the cheapest cotton that is grown in this country. Therefore, in fact by allowing the export of our greys to the United Kingdom and then allowing greys which are bleached and printed to be imported into this very country, we are actually subsidising the Lancashire industry. And I think this point must be brought home to them before they clamour for further relaxation. I know that foreign interests can clamour through their High Commissioners' establishments and their Embassies here, but the Commerce and Industry Minister will do well not to be guided by these threats and clamour.

Another point I would like to make is about flasks. In regard to this flask industry, I do not know how many units there are in the country, but I must say that India is producing very good vacuum flasks. And if this new policy does anything to increase the quantum of imports of vacuum flasks, the indigenous industry will suffer a setback. It is in the hands of comparatively small manufacturers, just as is the case of brass lamp holders to which the hon. Minister had referred. These people, that is the razor blade manufacturers, the pencil manufacturers, the brass lamp holder manufacturers, the flask manufacturers, they do not have very elaborate selling arrangements. Although I am one of those who believes that the duty of a manufacturer does not end only by manufacturing the item but it is his duty to propagate the sale of his manufacture, the fact remains that these people are comparatively young in the field and small compared to the huge combines which control the export market in these commodities. For instance, as regards razor blades and pencils, the brands which are sold here are household names. In fact once I said that one would not think

of entering one's bath-room if he did not have a particular foreign brand of razor blade in his hand. Such huge consumer prejudices exist. And that is all built up by virtue of the huge marketing organisations that these people have at their command. In such cases particularly, the Government of India must see that the policy has the bias more in favour of the manufacturers rather than in favour of the consumer who under some belief or the other wants to go in for the foreign brand. I am one of those who believes that in some of these lines Indian manufactured goods are not a whit inferior to any foreign made brand. I refer to the case of pencils, and I can say that very soon our razor blades will also be of the same quality. Our flasks are absolutely first class and they can compare very well with any that are imported from outside.

Only a last point and I will have done. My friend Mr. V. P. Nayar who has the knack of running away after issuing broadsides talked of foreign manufactured car at a ludicrously low price. We have heard that story before now and I think the House has come to discount such stories. I remember I had seen the Bombay Exhibition where the cars of a particular country were exhibited, and I asked the price. The person who was showing round belonged to the combine which was manufacturing that car. He said, "We have no export price, I am sorry". I said, "You are exhibiting it here. You are exhibiting it because you want to sell it". He said "Our export price has nothing to do with the manufacturing cost". Then I said, "If I want to purchase the car; after all you will sell the car here, because you are not going to take it back". He scratched his head and said "anything near twenty-five thousand rupees". So this kind of a story that it could be manufactured in 700 dollars can be very easily discounted. And what is the position of cars manufactured here? In America a car which is sold here for about sixteen or seventeen thousand rupees

is not sold for less than eleven thousand rupees. I know it for a fact. And whatever the difference is more than made up by the heavy import duty on the imported parts that the Government of India imposes. I am sure the House will not be taken in by that kind of cheap talk.

Having said this I once again assure the hon. Minister that he is on the right track in pursuing this policy and hope that he will do everything in his power to see that the two handicaps which are distorting his policy, namely the attitude of the Tariff Commission and our commitments in the GATT will be removed as early as possible.

**Shri K. P. Tripathi (Darrang):** I thank you for giving me this chance. The discussion has raised two aspects of the question. One is whether by this process of gradual liberalisation there is an attempt to abolish quantitative control altogether. The other is whether it is merely a gradual liberalisation and there is no attempt to abolish quantitative control altogether. As has been said, if it is merely an attempt at liberalisation in the present context of our economy, I think we may support this. But I must say here that if it is interpreted as an attempt to gradually abolish the quantitative control altogether, or if the passing of this Bill may be interpreted as the House having given an imprimatur that quantitative control may gradually be abolished, then I think it would be very wrong.

I agree in this question at least with my friend Mr. Bansal—for once at least—that the economy of this country is a condition in which industries, nascent industries are coming up. The corresponding industries in other countries are very very old. Their staying power, their economic position, their competitive power is so tremendous that they can sell their goods not merely in their own countries and all over the world but here also. Mr. Bansal has pointed out the tremendous consumer prejudice produced by the advertising medium of



[Shri K. P. Tripathi]

the foreign concerns. Under the circumstances it must be taken for granted that the power which they possess of competing with our industries is very tremendous. For example it may be that certain industries in our country may get a fillip and may go ahead for some time. But it may not be a permanent fillip, and there may come very quickly a resistance and the industry may be wiped out. And so I begin to feel all the more that it is very necessary for this country to have quantitative control. If the quantitative control is not there, it is very difficult for this Government to find out at what stage a certain particular industry becomes uncompetitive. I was looking through the chart issued by the Ministry, and I find that it had taken three to four years for the Tariff Commission to find out that a certain industry was going down.

Take for instance the antimony industry. It is shown that in 1950 it was producing 376 tons. Then it came to 328, then to 181, 130 and 140 tons. In this way it went down.

There are several other industries mentioned. This merely shows that

our Government has no machinery, and is not likely to have any machinery for a long time, by which the results or the effects of foreign competition on industrial manufacture in our country will be quickly known and remedied. You might be aware, Sir, that in a country like America there is the law "Buy American". There is the law by which American industries can be protected. If there is foreign competition, then the Government, the President has the duty—not merely authority but he has the duty—to give protection. When I was there I found this particularly in the case of butter. Butter had accumulated there and there was competition of butter from the Netherlands. The competing butter had to be stopped. Similarly....

**Mr. Chairman:** I suppose the hon. Member will take some more time?

**Shri K. P. Tripathi:** Yes, Sir.

**Mr. Chairman:** The House stands adjourned till tomorrow, 11 A.M.

*The Lok Sabha then adjourned till Eleven of the Clock on Friday the 24th September, 1954.*

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