

[Mr. Speaker]

on the question of admissibility; and on that question, it appears clear that the basic fact about the *lathi* charge and all that is something which was a myth.

#### PAPERS LAID ON THE TABLE

##### SUMMARY OF PROCEEDINGS OF THE SECOND SESSION OF THE INDUSTRIAL COMMITTEE ON CEMENT.

**The Minister of Labour (Shri K. K. Desai):** I beg to lay on the Table a copy of the Final Summary of Proceedings of the Second Session of the Industrial Committee on Cement, held at Hyderabad in March, 1954. [Placed in Library. See No. S-348/54].

##### STATEMENTS SHOWING ACTION TAKEN BY GOVERNMENT ON VARIOUS ASSURANCES, PROMISES AND UNDERTAKINGS.

**The Minister of Production (Shri K. C. Reddy):** I beg to lay on the Table the following statements showing the action taken by the Government on various assurances, promises and undertakings given by Ministers and on suggestions made by members during the various Sessions shown against each:

- (1) Supplementary Statement No. V. Sixth Session, 1954 of the Lok Sabha. [See Appendix IX, annexure No. 15.]
- (2) Supplementary Statement No. X. Fifth Session, 1953 of the Lok Sabha. [See Appendix IX, annexure No. 16.]
- (3) Supplementary Statement No. XV. Fourth Session, 1953 of the Lok Sabha. [See Appendix IX, annexure No. 17.]
- (4) Supplementary Statement No. XX. Third Session, 1953 of the Lok Sabha. [See Appendix IX, annexure No. 18.]

- (5) First Statement (Suggestions). Fifth Session, 1953 of the Lok Sabha. [See Appendix IX, annexure No. 19.]

##### SIXTH ANNUAL REPORT OF THE INDUSTRIAL FINANCE CORPORATION OF INDIA.

**The Deputy Minister of Finance (Shri A. C. Guha):** I beg to lay on the Table, under sub-section (3) of section 35 of the Industrial Finance Corporation Act, 1948, a copy of the Sixth Annual Report of the Board of Directors of the Industrial Finance Corporation of India for the year ended 30th June, 1954, along with a Statement showing the assets and liabilities and Profit and Loss Account of the Corporation for the year. [Placed in Library. See No. S-347/54.]

##### INDIAN TARIFF (AMENDMENT) BILL—Contd.

**Mr. Speaker:** The House will now proceed with the legislative business.

The following motion moved by Shri Karmarkar was under discussion:

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

The House is aware that two hours have been allotted to this Bill, out of which 45 minutes have already been availed of yesterday, and one hour fifteen minutes still remain. This will mean that discussion on this Bill will conclude by 1.15 p.m. The House will thereafter take up consideration of the Displaced Persons (Compensation and Rehabilitation) Bill for which six hours have been allotted.

As the discussion<sup>a</sup> will conclude at 1.15 p.m., voting will take place at 2.30.

Yes, Mr. Thomas.

**Shri A. M. Thomas (Ernakulam):** Yesterday I was referring to some of the subsidiary recommendations made by the Tariff Commission as early as

1950, and pointing out the failure on the part of the Government to implement them, although they were in principle accepted by the Government. It is a cardinal principle that we have to bear in mind that side by side with giving protection to a particular industry, it should be the policy to take such steps as are necessary to put that industry on a sound basis, capable of facing foreign competition.

[MR. DEPUTY-SPEAKER *in the Chair.*]

We cannot put a premium on inefficiency for all time to come at the expense of the nation. It is with this object in view that the Tariff Commission generally makes subsidiary recommendations.

In the Tariff Commission's report, several defects in the process and technique of manufacture of tapioca globules have been pointed out. The Development Wing of the Ministry of Commerce and Industry also has pointed out certain aspects before the Tariff Commission, which are to be improved. Unfortunately, item 8 of the 1950 recommendation of the Tariff Commission, which reads as follows:

"The Industry should obtain the services of a foreign expert or send its technicians abroad for further training, so that necessary improvement in the quality of its products may be effected and the cost of production appreciably reduced",

has not been implemented. The Tariff Commission is of opinion that although large-scale technical improvement may not be possible in the case of this industry which is more or less run on a cottage scale, there is considerable scope for improvement in the methods of cultivation of tapioca roots, and the manufacture of tapioca globules. The Director of the Central Food Technological Institute, Mysore, has represented that by cutting the tapioca roots in pieces and drying them before processing, a radical change in the technique of manufacture can be introduced.

This takes me directly to the problem of raw material itself. It is mentioned that in 1953, tapioca cultivation was carried on in 5,25,287 acres in Travancore-Cochin, and that is a State with abundant possibilities of supplying the necessary raw material and opening up of industries such as the starch manufacturing industry and the globules manufacturing industry. This morning, in answer to a question concerning starch, the hon. Minister of Commerce and Industry stated that we are in need of about 55,000 tons of starch, and the indigenous production does not come anywhere near that figure. The hon. Minister also stated that the import of starch is banned at present. But on going through the import figures, I find that in 1953-54 itself Rs. 5,90,871 worth of starch has been imported. What I want to drive home is this. There is tremendous possibility of having very good quality starch from tapioca, and there are also possibilities of greater expansion in this regard. When my hon. friend Shri Matthen asked a supplementary question, whether the quality of starch from tapioca admits of any improvement, the hon. Minister required notice to answer that question.

I would submit that unfortunately no attention at all has been paid to the question of raw material. A short-sighted policy was followed by the State Government of Travancore-Cochin, in banning the export of tapioca out of the State. Consequently, there were distress sales, and there was no incentive to the growers, with the result that production suffered. The action of the Government was sought to be justified on account of the scarcity of foodgrains in that State for a long time.

Shri S. V. Ramaswamy (Salem): I did not wish to interrupt my hon. friend. But he seems to be talking on item No. 11(4), and not item No. 11(6), which is the subject under discussion now. We are not considering starch. We are only considering globules.

Shri A. M. Thomas: I understand that. I was just mentioning that there

[Shri A. M. Thomas] is the possibility of tapping the resources out of this raw material, and developing the starch industry as well as the globules industry. I will not enter into a controversy with my hon. friend, on this question. Nor am I going to enter into a controversy with regard to the policy that was followed by the Travancore-Cochin Government. Now, rice is available for a very reasonable price, and tapioca can be diverted into industrial channels during this time.

I should think that some of the recommendations of the Tariff Commission could not be carried out, because they are intimately concerned with the Food and Agriculture Ministry also. I should feel that there ought to have been proper co-ordination between the two Ministries, in carrying out the recommendations that have been made by the Tariff Commission.

On page 22 of their report, the Tariff Commission say:

"The Madras Government should establish an experimental farm near Salem for the purpose of introducing improved methods of cultivation of tapioca as well as manufacture of sago..... The Madras Government should depute an officer of the Agricultural Department to study the methods of cultivation of sago and tapioca and the manufacture of globules in Malaya. Two or three representatives of the producers may accompany the officer to Malaya during his deputation."

I am sorry to note that the major producer of this raw material has been omitted to be considered by the Tariff Commission. As usual, the extreme south has been neglected by the Centre and its Departments. That is all that I have to say concerning these two recommendations of the Tariff Commission. I do not grudge the Madras Government sending their representatives nor have I any quarrel in the matter of giving encouragement to the Madras agriculturists. But I should submit that

the Tariff Commission ought to have had some regard also to the problems of my State, which is the major producer of tapioca. The International Planning Commission attached to the Ford Foundation had a tour of the country, and unfortunately, that team did not find time to visit Travancore-Cochin, where the problem of unemployment is so acute. I should say these are some of the industries which could have been brought to the notice of the Ford Foundation team, so that they could have made proper recommendations.

Even as the report at present stands, I should say that there is possibility of developing the tapioca globules industry, provided, as has been once stated by the hon. Minister, a regional institute is started in Travancore-Cochin for exploring possibilities in these directions.

With these observations, I support the step that is being taken to see that the small-scale industry like the tapioca globules industry is not jeopardised by foreign competition.

I would like to say a word in regard to the sericulture industry also. The Tariff Commission has made out a case for the continuation of protection to the sericulture industry, for which we are giving protection since 1934. The problem in the sericulture industry is that of raw silk, the maintenance of quality as well as the improvement of the quality of the finished products. Several ancillary recommendations have also been made by the Tariff Commission, with regard to the sericulture industry. In this matter, I should think we are in an advantageous position, because there is a statutory Board functioning which is devoting its attention to the problems of this industry. So, we are in an advantageous position, so far as the development of this industry is concerned. My only appeal is that the Central Government may co-operate with the Silk Board, and explore all avenues for improving the quality of raw silk as well as the finished products. I support the Bill.

**Shri C. R. Narasimhan** (Krishnagiri): I wish to take this opportunity to convey my thanks to the Hon. Minister of Commerce and Industry, for having come forward with a measure to extend protection to a cottage industry which has recently grown in my district. Apart from giving protection to our own industries, the extension of the scope of the Ministry's efforts to give protection to our cottage industries against foreign competition is doubly welcome.

In their previous report, the Tariff Commission have stated that there should be an export drive also. I do not know what steps Government have so far taken in that matter. I request them to take some steps so as to begin the export drive.

While the Government of India are doing all they can for encouraging this industry and for protecting it from foreign competition, we have a somewhat regretful picture in Bengal. The Calcutta Corporation, as has been previously stated, has thought it fit to take certain measures which have brought about a paralysis in the market for sago there. They are ostensibly taking action under their Municipal Acts, but we must remember that this is an article of food, and if an attempt is to be made to avoid foreign imports, it has to be encouraged in every possible way. Moreover, food control and the prevention of adulteration of foodstuffs is a concurrent subject, and only recently a Central legislation for this purpose has been passed by both the Houses of Parliament, and it is shortly going to receive the assent of the President. When we are on the eve of such co-ordinated Central control in regard to the prevention of food adulteration, misbranding etc., it is regrettable that the West Bengal Government and the Corporation of Calcutta have at this stage started measures which are hurting this cottage industry, which the Central Government have thought fit to protect.

I request the Government of India to send immediately an officer of

standing to Calcutta and investigate the matter and find out why the Calcutta Corporation and the Government of West Bengal are taking these measures and thus bringing about a serious crisis in the industry. Let him try to understand them and put the Government of India's point of view before them and have effective action taken immediately to ease the situation. Otherwise, I will venture to suggest that it is the duty of the Government of India to assert their own rights because the Government of India and Parliament can under the Concurrent List decide as to which is adulterated food and which is well-branded food. I request them even to come out with an ordinance for the purpose. They had an ordinance in respect of *biris* and only the other day we passed a law to replace that. So I would suggest that it would not only be proper, but it would be very desirable for Government to be alive to the situation. I have nothing more to say.

**The Minister of Commerce and Industry (Shri T. T. Krishnamachari):** My intention in intervening in this debate is only to deal with a very narrow aspect of this Bill, namely, the question of sago. Two amendments have been tabled, one by my hon. friend, Mr. S. V. Ramaswamy, and the other by my hon. friend, Mr. Barman. I would like to point out to Mr. Ramaswamy that in a Tariff Bill you cannot attempt to define the nature of an article for purposes other than those of collecting import duty. I am afraid, therefore, that the amendment that he has proposed would not fit in. The second amendment, by Mr. Barman, is also very peculiar. The particular item to which the amendment refers is 11(6) in the Tariff Schedule. It says 'Sago globules and tapioca pearls'. Mr. Barman wants to substitute 'Tapioca globules'. Naturally, tapioca globules are not imported. As they are not imported, there is no point in putting this in the Tariff Schedule. It is only sago globules that are imported. At the present moment, even they are not allowed. There must be some relevance to an alteration in an entry in

[Shri T. T. Krishnamachari] the tariff which must have some bearing on facts. I am afraid this amendment also is not in place. I do not know what the purpose of it is,—I might guess it—and even if there is a purpose behind it, which the hon. Member has in mind, I am afraid we cannot put in a nomenclature in regard to a commodity which would not be imported.

The other aspect of the matter is one that was mentioned by the last speaker, namely, the question of the action of the West Bengal Government in regard to freezing sago stocks in the market, presumably under the powers vested in the Calcutta Corporation under the Food and Drugs (Adulteration) Act. The genesis of this is extremely peculiar. I have heard that the Deputy Commissioner of Police got some kind of intestinal trouble and he went into the market to purchase sago. Apparently, his intestinal trouble was not one that could be cured by sago, and it persisted. Therefore, I think he went into the nature of the sago that was purchased and found that the sago was made out of tapioca. Though it was called *sabudana* or *javvarisi*, it was made out of tapioca. Therefore, action has been taken by the Calcutta Corporation to freeze the stocks. This was brought to my notice by kind friends here. I got into touch with the Chief Minister of West Bengal. He told me that there was no objection to the article being called *sabudana*, but there must be some kind of explanation that it was sago made out of tapioca. I had told him that people in Bengal or the Calcutta Corporation might cry hoarse; they won't get sago which was manufactured from some other commodity than tapioca, because we were not permitting imports. If there is a comparable commodity which is being normally imported, which is of a better calorific value than the tapioca sago which is available in the market, then there is an element of preference which can be exercised in favour of one as against the other. Here there is nothing to compare because we are

not permitting any imports of sago made other than out of tapioca. He said he would look into the matter. I found that subsequently a notification was issued by the West Bengal Government which more or less crystallised the attitude taken by the Deputy Commissioner of Police and the Calcutta Corporation. The notification is dated 13th September 1954. It says: 'notify the article of food mentioned below for the purpose of that clause (i.e. section 462 of the Calcutta Municipal Act), that is to say, sago (*sabudana*)', and 'it should fulfil the following conditions, that is to say, it shall be exclusively derived from the starch obtained from the pith of the trunk of sago palm etc'. Well, if the West Bengal Government want to live in a world of their own and want to define an article which they cannot obtain, I cannot prevent them from doing so, because the State Government is autonomous within the field that is given to it.

**Shri S. V. Ramaswamy:** What is the remedy?

**Shri T. T. Krishnamachari:** I do not know if there is a remedy. May be there is no remedy. May be that under articles 301 and 302 of the Constitution, you may say that freedom of trade is being circumscribed. I do not know if that is possible. If the Calcutta Municipal Corporation does not want people to consume sago and it wants to persist in having intestinal trouble, we cannot prevent it from having it. Or if the particular commodity itself might have been condemned on other grounds, may be it is not good or it is really something else. Anyway, these are matters which are very delicate and essentially the power is vested in the .....

**Mr. Deputy-Speaker:** Does it not come as an article of food under the Constitution (Amendment) Bill and cannot the Centre take over, that is to say, adding it to the Concurrent List?

**Shri T. T. Krishnamachari:** Yes. This is a matter which will have to be explored. The Chair will understand

that it is not a matter in which one Minister can come out with a categorical denunciation of the action of a State Government. All that he can do is to just describe the genesis of the trouble and show the absurdity of it, while they are functioning under a Constitution where quick action is not possible.

**Shri S. V. Ramaswamy:** Is that the remedy?

**Shri T. T. Krishnamachari:** The remedy is not to tie them up by means of a magic word or magic definition. That is all I am seeking to point out. Neither will Mr. Barman be able to deal with the action of the State Government by altering the nomenclature of the entry in the Tariff Act, nor will Mr. Ramaswamy be able to tie up the State Government by altering the definition. This is not the method. We have to explore other methods and I am trying to see.....

**Shri C. R. Narasimhan:** Why not use the Food and Drugs (Adulteration) Act?

**Shri T. T. Krishnamachari:** ..... if I can make the West Bengal Government re-examine the matter. In fact, the Secretary of my Ministry is at the moment in Calcutta. We have sent a message to him to get into touch with the officials there. Before I came to this House this morning, we had booked trunk calls to all the concerned people, but we found that none was available. The only person whom we could contact in this matter was the Private Secretary to the Chief Minister. He could only give the facts of the situation, not the policy.

**Shri Achuthan (Crangannur):** What was the objection in sending a public analyst there to get it examined, to find out whether the stock is injurious or not?

**Shri T. T. Krishnamachari:** All remedies might be suggested by us. But the remedy will have to be undertaken by a Government which is, to a very large extent, autonomous. I can only give an assurance to this House

that I will try my best to see and use powers of persuasion. The method of achieving our objective is not by means of an amendment of a pure and simple Tariff Act.

The other point suggested by my friend, Mr. A. M. Thomas—or for that matter, Mr. V. P. Nayar—was: 'Well, you can increase production'. But here is one area where consumption is being restricted for some reason or other. Unless consumption is increased, there is no point in our going on increasing production. These are various factors which cannot really be solved by a discussion on the Tariff Commission's report or by altering the nomenclature in the Tariff Act; because here for all intents and purposes the tariff protection given to sago is not necessary because no imports are allowed. That is a very strong position which the Central Government has. In Calcutta people might say, we do want *sabudana* which is sago made out of a different stuff. However much they may cry, they will not get it. In that way Central Government is powerful enough. People in this country who have stomach trouble will have to do with sago manufactured out of tapioca or go without it.

**Mr. Deputy-Speaker:** Is that article, contemplated by the Bengal Government, available in the world?

**Shri T. T. Krishnamachari:** Yes; Sir, it can be imported from Malaya where it is available, but we are not allowing it to enter this country. We have not been allowing it for some time; it is not a question of their being banned today. It has been there for some time and people have got accustomed to the use of sago made out of tapioca.

**Mr. Deputy-Speaker:** Of what substance is that sago made of?

**Shri T. T. Krishnamachari:** That is sago made out of sago palm and the food experts say that its calorific value is higher. It is not pure starch; it has some additional calorific content in it—may be it is true. But, the position is, it is not available. Therefore, I would like to submit to the

[Shri T. T. Krishnamachari]

House that the end in view cannot be achieved by these amendments and I do hope my hon. friends will withdraw their amendments.

**Shri S. V. Ramaswamy:** Sir, it is not a question of the stomach of certain individuals being upset, but the whole industry is paralysed.

**Mr. Deputy-Speaker:** The hon. Member comes from Salem where this industry flourishes. I will give him an opportunity to speak if he wants.

**An Hon. Member:** He has already spoken.

**Mr. Deputy-Speaker:** Then I will not give him another opportunity. Now, I call upon Shri Matthen.

**Shri Matthen (Thiruvellah):** Sir, this is a simple Bill to continue protection to a small industry, and in the ordinary course I would have been satisfied with the usual aye that is given; but, what actually provoked me to speak today is the report of the Tariff Commission and the orders passed thereon.

Sir, I will just give a bit of the history of tapioca. This is not an indigenous plant. This is something introduced into our State about 100 years ago from some Pacific islands. Fortunately it requires only six months' time for the roots to mature. I am sure many of the hon. Members here do not know what tapioca is. I remember, when Shri S. K. Patil came to my house in Thiruvellah, the first question he asked me was: "May I see your tapioca roots?" It is a plant grown out of six inches of stem planted and in six months' time the roots become mature.

The most important fact regarding this is: you know our State has been a deficient State in the matter of food. During the war period and the subsequent post-war period when food was very scarce, what actually saved our poor people the poor and the lower middle-class people from starvation and death, was not so much the help rendered by the Food Minister in

supplying rice as these tapioca roots. Even today the tapioca roots are almost a staple food of the labourers and the lower middle class. Some take tapioca alone and some take boiled tapioca and fish. It is not a bad food either. Then, what about the 600 thousand acres of land we have under tapioca? I do not think even Salem, with all the partiality shown to them, has got anywhere near it. I am not jealous of Salem, but in fact I am congratulating them for the development they have made in this industry. What I wanted to tell you is: if you just read the report submitted by the Commission you will find that they seem to be unaware of the State of Travancore-Cochin, the State which grows more tapioca than anybody else, whose economy is mostly based on tapioca, and where tapioca is the poor man's food. This sort of neglect, as was pointed out by my friends from Ernakulam and Chirayinkil, is something—to say the least—unimaginative. I am using very restrained language.

Of late, Sir, the price has gone down considerably. We have been getting representations from our State about the present position. The real difficulty in its cultivation is that, if the price goes down, this being a six monthly cultivation, people would not care to plant the tapioca stems in the next season.

**Shri S. V. Ramaswamy:** It requires ten months.

**Shri Matthen:** No; it requires only six months.

**Shri V. P. Nayar (Chirayinkil):** Six months; one year; there are various types. Sometimes it requires only five months.

**Shri Matthen:** As my hon. friend Shri Thomas pointed out, our State had a very silly policy in the matter of banning the export of this industry. Of late, with the improvement in the food situation, they have been giving permits for export of starch and other tapioca products.

As soon as I read the report of the Commission and the orders passed thereon I wrote to the hon. Minister for Commerce and Industry as well as the Food and Agriculture Minister about this invidious distinction; this neglect of my State. For example, in recommendations 3, 4, 5 and 6, they have mentioned about producers of Salem, but they have not said a word about my State. I am not repeating what my friends have already said, but I strongly urge that in all these recommendations my State should also be included. In fact, I had received a reply from the Ministry of Food and Agriculture that they have recommended to the Minister for Commerce and Industry to include representatives of my State also in the delegation to Malaya.

Sir, recently I had the privilege of accompanying the Prime Minister to Bihar, West Bengal, Assam etc. There I found that in all these places tapioca will grow very well, much better than it does in my State. If my State can produce 3 tons per acre, I am quite certain that Assam can produce 12 tons.

**An Hon. Member:** Is it a yearly crop?

**Shri Matthen:** It requires only about six months' time. What I am just trying to bring out is, that though originally we were the pioneers in introducing it, now Salem has taken it from us—I am not jealous of Salem as I already stated—and this is a cultivation which practically three-fourth of India can follow. It does not need much aid and if this tapioca is developed properly, it is a very good food. This will grow very well in the whole of Bombay State and in places like Belgaum etc., where I had been; this is a first class thing which will grow very well.

**Shri V. P. Nayar:** In Delhi also.

**Shri Matthen:** Yes; it will grow in Delhi also. I have got a friend in Agra who has produced very good results in this cultivation.

**Shri V. P. Nayar:** We have it in our house.

**Shri Matthen:** In the first place, it is good from the point of view of food, and in the second place, it gives starch and other things. As the hon. Minister pointed out and as quoted by my hon. friend from Ernakulam, we need about 55,000 tons of starch whereas our production came to only 17,000 tons last year. We can supply all the starch needed by the textile industry and we can also have plenty for export provided some sort of effort is made by the hon. Minister for Commerce and Industry in developing this and encouraging the industry. Tapioca, unlike rubber and tea industries, is mostly cultivated by the poor and low-income group. I am really sorry to remark about the report of the Tariff Commission. Their enquiry was in Bombay and as I said, people cannot go all the way to Bombay to make their representations before the Commission. To say the least, it is extremely unimaginative of the Commission to have their venue in Bombay and not somewhere in South India.

**Shri V. P. Nayar:** Thank God it was not held in Srinagar.

**Shri Matthen:** There is one member of the Commission, Mr. Ramasubban, who should have known this better and who should have known something about Travancore, though the rest can have some sort of an excuse. I do not blame the Commerce and Industry Minister so much as I do the Commission. The recommendations of the Commission are accepted by the Minister and I lay more blame on the Commission. It does not enhance their reputation for efficiency or thoroughness, to put it modestly.

In the report of 1950 there was mention of this industry in Travancore-Cochin and in the latest report there is none.

The food value, as fodder, I am told, is very great and nobody has developed it. For invalids in hospitals.

[Shri Matthen]

even doctors have prescribed this food. As the report of the Small-scale Industry Committee, about which a reference was made by my friend, Mr. Thomas, the greatest asset of India is its very large home market. If we develop this industry there is hardly anything which can be made of wheat or rice that cannot be made out of tapioca, but nobody has cared to find out the position. The Central Food Technological Research Institute in Mysore could very well do the research and I believe the synthetic rice that has been manufactured contains about 70 per cent of tapioca.

**Mr. Deputy-Speaker:** May I remind the hon. Member that the hon. Mr. Speaker said that discussion on the Bill must be completed by 1-15 p.m.

**Shri Matthen:** I will close in a minute or two.

**Mr. Deputy-Speaker:** There are some amendments to clauses and, therefore, we must take up clause by clause discussion at least by 1 p.m. even if we allow only fifteen minutes for it, and for third reading. Now we have barely fifteen minutes more. How long does the hon. Minister expect to take for his speech?

**The Minister of Commerce (Shri Karmarkar):** As little as you think fit. Let it be five minutes.

**Shri Barman (North Bengal—Reserved—Sch. Castes):** May I suggest that we begin the consideration of clauses straightaway and those who have got to say anything on the Bill may say it on the clauses?

**Mr. Deputy-Speaker:** Yes, and the Minister may reply once and for all in regard to this Bill.

**Shri Matthen:** I have brought out all the possibilities and the unlimited resources for development of this industry in order to bring home to hon. Members the importance of this. When the coffee industry was down and out in the thirties, it was the Coffee Board that made the industry to consume all the output of the

Indian plantations. In 1952 when the coir industry was down and out, the hon. Minister for Commerce and Industry actually visited Travancore-Cochin area and accepted the suggestion I made in 1952 during the budget debate that there should be a Coir Board. May I therefore make a very earnest suggestion? The suggestion is to organise a small Tapioca Board for developing the possibilities of this industry. I believe the hon. Minister will take it seriously. It is an industry that can be developed all over India and we can think out avenues of developing it. I support the Bill.

**Mr. Deputy-Speaker:** Before I call anybody, let the consideration stage be over. The question is:

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

*The motion was adopted.*

**Clause 2.**—(Amendment of the First Schedule)

**Mr. Deputy-Speaker:** Which are the amendments that hon. Members wish to move? Let them be moved.

**Shri Barman:** I beg to move:

In page 1, after line 6, add:

“(i) in Item No. 11(6), in the entry in the second column, for the words ‘Sago Globules’ the words ‘Tapioca Globules’ shall be substituted;”

**Shri S. V. Ramaswamy:** I beg to move:

In page 1, after line 6, add:

“(i) in Item No. 11(6), in the second column headed ‘Name of article’, after the words ‘Tapioca pearls’, the words ‘Sago means a starch product derived from Sago palm or from Tapioca root’ shall be added;”

**Mr. Deputy-Speaker:** There are only two amendments that have been

moved and I will place them before the House. Amendments moved:

In page 1, after line 6, add:

"(i) in Item No. 11(6), in the entry in the second column, for the words 'Sago Globules' the words 'Tapioca Globules' shall be substituted;"

In page 1, after line 6, add:

"(i) in Item No. 11(6), in the second column headed 'Name of article', after the words 'Tapioca pearls', the words 'Sago means a starch product derived from Sago palm or from Tapioca root' shall be added;"

I shall allow the discussion on the amendments and clauses together.

**Shri Barman:** The hon. Minister for Commerce and Industry has been unfair to the Calcutta Corporation and to the Government of West Bengal when he made his speech.

**Mr. Deputy-Speaker:** Is there any natural product like sago? Is any particular grain called 'sago' produced from earth?

**Shri Barman:** Yes, it is produced from sago palm and then it is made into globules.

My intention in moving this amendment is not because that I hold a brief or any such thing for the Government of West Bengal or for the Calcutta Corporation—neither have I been approached by any of the two institutions for moving this amendment—but it is out of my own volition that I thought that this amendment will resolve many difficulties. The Minister for Commerce and Industry stated "Let the West Bengal Government break its head; it shall not get any sago because the trump card is in my hand." He has banned it from import and therefore nobody can find real sago here in India however much he may try. As I said, I hold no brief for the West Bengal Government. Let the Central Government and the West Bengal Government settle it amongst themselves. My simple intention is

that because of this restriction on sago globules, all this complication has arisen in Calcutta. The Minister has said that some Deputy Superintendent of Police had some stomach trouble by taking this tapioca product and, therefore, out of that, the Calcutta Corporation and the Bengal Government have created all this trouble. He said something in that way. I am sorry that the hon. Minister has not done justice to the people of Calcutta and to the West Bengal Government. After all, the Calcutta Corporation is an elected body and represents the people of Calcutta and how can you suggest that it is done at the bidding of a Deputy Superintendent of Police?

**Shri S. V. Ramaswamy:** When was it done?

**Shri Barman:** Let me have my say and he may have it next in his turn. It was an unjust and unkind remark on the people of Calcutta made by the Commerce and Industry Minister. It is admitted on all hands that sago is produced not in our country but in Malaya out of the juice of the sago palm. When we market these products out of topi tapioca, if we simply call it tapioca there will be absolutely no difficulty. Neither the Bengal Government nor the Calcutta Corporation will have any power to seize any product which has been sent there for sale. This simple suggestion of mine would remove this difficulty. I may say one or two words why such a situation has been created there. These sago globules are advised by the medical practitioners to be used by people suffering from high fever or people in convalescent stages. That is one matter. Secondly, it is taken by people who are fasting for days together and by widows in our parts of the country. They take no other thing but sago. It is considered to be something which is sanctioned by the religious customs and they take no other thing. It may be—I do not know—out of such considerations that the people of Calcutta might have said that because sago is a sacred product and tapioca is something else it should be called by its

[Shri Barman]

real name. I have toured Salem and I have seen tapioca plantations. As my friend Mr. Matthen has said, I am definite that in my parts of the country this kind of plant can be grown in abundance. My quarrel is not with the tapioca industry. I have seen these globules in the factories being produced out of these tapioca tubers. We in India certainly want that any industry which is Indian must thrive and should have all the advantages that the Government of India can give. What I say is that even if the Commerce Ministry be not pleased to allow any import of sago from Malaya at least it would be just and proper and only straightforward for them to call it by its real name, that is, tapioca globules.

I want to mention another point: that is about the protective duty. When no sago is produced in our country how can it be protected by the imposition of a duty? They could have adopted a straightforward method of putting revenue duties and thus save the tapioca industry from any kind of competition. I do not know why this method should be adopted to push this industry which every Indian should like because it is an Indian industry. I hope that the Government will further look into the question and not create unnecessary trouble ..... (*Interruptions*).

**Mr. Deputy-Speaker:** Is it in the nature of a legal or constitutional objection? I mean giving. Is there any constitutional or legal objection for giving protection to an industry which is not carried on in this country .....

**Shri Barman:** No, Sir. There is no sago industry in our country.

**Mr. Deputy-Speaker:** In case there is no such industry which requires protection, can a protection be given to encourage the production of a similar article here to another article?

**Shri Barman:** That is my point.

**An Hon. Member:** If so, protection is necessary for this tapioca globules industry.

**Mr. Deputy-Speaker:** If protection can be given not only to the same kind of industry but to a similar kind of article which will serve the same purpose, there is no legal objection or constitutional objection. The question is that in the name of sago globules tapioca globules ought not to be passed on. But here we are on a different Bill altogether .....

**Shri V. P. Nayar:** If you look into the dictionary meaning of sago, it is something manufactured from sago palm; it only says that sago is a nutritious nutritive farinaceous carbohydrate produced from the pith of several East Indian palms. That is what is written in the dictionary. People have thought that what they have been eating since 1940 was really sago while Government did not take any steps to convince them that it is not the sago which used to be imported but it was sago which was indigenously produced.

**Shri A. M. Thomas:** It is stated in the Tariff Commission Report that sago globules are manufactured entirely from tapioca root. The scope of the inquiry is therefore restricted to sago globules manufactured from tapioca.

**Shri Kottukappally (Meenachil):** Originally it was in Brazil and tapioca was imported into Travancore-Cochin from Brazil. Sago is a word which can be commonly used for the sago prepared from sago palm or from tapioca.

**Shri Barman:** Has any tapioca globule been imported from other countries? (*Interruptions*.)

**Shri Kottukappally:** It was first produced in Brazil. In Brazil they do not use tapioca in a boiled state.

**Shri Mulchand Dube (Farrukhabad Dist.—North):** Is there any difference in the food value of tapioca globules and sago globules? ..... (*Interruptions*.)

**Shri S. V. Ramaswamy:** The amendment of Mr. Barman goes against the Act itself and does not fit in. If you kindly turn to page 6 of the Tariff Commission's Report, you will find para. 5(a) deals with the sago globules and tapioca pearls. It reads: "Sago globules are manufactured either from tapioca root or from sago palm and both the products are popularly known as *sabudana* in North India and *javarasi* in South India. We were informed during the public inquiry that sago globules are manufactured in Malaya from sago palm as well as tapioca root and that a substantial proportion of the imports from Malaya before the import ban came into operation in 1950 consisted of sago globules manufactured from sago palm....." This Bill seeks to prevent the import of sago globules made out of tapioca roots that is in competition with the Indian indigenous industry..

**Mr. Deputy-Speaker:** But what about globules from sago palms?

**Shri S. V. Ramaswamy:** There is no sago palms at all there. There are several kinds of sago. If you kindly permit me I will read out to you: there are five types of sago.....

**Mr. Deputy-Speaker:** Mr. Ramaswamy's contention is that there are no sago globules manufactured from sago palm; he has no objection at all to their import.

**Shri Matthen:** We have.

**Mr. Deputy-Speaker:** Could it be definitely known that this tapioca globules which are passing off for sago globules have got equally the same calorific value even though they might serve the same purpose? They say this has to be protected against sago globules manufactured from tapioca or is it from sago palms?

1 P.M.

**Shri S. V. Ramaswamy:** Sago is a generic name. There are several kinds of foreign sago. I shall presently give you their names. There is the American sago; there is the German sago. There is Gomuti sago, Javanese sago and Japanese sago. The American

sago is prepared out of Batata (Arca palm), wheat and corn. The German sago is prepared out of potato and wheat. The Gomuti sago is prepared out of the pith of an inferior palm of East Indies.

**An Hon. Member:** Wherefrom are you reading?

**Shri S. V. Ramaswamy:** From my notes.

**Mr. Deputy-Speaker:** Hon. Members are entitled to know wherefrom this information is got.

**Shri S. V. Ramaswamy:** From various books, from the Encyclopaedia and so on. You can challenge it if you like.

The Javanese sago is prepared out of another type of palm of the East Indies. The Japanese sago was prepared out of certain good varieties of palms known as *Farina-Ferra* and *Sagu*.

These are several types. Sago is just a starchy product derived from any type of starch. It may be sago. It may be tapioca root. It may be potato. It may be even rice. Whatever is fabricated out of starch is called sago if it has a globular form. It is a generic name. The question arose about the calorific value and all that.

**Mr. Deputy-Speaker:** What then is artificial rice?

**Shri S. V. Ramaswamy:** In artificial rice 85 per cent is tapioca root and about 12 per cent. groundnut.

**Mr. Deputy-Speaker:** But it is not sago globule.

**Shri S. V. Ramaswamy:** Groundnut also enters into its composition, and the shape is that of rice. That is how it gets that name.

I shall give some figures with regard to indigenous and foreign sago, derived from the Extract from the Bulletin of the Imperial Institute of Science, London with regard to foreign sago, and from the analytical report supplied by the Government

[Shri S. V. Ramaswamy]

Analyst, King Institute, Guindy, Madras.

With regard to the percentage of water, in indigenous sago it is 11·6 per cent; in foreign sago it is 11·7 per cent. As regards protein, in Indian sago it is 30 per cent; in foreign sago it is 13 per cent. With regard to carbohydrates it is 87·6 per cent. in indigenous as well as foreign sago. As regards fat, it is 1 per cent. in indigenous sago and 13 per cent. in foreign sago. Mineral matter is 4 per cent. in both. As a matter of fact, the nutritive value of Indian sago seems to be much better than that of foreign sago.

**Shri V. P. Nayar:** That is not correct.

**Mr. Deputy-Speaker:** Without protein .....

**Shri S. V. Ramaswamy:** It is higher in indigenous sago. 3 per cent. is higher than 13 per cent. Thirty is more than thirteen, ignoring the decimal

**Shri Karmarkar:** 3 is greater than 13.

**Mr. Deputy-Speaker:** I thought he said 1·3. If it is 13, there is no difficulty.

**Shri S. V. Ramaswamy:** The House is thankful to the hon. Minister for giving the assurance that he is much interested in the protection to be given to these industries. He also said that he will take steps. Here is a sample of a step.

The Health Ministry communicated, in July 1954, to the several States the definition which has been arrived at by the Central Committee for Food Standards. And this is from a copy of their letter sent to the Sago Manufacturers' Association of Salem:

"After a careful consideration of the existing situation, the Committee has recommended that the definition of sago should be amended to read as 'Sago' is a starch product derived from sago palm or from tapioca root. The

recommendation has already been brought to the notice of the State Governments for their consideration, and it is hoped that they will modify their Food Laws suitably to meet the existing situation in their areas."

This was in July. What happens in September is this. They go on with a new definition. I looked into the Calcutta Municipal Act. Section 462(1) of the Calcutta Corporation Act does not mention sago as one of the items to be notified.....

**Shri V. P. Nayar:** It is a matter to be agitated in the Supreme Court.

**Mr. Deputy-Speaker:** He is opposing the amendment of Mr. Barman and giving the reasons.

**Shri V. P. Nayar:** The point is whether this House has to go into the question whether sago should be included or defined, when we are running against time.

**Shri S. V. Ramaswamy:** I will finish in one minute. I would have finished if you had not interrupted me.

Section 462(1) of the Calcutta Corporation Act says:

"Any other article of food or any drug which may be notified by the State Government in that behalf in the Official Gazette".

This comes under this category. It has never been notified so far that sago is one of the items coming under section 462(1). Subsequent to the seizure in July of 10,000 bags worth about Rs. 40 lakhs, which have been held up—and they are deteriorating rapidly—and the cases are now pending, this sago is introduced as an item by their Notification of the 13th September under sub-clause (14). In exercise of the power conferred on them under this clause they have now notified sago as an item. And by that notification of the 13th September 1954 they say that "sago shall be exclusively derived

from starch obtained from the pith of the trunks of the sago palm”.

In July the Ministry communicates the definition given by the Food Standards Committee and yet the West Bengal Government ....

**Shri Barman:** On a point of order. The matter is in the courts. Can he argue on the merits?

**Mr. Deputy-Speaker:** What is the matter that is in court?

**Shri Barman:** The Calcutta Corporation has seized these products and has filed cases against the industrialists who have imported these products. There are twenty-one cases now pending.

**Mr. Deputy-Speaker:** I do not see there is any point of order. The hon. Minister said that the Calcutta Corporation has taken exception and that he is trying to persuade that Government whether we should exclude this sago which is real sago and allow the West Bengal people to eat only that and avoid this tapioca. All this has incidentally come for review. So far as this matter is concerned the question of notification by that Government is there. He says the notification has been issued later on and it involves a lot of inconvenience and therefore a kind of protection ought to be given to this.

**Shri S. V. Ramaswamy:** In spite of the circular from the Health Ministry of the Central Government, the Government of West Bengal has notified the other way. I am sceptical about this persuasion. I want the hon. Minister here and now to define it in terms of the Tariff Commission's Report and give protection to the industry to which the Bill now seeks to give protection, so that there may be no ambiguity as to what we are seeking to protect.

**Shri Achuthan:** With regard to the two amendments, of Shri Barman and Shri Ramaswamy, according to my point of view, Shri Ramaswamy's amendment is to the point and it concerns his constituents in Calcutta.

The Tariff Commission has also made extensive enquiries and said that the so-called sago globule is a thing which has been produced out of tapioca pearls alone. Formerly something was imported from Malaya also. There also it is now manufactured from tapioca pearl. So that, excepting for the word 'sago' there is no particular substance in saying that sago must be from sago palm.

The Calcutta Corporation wants to see that it is according to a standard. It is for it to send it to a laboratory for analysis. Let them examine it and then say that it has got some defects and so it is not possible to put it in the market. Instead of that, to say that sago means sago produced of sago palm and create difficulties for these manufacturers from Salem is not at all charitable. The Central Government must take up this matter and convince the Bengal Government and the Corporation not to stick too much to names. That the Deputy Commissioner of Police had a sad experience with regard to sago prepared in his house cannot be taken up to sack these people. Moreover, these Salem people are fed by our people with our tapioca. All tapioca is taken from Travancore-Cochin by these people. Previously, there was food control in Travancore-Cochin. Now, there is no food control and rice is available in abundance, this tapioca can be utilised for the production of sago as well as starch for the textile industry. I request the hon. Commerce Minister to see that some research is undertaken by the Coimbatore and Ahmedabad Textile Research Laboratories about the feasibility of producing starch for the textile industry from tapioca. There is great scope for this industry. If this tapioca cultivation is encouraged, a good number of people in Travancore-Cochin will earn a livelihood. I do not know whether you have tasted a pudding made of tapioca globules. It is a very tasty thing. For *uppama* also it is very good. In the production of synthetic rice, a good portion comes from tapioca. Synthetic rice is a very

[Shri Achuthan]

nutritious thing. If the hon. Minister Shri Karmarkar, who is enthusiastic and energetic, would, instead of spending no time for the creation of Samyuktha Karnataka, which will be looked after by Shri Nijalingappa and Shri Hanumanthaiya, turn his attention to these industries...

**Mr. Deputy-Speaker:** All that is irrelevant.

**Shri Achuthan:** ... there will be great improvement. I support the Bill which has been brought forward.

**Shri Karmarkar:** Two points have emerged from this debate. First is about the encouragement to the expansion of the growth of tapioca. I am quite sure that the Ministry of Food and Agriculture who are concerned with this matter, will surely take cognisance of the views expressed on the floor of the House. There can be no two opinions on that point; as much as possible should be done for the expansion of the cultivation of this root which is a nourishing root.

The other point has arisen incidentally on account of what happened in Calcutta. I do not propose to touch the merits of the question. I am not yet sure under what section action has been taken. We are in touch with the West Bengal Government regarding the whole matter. So far as information that I have in my possession shows that the whole difficulty appears to have arisen at the present moment out of the difference in nomenclature. The Tariff Commission has treated sago as a generic name and they refer to tapioca globules as sago globules. They say, for instance, in page 6 of the report:

"The scope of the enquiry is, therefore, confined to sago globules manufactured from tapioca."

That is how they describe.

**Shri B. K. Das (Contai):** What about tapioca pearls?

**Shri Karmarkar:** Tapioca pearls are the same as globules. It is one name for a roundish thing.

**Shri B. K. Das:** Why two names then?

**Shri Karmarkar:** Because there are two names in the English language. My present information shows that perhaps there may be a little rhythm in the words sago globules and tapioca pearls. I do not know what it is. The substance is about the same.

**Shri Matthen:** Tapioca pearls is a breakfast food like corn flake, etc.

**Shri Karmarkar:** Sometimes I take it in the breakfast, sometimes in the evening. It is a roundish thing.

**Shri Matthen:** Not very small.

**Shri Karmarkar:** That is sago. Perhaps globule is a scientific name and pearl is a poetic name. There is only difference in how you call it. The West Bengal legislature is vested with powers by the Constitution. We sitting here cannot interfere with the functions of that legislature and that legislature has given certain powers to the Calcutta Corporation. In that Corporation, as my hon. friend has pointed out, they have certain powers in respect of certain articles about description. They have said that hereafter what is known as sago (*sabudana*) shall not be sold unless that particular product described as sago (*sabudana*) is exclusively derived from the starch obtained from the pith of the trunks of the sago palm such as *Metroxylon sago*, *Sagus rumphii*, *Sagus farinifera*, *Cycas revoluta*, *Cycas Circinalis*. This is the definition put in. If tomorrow the merchants in Calcutta label these goods as tapioca globules, every action is out of court.

**Mr. Deputy-Speaker:** But, they won't sell.

**Shri V. P. Nayar:** They have 'utilissima' and they will sell.

**Shri Karmarkar:** As my esteemed colleague said a moment ago, we have taken up the question with the West Bengal Government. They might

take it up with the Corporation. In any case, it does not affect the protection to be afforded under the Bill under consideration. This is an important matter. We look upon it with concern. We do not want to dislocate the normal trade channels. Nor need anybody do anything that discourages the growth of this industry. That point is really incidental. As my colleague assured the House, I would like to say that we are taking up the matter with the West Bengal Government and we hope that a suitable solution may be found out of this difficulty. In the meantime, it may be wiser for the merchants concerned to label it as tapioca globules and avoid all difficulty. For, the people will take in tapioca globules though they may find the name to be another just as they eat sago. One is as nutrient as the other.

**Mr. Deputy-Speaker:** During the war, it was tapioca or sago?

**Shri Karmarkar:** Before 1940 we used to get sago from Malaya.

The Tariff Commission has gone into the matter and they have pointed out certain scope for improvement in the tapioca globules. I have no doubt that the manufacturing interests will take up that advice that has emanated from the Tariff Commission. I have nothing more to add, apart from these observations. I see that the Bill has received universal support.

**Mr. Deputy-Speaker:** If it is sold in Calcutta as tapioca globules, there is no protection for it.

**Shri Karmarkar:** It is there.

**Mr. Deputy-Speaker:** It is sago globules or tapioca pearls in the Act.

**Shri Karmarkar:** Sago globules and tapioca pearls.

**Shri Mulchand Dube (Farrukhabad Distt.—North):** What is the Hindi name?

**Shri Karmarkar:** *Sabudana* is the Hindi name. I oppose both the amendments.

432 L.S.D.

**Shri S. V. Ramaswamy:** In view of the assurance given by the hon. Minister and Deputy Minister, I beg to withdraw my amendment.

*The amendment was, by leave, withdrawn.*

**Shri Barman:** I press my amendment.

**Mr. Deputy-Speaker:** The question is:

In page 1, after line 6, add:

“(i) in Item No. 11(6), in the entry in the second column, for the words ‘Sago Globules’ the words ‘Tapioca Globules’ shall be substituted;”

*The motion was negatived.*

**Mr. Deputy-Speaker:** The question is:

“That clause 2 stand part of the Bill.”

*The motion was adopted.*

*Clause 2 was added to the Bill.*

*Clause 1 was added to the Bill.*

*The Title was added to the Bill.*

#### **The Enacting Formula**

*Amendment made:*

In page 1, for lines 1 and 2. substitute:

“Be it enacted by Parliament in the Fifth Year of the Republic of India as follows:—”

—[*Shri Karmarkar*]

**Mr. Deputy-Speaker:** The question is.

“That the Enacting Formula, as amended, stands part of the Bill”.

*The motion was adopted.*

*The Enacting Formula, as amended, was added to the Bill.*

**Shri Karmarkar:** I beg to move:

“That the Bill, as amended, be passed”.

**Shri V. P. Nayar:** May I ask a question? A point was raised that Government at this stage, in 1954, still resort to a sort of preferential duty. The hon. Minister did not answer that point. Could I have something about that?

**Shri Karmarkar:** I did not answer that. I shall take some future opportunity to answer that.

**Mr. Deputy-Speaker:** The question is:

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

*The motion was adopted.*

DISPLACED PERSONS (COMPENSATION AND REHABILITATION) BILL.

**The Deputy Minister of Rehabilitation (Shri J. K. Bhonsle):** I beg to move....

**Mr. Deputy-Speaker:** On behalf of Shri A. P. Jain.

**Shri J. K. Bhonsle:** On behalf of Shri A. P. Jain, I beg to move:

"That the Bill to provide for the payment of compensation and rehabilitation grants to displaced persons and for matters connected therewith, as reported by the Joint Committee, be taken into consideration."

As the House will remember, in May last during the Budget session of the Parliament, the Minister for Rehabilitation introduced a Bill empowering the Government to acquire the rights and titles of evacuee owners of property in India and to utilise these properties for payment of part compensation to displaced persons.

It is not necessary for me to retrace the protracted and complicated negotiations which preceded this decision and which, by their failure, made the decision inevitable. There has been a persistent demand from displaced persons that the evacuee property should be allotted permanently to them without waiting for an agreement

with Pakistan. This demand has been further strengthened by the fact that Pakistan is in no mood to settle this vexed question of evacuee property on the basis of a just settlement between the two Governments. Against this background of fruitless negotiation and long deferred hope, it would be manifestly unfair for all displaced persons to base their permanent rehabilitation on a problematical settlement with Pakistan. The Compensation and Rehabilitation Bill is the practical expression of the decision of Government not to wait any longer on events but to carry to its logical conclusion the process of rehabilitation which began in 1947 and of which, if I may say so, the payment of compensation is the culminating act.

As the House is aware, this Bill provides for a compensation pool which will consist of evacuee property and the rents on these properties accumulated for the last seven years and the contribution made by the Government which has been already defined as stated in the Statement of Objects and Reasons attached to the Bill as introduced in Parliament. The Bill provides for the utilisation of the assets of the pool for compensation. The speed with which these properties are sold or transferred to displaced persons will have a direct bearing on the speed with which the scheme is implemented.

[SHRI BARMAN *in the Chair*]

The Bill has been before the Joint Select Committee of the Parliament and the Committee has presented its report to the Parliament a few days ago. The Committee considered a number of memoranda submitted to it by associations representing displaced persons and heard them at great length. It then examined the Bill with great thoroughness and has made a number of important changes. Amongst these I shall touch on three or four which deserve mention.

The first of these is with regard to the time and manner in which applications from displaced persons should be called. Hitherto, as the House is