

price of Rs. 7 crores. No further increases are expected.

Shri K. C. Pant: Is it not a fact that the original lump sum contract had to be raised because the original plan had to be altered when it was found that the building site originally selected was not suitable? Is so, were the original plans drawn up without carrying out the necessary load-bearing and other tests on the soil of the selected site and has any action been taken against those responsible?

The Minister of Steel and Heavy Industries (Shri C. Subramaniam): Yes, Sir; there was a change of site because the original site chosen was found to be not suitable later on. Because of this change of site we had to pay an extra charge of Rs. 2.42 lakhs. This was a *bona fide* mistake committed and I do not think any possibility of action is there.

Shri K. C. Pant: May I know whether any extra outlay had also to be incurred because extra equipment not provided for in the original contract had to be procured to achieve the guaranteed production in the urea plant but that we have not been able to claim any penalty for this lacuna from the Italian firm because of the terms of the contract?

Shri C. Subramaniam: Yes, Sir; what the hon. Member has stated is fairly correct. But now we cannot change the terms of the contract.

श्री प्र० सि० सहगल : एक्सपेंशन का प्रकार जो कि विदेशी फर्म को दिया गया था और उस में जो बढ़ोतरी हुई है तो उस बढ़ोतरी करने के कौन कौन से कारण हैं ?

इत्याद और भारी उद्योग मन्त्रालय में उपमन्त्री (श्री प्र० च० सेठी) : एक्सपेंशन आफ रीसर्कुलेटिंग वे और चेंज आफ साइट की वजह से उस में बढ़ोतरी हुई और उन को और फीस देनी पड़ी ।

Exports

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*346. } **Shrimati Savitri Nigam:**
 } **Shri P. C. Borooah:**
 } **Shri Eswara Reddy:**
 } **Shri Bhagwat Jha Azad:**
 } **Shri Rameshwar Tantia:**
 } **Dr. L. M. Singhvi:**
 } **Shri Daji:**
 } **Shri Indrajit Gupta:**
 } **Shri Kolla Venkalah:**
 } **Shri A. N. Vidyalkankar:**

Will the Minister of Commerce and Industry be pleased to state:

(a) whether the latest trade statistics reveal that the export target for 1962 is not likely to be achieved;

(b) if so, what is the probable shortfall; and

(c) what special measures are being taken to minimise this shortfall?

The Minister of International Trade in the Ministry of Commerce and Industry (Shri Manubhai Shah): (a) to (c). A statement is laid on the Table of the House. [See Appendix I, annexure No. 82].

Shrimati Savitri Nigam: In page 2, it has been mentioned that a Quality Control and Pre-shipment Inspection Council has been set up to draw up operational schemes of a co-ordinated and integrated nature. May I know when this council is going to start its work and whether inspection has been started or not?

Shri Manubhai Shah: Already the council has started its work. Eleven commodities have been brought under quality control. Spices and cardamom are going to be brought in very soon.

Shrimati Savitri Nigam: It has also been mentioned in page 2: steps for setting up an Institute of International trade for Market research and to train personnel for manning International trade organisations. May I know when this project is going to be completed and when this place

ment will be made in international trade organisations?

Shri Manubhai Shah: That would take some time. Because, the draft project is ready, but we have to discuss it with several international financing agencies and also the entire scope of the trade promotion with the consultation of several experts. It may take a few months more.

Shri Indrajit Gupta: In view of the very large volume of complaints received from overseas consumers of Indian jute goods regarding quality, weight of consignments and so on, may I know what steps the Government are taking to see that such complaints may be avoided in future?

Shri Manubhai Shah: That is precisely what I said. Quality Control and Inspection Council has been set up. We are appointing a Director of quality control. I am bringing the Cotton Textiles Committee Bill in the House. Several measures have been taken to see that the foreign buyers are assured that we maintain quality. I may only caution the House from making a deduction that there have been very large-scale complaints. Nothing of the sort has happened. Some complaints do come. We attend to them promptly and we are setting up the quality control mechanism.

Shri Hari Vishnu Kamath: The statement laid on the Table opens as follows:

"Export target is fixed for the financial year and not for the calendar year. Actual exports for six months have been Rs. 325.87 crores.

Mr. Speaker: Why should the hon. Member have the necessity of reading all that?

Shri Hari Vishnu Kamath: I am coming to a snag in this opening sentence. I am only reading one sentence.

"Considering that exports are normally higher during the second half year than in the preceding first half.....

Can the House have an idea in support of this statement by the Minister as to what the export were in the year previous to this in the first half and in the second half in the last year, if not in the last 3 years?

Shri Manubhai Shah: In June it was Rs. 48.50 crores last year; this year, Rs. 50 crores and 3 lakhs. In July it was 49.52 crores last year; this year, 57.12 crores. In August, it was Rs. 59.91 crores last year and this year 62.77 crores. There has been a slightly upward rise. Coming to the expectation of our target, it is much below the target. The target of expectation was Rs. 40 crores in a year. We may hardly reach Rs. 20 crores if the present progress is maintained. We cannot say.

Dr. L. M. Singhvi: In what commodities were there shortfalls and in what commodities do we hope to have an increase in the current and subsequent years?

Shri Manubhai Shah: In the shortfalls, the maximum is in steel and steel scrap Rs. 5.94 crores. Second, coffee. Third, cotton textiles 2.74 crores. Fourth is leather; fifth manganese ore. These are the major commodities. The rise is in tea, in tobacco, in jute, in vegetable oils, in oil-cakes, in sugar, in art silk fabrics in color yarn manufactures, in handlooms, in iron ore.

Shrimati Savitri Nigam: I understand that facilities of draw-back of import duty have been extended to several more commodities. May I know what are those commodities?

Shri Manubhai Shah: Practically, now the general law as approved by the Finance Ministry makes the draw-back automatic. Anybody can claim today refund of excise duty or import duty *suo moto*. We have been

practically working on practically all items.

Shri P. G. Sen: Is it a fact that the prices of raw jute are falling miserably below the minimum price and is it in the contemplation of the Government to export more jute so that the downfall may be checked?

Shri Manubhai Shah: This would not arise directly out of the question.

Shri Daji: The hon. Minister has stated that exports have not kept pace with the target. I would like to know whether the Government has made some assessment of the reasons thereof and the steps taken to remedy the situation.

Shri Manubhai Shah: We are constantly watching it. The Board of Trade is meeting on the 1st and a half-yearly review will be taken. The main causes are, many commodities in which we export are now required more for internal consumption, and in some cases international prices have fallen rather precipitately due to buyers' market having established there. Our internal prices are also going up. These are broadly the reasons and there are many others also.

Shri Narendra Singh Mahida: May I know the names of the countries which receive our exports in the largest quantity?

Shri Manubhai Shah: The largest rise has been in the East European countries and then in the United States and Canada. The fall is in the European Common Market and in the Afro-Asian countries.

Shri Ranga: In view of the statement made a few days back by one of their principal advisers that the ECM is likely to prove very disastrous to the under-developed countries, may I know whether Government propose to enlighten the House by placing on the Table of the House or by circulating a report as to their

appreciation of the position that is likely to develop as a result of the activities of the ECM?

Shri Manubhai Shah: The House is aware of the Prime Minister's speech at the Commonwealth Prime Ministers' Conference. Subsequently, Mr. Lall, our Ambassador to the ECM has made a statement only a few days back. We are very gravely concerned and watching the situation that is developing. There has been a considerable fall of exports in the ECM, and we are taking, therefore, special steps. We have also cautioned those countries that it would be very difficult for India to buy more goods from those countries unless the remedial measures are brought about and the position in regard to tariffs and quanta is revised to suit the Asian communities, particularly India.

Shri Ranga: I want to know whether any statement will be laid by Government on the Table of the House.

Mr. Speaker: Do Government propose to lay a statement on the Table of the House?

Shri Manubhai Shah: We have made so many statements that repeated statements would not help. The whole House is aware of the progress being made on this front, and various statements and authenticated speeches have been placed on the Table of the House.

Shri Ranga: We do not have any information of the correct appreciation of the position that is likely to develop.

Mr. Speaker: That was the question which I also put namely whether Government propose to lay a statement on the Table of the House about whatever representation they have made to the ECM. That question has been answered already.