

we are in a position to supply all their requirements?

Shri Manubhai Shah: It is not only that we have given a definite assurance that we will supply 1000 railway track wagons of the tipping type, but we can make them according to their exact specifications. I may say that the U.A.R. Minister was highly satisfied with our workshop, which he visited, for these wagons, that they are most competent to produce and deliver these goods.

Shri Sonavane: May I know whether the Ministry of Food and Agriculture has been consulted and taken into confidence before fixing up the prices for cotton because the production of cotton is the main responsibility of that Ministry?

Shri Manubhai Shah: That relates to another question altogether.

Accumulation of Handloom Cloth

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*552. { Shri Maheswar Naik:
Shrimati Savitri Nigam:
Shri A. K. Gopalan:
Shri P. Kunhan:
Shrimati Sharda Mukerjee:
Shri P. C. Borooah:

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

(a) whether it is a fact that large stocks of handloom cloth have of late been accumulating and the industry is confronted with difficulties in augmenting production;

(b) the stocks now lying unsold; and

(c) the steps Government propose to take for clearance of the stocks?

The Minister of International Trade in the Ministry of Commerce and Industry (Shri Manubhai Shah): (a) to (b). A statement is laid on the Table of the House.

STATEMENT

Government of India had received reports from some States that there was accumulation of unsold handloom cloth. The value of the stocks of unsold handloom cloth over and above the normal stocks is not at all excessive. The situation was studied carefully and it was felt that this was a temporary phase which would improve shortly. In order to accelerate the sales and liquidate the stocks of handloom goods and give relief to the industry, it was decided, as a special case, to allow a special additional rebate on all sales of handloom cloth in the co-operative sector as under:—

- (i) Five naya paise in the rupee on all genuine retail sales; and
- (ii) three naya paise in the rupee on wholesale sales of handloom cloth.

This special rebate was allowed for a period of 15 days from the 1st to the 15th March, 1963. This special rebate will be in addition to the usual rebate of five naya paise in the rupee on retail sales and three naya paise in the rupee on all wholesale sales.

Shri Maheswar Naik: May I know whether as a result of this special rebate, the stock position has at all improved?

Shri Manubhai Shah: Yes, Sir; they have all been liquidated. As a matter of fact, most of the States have discontinued this additional rebate.

Shri Maheswar Naik: May I know whether our export of handloom cloth has in any way gone up or gone down resulting from the recent accumulation of stocks?

Shri Manubhai Shah: Well, Sir, the export of handloom cloth, fortunately, has gone up considerably. It has gone up by about 25 per cent, from Rs. 7½ crores to Rs. 10 crores. But that has nothing to do with the accumulation or otherwise. This accumulation was a temporary phenomenon following

the emergency, and that has also gone down.

Shrimati Savitri Nigam: Has this accumulation in any way affected the production target and various instructions have been issued to slow down the production?

Shri Manubhai Shah: Taking the latter part of the question first, we have not issued any instructions to slow down except stating that the stock is lying and that we might get it cleared. As far as the targets are concerned, they are being reached, as far as handloom cloth is concerned.

Shri A. K. Gopalan: Has it come to the notice of Government that the handloom factory owners in Kerala State, especially in Cannanore, have given notice to close down the factories from 15th April onwards and, if so, may I know what steps Government propose to take to see that the factories are not closed?

Shri Manubhai Shah: As my hon. friend knows, I went to Cochin day before yesterday and I had a talk with the handloom people, particularly the factories people. I think we would be able to solve it. We are giving them as much assistance as possible.

Shri A. K. Gopalan: I have not followed the answer.

Shri Manubhai Shah: I went to Ernakulam day before yesterday to meet the organisations of handloom weavers in Kerala State in the presence of the Chief Minister, the Industries Minister and many others. We discussed the matter with them threadbare. It is my hope that the particular difficulty which some of the Kerala units are facing would be overcome and perhaps there may not be any question of anybody closing down the factory.

Shrimati Sharda Mukerjee: I would like to know if it is a fact that the Handloom export Organisation of the STC propose to take over the export of handloom and, if so, what measures

are being contemplated to avoid the existing producers and exporters of handlooms from being ousted from their professions.

Shri Manubhai Shah: The presumptions of the hon. lady Member are not fairly correct. Firstly, we do not want to oust anybody. There is enough room for the State to take part in the foreign trade and, to that extent, the public sector corporation on handlooms and handicrafts is energising itself in special markets, difficult markets for special varieties. We have created a market for Madras kerchieves, for instance.

Shri P. C. Borooah: May I know whether this accumulation has affected employment in the industry?

Shri Manubhai Shah: I have already dealt with that question.

श्री बेरवा कोटा : क्या मैं जान सकता हूँ कि इस कपड़े को बेचने के लिये सरकार ने बीच में क्या कोई छूट दी थी ?

श्री मनुभाई शाह : न नये पैसे ।

Shri Dinen Bhattacharya: May I know if a large number of powerloom factories are closed due to accumulation of stocks and some other reasons and, if so, what steps Government have taken. . . .

Shri Manubhai Shah: No, Sir.

Shri A. K. Gopalan: In the statement it is mentioned that Government have received some reports from some States. Which are those States and what is the accumulation of stocks in the States?

Shri Manubhai Shah: Madras Government has made a very comprehensive representation. We immediately responded by announcing a rebate of 8 nP. etc. for a period of a fortnight. I was told by the Industries Minister that all the stocks are practically

cleared and they have discontinued the rebate.

Mr. Speaker: Shri Sivramurthi Swami.

Shri A. K. Gopalan: Sir, my question has not been answered. I have asked for the names of States from which the reports have come.

Mr. Speaker: He has mentioned it.

Shri Manubhai Shah: It is true that Kerala has also sent a report. As the hon. Member knows, I have already mentioned Kerala, I had been there.

Shri Sivramurthi Swami: Every now and then handloom weavers are facing some difficulties. In view of that, may I know whether there is any proposal to reserve some varieties for handloom?

Shri Manubhai Shah: There is, as the House knows, some reservation. But this big difficulty that is felt after the aggression was not only in one sector; it has practically affected all the commodity markets in this country. They are picking up now.

Export Credit to Asian and African Countries

*553. **Shri P. C. Borooah:** Will the Minister of Commerce and Industry be pleased to state:

(a) whether Government have decided to offer technical collaboration and medium term export credit to Asian and African countries in order to stimulate Indian exports to them; and

(b) if so, the decisions taken in this behalf?

The Minister of International Trade in the Ministry of Commerce and Industry (Shri Manubhai Shah): (a) and (b). Yes, Sir, it is proposed to offer technical collaboration to some countries in Africa and Asia. Details are yet to be finalised. Regarding medium term export credits, a general scheme extending credits for a

period of six months to five years against suitable guarantees is already being operated by the Refinance Corporation of India. Apart from this, a few arrangements involving deferred payments for Indian exports of capital goods to Ceylon and Indonesia are also under consideration.

Shri P. C. Borooah: May I know whether it is a fact that there is decline in the export to Asian and African countries and, if so, to what extent?

Shri Manubhai Shah: The decline is with respect to certain countries of Asia which themselves are under very great difficulties because of want of foreign exchange; but with other countries, likewise, there is a rise also.

Shri P. C. Borooah: Is it a fact that China has competed out the Indian goods from those markets? If so, what steps are Government taking in regard to that?

Shri Manubhai Shah: It is true that China is offering such liberal credits as the hon. Members were pleased to point out in the Informal Consultative Committee also. We are trying to extend such credit as our country can afford. This is the first step, that is we are now giving five years' credit. In the case of Nysaland and Kenya we have offered seven years' credit.

Shri Bhagwat Jha Azad: How do Government propose to meet in this country the long-term export credit facility that has been given with this medium-term credit facility which is proposed to be given now?

Shri Manubhai Shah: It is a very relevant question. Today we are in difficulties of all sorts all round. I hope, with the blessings of this House we shall also be able to compete in various other things.

Shri D. C. Sharma: Which are the countries in regard to which terms of credit and technical collaboration have been finalised so far and what are those terms