

LOK SABHA

Friday, March 29, 1963/Chaitra 8, 1885
(Saka)

The Lok Sabha met at Eleven of the Clock.

[MR. SPEAKER in the Chair]

ORAL ANSWERS TO QUESTIONS

Export of Textiles to East Asian Countries

+

*642 { Shri Subodh Hansda:
Shri S. C. Samanta:
Shri B. K. Das:

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

(a) whether it is a fact that there is a gradual fall in export of cotton textiles during the last few years to the East Asian Countries from India;

(b) if so, the reason therefor;

(c) the countries in which the fall significant; and

(d) the steps Government have taken to improve it?

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

STATEMENT

There has been a decline in exports of cotton textiles to the East Asian countries over the last many years continuously particularly to Burma, Ceylon and Indonesia. This decline was mainly due to the fact that prices of Indian Cotton Textiles were not competitive as compared to that of

3227 (A1) LSD—1.

countries like Japan, China, Hong Kong and East European Countries and also these countries are reducing their imports of textiles drastically.

The following are the important measures taken to improve exports of Cotton Textiles:—

- (1) Introduction of a voluntary export obligation scheme by the Industry since July, 1962.
- (2) Simplification of the Cotton Textiles Export Incentive Scheme.
- (3) Recently a three-man delegation visited Burma to carry out the study of the market and to discuss and negotiate with import and trade organisations there to ensure that India gets a sizeable share in that market.

Shri Subodh Hansda: From the statement, I find that among the important measures taken to improve exports of cotton textiles was a voluntary export promotion obligation scheme by the industry introduced since July 1962. Since then, has any improvement in exports to these countries taken place?

Shri Manubhai Shah: There has been a definite improvement. In the first half of 1962 before the scheme went into operation, exports of textiles were about 257 million yards. After the scheme came into operation, they rose to 280 million yards.

Shri Subodh Hansda: From the statement, I find a three-man delegation was sent to South-East Asian countries to increase the quota of exports to these countries. Has this delegation been able to come to an agreement with these countries for increased exports?

Shri Manubhai Shah: The delegation has just returned. But the Burmese Government have extended the date of tender by another fortnight; due to the changes in the Government there, they have asked for a retender.

Shri S. C. Samanta: Are we facing competition due to different designs of textiles being exported by other countries?

Shri Manubhai Shah: The main reason is that every country which became independent after the second world war wants to industrialise in the same way as we want to. The first industry which comes to their mind is the powerloom and textile industry.

Shri Sham Lal Saraf: May I know if these markets have been our traditional markets or otherwise? Also, with respect to the reaction that has come now, externally and internally, are we taking steps to meet that competition?

Shri Manubhai Shah: As regards the first part of the question concerning our traditional markets, one of the largest is UK which is continuing to take our textiles under a bilateral agreement. Then our neighbouring countries of South East Asia also are in a way our traditional markets because we have the advantage of proximity. But the development of the textile industry in those countries enable them to necessarily restrict imports. It is not as if the Japanese or Chinese or other competitors have taken away our market from us. What is needed is greater diversification, manufacture of mixed fabrics, and not relying on cotton textiles only. That is the approach.

Shri Hem Barua: Is it a fact that the decline in our export of textiles is due to the severe restrictions imposed by these importing countries? If so, have these restrictions affected us more than they have affected Japan and China?

Shri Manubhai Shah: That is precisely what I said earlier. The

balance of payments position in the last several years has worsened so much that naturally consumer products like textiles come under fire first. It is not as if Japan or other countries have taken away that market from us. On the whole, South East Asia is importing less than before. There are countries and countries. So I would not like to generalise. Our approach is country-to-country to see how we can increase our exports.

Export of Mica

***643. Shri P. Venkatasubbaiah:** Will the Minister of Commerce and Industry be pleased to state:

- (a) whether there is decline in the export of mica from our country;
- (b) if so, the reasons therefor; and
- (c) whether any steps are being taken to increase export of mica?

The Minister of International Trade in the Ministry of Commerce and Industry (Shri Manubhai Shah): (a) No, Sir.

(b) Does not arise.

(c) A list of measures taken to step up exports of mica is placed on the Table of the House.

Measures to step up export of Mica

- (1) Participation in fairs and exhibitions in foreign countries.
- (2) Publication of brochures and bulletins on mica for distribution in exhibitions in India and abroad.
- (3) Settlement of trade disputes by arbitration.
- (4) Undertaking of surveys of foreign markets.
- (5) Wide circulation of the 'Directory of Exporters of Mica from India' published by the Mica Export Promotion Council.
- (6) Introduction of a voluntary scheme for pre-shipment inspection of mica consignments.