

mir State to explore the possibility of establishing a paper mill; and

(b) if so, the recommendations made by them in this regard?

The Minister of Industry in the Ministry of Commerce and Industry (Shri Kanungo): (a) Yes, Sir.

(b) Their report is awaited.

श्री रघुनाथ सिंह : काश्मीर में जो पेपर मिल की व्यवस्था है, उसके बारे में क्या रिपोर्ट में कोई इंडीकेशन है कि कहां पर वह स्थापित होगी, जम्मू में होगी या श्रीनगर में होगी ?

Shri Kanungo: I have replied that the report is awaited. It has not yet been available. In fact, the team finished its labours on the 11th May.

श्री रघुनाथ सिंह: क्या यह पेपर मिल प्राइवेट सेक्टर में होगी ?

Shri Kanungo: Obviously, paper is one of the items open to the private sector.

Shri D. C. Sharma: May I know if the Soviet experts have not suggested that in Kashmir there is material and room not only for one paper mill but more than one? If so, what is Government's reaction thereto?

Shri Kanungo: As I said, the report is not yet available. All we know is that resources are there. Difficulties are about transportation and regeneration.

श्री भक्त दर्शन: इस रिपोर्ट के कब तक मिल जाने की आशा की जा सकती है और कब तक इस बारे में फैसला हो जायेगा ?

श्री कानुनगो : जल्दी से जल्दी ।

Shri Inder J. Malhotra: May I know whether any private parties have already approached the Central Government for licence for setting up a paper mill?

Shri Kanungo: No, Sir.

Shri Maheswar Naik: What was the necessity of associating Soviet experts with this? Were Indian experts not considered efficient to conduct a survey?

Mr. Speaker: He is arguing.

Shri Kanungo: We have not yet attempted pulping wood in India. Therefore, the services of foreign experts were required.

Shrimati Savitri Nigam: Just now the hon. Minister mentioned that difficulty of transportation of the produced goods is delaying the project. What action has been taken to remove this difficulty?

Shri Kanungo: I did not say that. There are no finished goods under consideration now.

श्री भक्त दर्शन : श्रीमान्, जहां तक मुझे ज्ञात है रूसी विशेषज्ञों से पहले एफ० ए० ओ० के किसी एक्सपर्ट ने भी इस सम्बन्ध में जांच पड़ताल की थी । मैं जानना चाहता हूँ कि उस रिपोर्ट का क्या हुआ ?

श्री कानुनगो : मुझे मालूम नहीं है ।

The question of forest regeneration and utilisation of forests is a matter under constant study. We have not been able to find out ways and means of using a particular variety of wood for paper yet.

Exports

*1000. **Shri A. S. Saigal:** Will the Minister of Commerce and Industry be pleased to state:

(a) whether it is a fact that the export in the first quarter of this year as compared to the corresponding period of the last year has indicated a lowering tendency;

(b) if so, whether Government have enquired into the causes of the same;

(c) what further steps Government are taking to increase the export; and

(d) by what percentage it has gone down?

The Minister of International Trade in the Ministry of Commerce and Industry (Shri Manubhai Shah): (a) No, Sir. Exports during January to March this year were Rs. 166 crores as compared with Rs. 161 crores during the corresponding period of last year.

(b) and (d). Do not arise.

(c) A statement is laid on the Table of the House.

STATEMENT

Some of the major additional steps proposed to be taken to step up exports are:—

- (1) Priority in foreign exchange allotment for industries producing for export.
- (2) Promoting the establishment of a large number of Export Houses and international trading firms.
- (3) Enlargement of the role of the State Trading Corporation and Export Promotion Councils and encouraging exports through Co-operative Organisations.
- (4) Introduction of a programme for reduction in cost structure of major export industries and export commodities.
- (5) Faster modernisation of industries by making imported capital goods and equipment available as a compulsory machinery entitlement in every export promotion scheme i.e. a portion of the foreign exchange earned, namely, 10 per cent. to 20 per cent. depending on the nature of the industry will be allowed to be compulsorily utilised by the exporters and exporter-manufacturers for the importation of machinery and plant for modernisation.
- (6) Introduction of various new fiscal measures such as excise

bonus related to exports besides refund of customs and excise duty already granted.

- (7) Income-tax relief to exporters.
- (8) Intensification of activities like market surveys and product display.
- (9) Easier availability of indigenous and imported raw materials for manufacture for export.
- (10) Liberalised and expanded financial and credit facilities to exporters.
- (11) Establishment of an effective system of Quality Control, grading and pre-shipment inspection.
- (12) Priority in movement and concessional railway and ocean freight rates on goods for export.

Shri A. S. Saigal: Is it a fact that on account of want of co-ordination between the various public undertakings that the export in the first quarter was low?

Mr. Speaker: He said it was on the high side and you say it is on the low side. Are you putting any other question?

Shri Chakraverti.

Shri P. R. Chakraverti: Is it not a fact that the Planning Commission suggested many other measures like the abolition of most of the export duties, the refund of excise duties, priorities for transport facilities and removal of....

Mr. Speaker: Is he going to read all the recommendations?

Shri P. R. Chakraverti: If so, how far have they been implemented?

Shri Manubhai Shah: I have given in the statement all the measures that are being taken. We are trying not only to see that the recommendations are made but practical effect is given to every measure that we undertake.

Shri Ramanathan Chettiar: How much will be the proposed cess of 1.5 per cent. or 2 per cent. on internal trade?

Shri Manubhai Shah: That is still under discussion and consideration. It would be too premature to estimate any revenue from the measure.

Shri Tyagi: Would the Government be pleased to give the figures of exports for the last 3 or 4 years and say if they are not really declining as compared to a few years ago?

Shri Manubhai Shah: There is no declination as such during the last 4 years though it is less than in the previous years. And, it is our intention to increase export. As the House knows, in the Third Plan, we have fixed a rather good target of continuous increase in export and we would like to reach that target, if not exceed it.

Shri Tyagi: What was the figure three years before?

Mr. Speaker: Order, order. Shri P. K. Deo.

Shri P. K. Deo: From the statement we find a long list of major additional steps proposed to be taken for the promotion of export. The set-back in the export of manganese ores has been of great concern to all of us because it is one of the biggest foreign exchange earners. May I know what steps are being taken and which of the recommendations are going to be applied for the promotion of manganese export?

Shri Manubhai Shah: I am glad that this question is raised because this was one of the many items which were sharply declining. The House will be glad to know that we have finished contracts for $\frac{3}{4}$ million tons of manganese and we will be reaching 1 million tons in the next few months.

Shri Indrajit Gupta: Item 4 of the statement mentions the introduction of

a programme for the reduction in cost structure of major export industries. May I know if this envisages a safeguard for the prices of the raw material on which the major export industries depend?

Shri Manubhai Shah: That is what we have said. We have said, 'export industries and export commodities'. Commodities mean those primary raw materials which are the basic things for the manufacture of articles. So, we shall have to judge the productivity and the cost analysis of the agricultural money crops which go into the industries as well as the manufactured articles and how to reduce the cost and the remedial measures we take will be to that end.

Shri S. M. Banerjee: I want to know what is the position of textiles, the medium and coarse cloth and whether we have been able to work out the thing in view of the difficulty experienced because of competition.

Mr. Speaker: If he puts a specific question the Minister will be able to reply. He is putting it generally. Shri Hem Barua.

Shri S. M. Banerjee: I said, textiles, Sir.

Shri Hem Barua: May I know whether the working party appointed by the U.K. Government has established in its report that in the event of Britain joining the ECM there would be deterioration in textile export from India? If so, what is the reaction of Government to this?

Shri Manubhai Shah: These are the observations which are very well-known to the country. But we are making efforts to see that our exports would not suffer due to any international arrangement, both by our aggressive salesmanship policy as well as by negotiation with the Rome Treaty countries.