

LOK SABHA DEBATES

8351

LOK SABHA

Wednesday, 14th August, 1957

The Lok Sabha met at Eleven of the Clock

[MR. SPEAKER in the Chair]

ORAL ANSWERS TO QUESTIONS

State Trading Corporation of India (Private) Ltd.

*888. Shri Keshava: Will the Minister of Commerce and Industry be pleased to state:

(a) whether there are any set rules of policy regarding the import business of the State Trading Corporation with respect to selection of commodities and actual import; and

(b) whether goods are imported as a result of any acceptance of tender or the prices are being fixed by private negotiations with the officers-in-charge?

The Deputy Minister of Commerce and Industry (Shri Satish Chandra):

(a) No, Sir. [Decisions to import commodities through the State Trading Corporation are taken as and when necessary after taking into consideration the relevant economic factors.]

(b) [The Corporation does not adopt any exclusive method of the purchase and follows the normal commercial practice of buying in the cheapest market. It adopts the most suitable method for each commodity so as to obtain the best results.]

8352

Shri Keshava: May I know the agency through which this is being done?

Shri Satish Chandra: [The existing trade channels are utilised as far as possible by the State Trading Corporation for the transaction of its business.]

Shri V. P. Nayar: I find from the Annual Report that the main object of the State Trading Corporation is to diversify and develop the country's foreign trade. I want to know whether in view of the fact that some of the foreign exchange earners like pepper, for example, have not been so well received in other markets, the State Trading Corporation have gone into the question and considered ways and means by which more foreign exchange could be brought from such items.

Shri Satish Chandra: There is an Export Promotion Council for pepper which is trying to augment exports of that commodity. The main difficulty is the competition with other producing countries; the price factor comes in. The State Trading Corporation takes up the export or import of any commodity if it is found advantageous to do so in the interests of national economy.

Shri Wodeyar: May I know whether the State Trading Corporation is a centrally administered one; if so, why has it not been strengthened by States representatives?

Shri Satish Chandra: The State Trading Corporation is a private limited company registered under the Companies Act. It is under the administrative control of the Government of India.

Shri R. Ramanathan Chettiar: May I know whether the export of cashew-nut kernels comes within the purview of the State Trading Corporation?

Shri Satish Chandra: The corporation has so far handled 11 items of import and 18 items of export. Cashewnut is not one of them. It is exported through normal trade channels.

Mr. Speaker: Is there no literature relating to the State Trading Corporation, its constitution, functions etc.?

Shri Satish Chandra: The State Trading Corporation was formed about a year ago. The First Annual Report is now being prepared and will be placed on the Table of the House.

Shri Dasappa: May I know whether the State Trading Corporation does its business through the Trade Missions abroad or do they do it independently of them?

Shri Satish Chandra: By both methods. In certain countries, especially East European countries, the transactions are mainly done through the agencies set up by those Governments.

Mr. Speaker: I will suggest to the hon. Ministers in charge of various Corporations to make available to the Library the memorandum and articles of association, the regulations made from time to time and other things so that I can easily tell them that they are available in the Library. These details cannot be gone into here. There are 18 items. What are they? When a new item is included that should be notified.

The Minister of Commerce and Industry (Shri Morarji Desai): That has been done. If it has not been done we will do it in any case.

Shri Tyagi: Are the accounts of this Corporation auditable by the Auditor-General?

The Minister of Industry (Shri Manubhai Shah): Yes, Sir.

Shri Satish Chandra: Yes, Sir; the accounts for the first year are being audited at present.

Shri V. P. Nayar: I want to know whether the State Trading Corporation has any specific power to take over the foreign trade in respect of commodities the prices of which are fluctuating because of monopoly purchases by certain countries and also by cut-throat speculative competition in India.

Shri Satish Chandra: This is exactly one of the objects of the State Trading Corporation. For instance, it has taken over the imports of caustic soda and soda ash and raw silk where prices were fluctuating considerably. Those prices have now been stabilized.

Shri V. P. Nayar: They are import articles; I want about export.

Textile Prices

*889. **Shri Shree Narayan Das:** Will the Minister of Commerce and Industry be pleased to state:

(a) the present position of the price structure of various kinds of textiles in the home market;

(b) whether there has been any tendency in prices to rise or fall to an appreciable extent; and

(c) what is the present position with regard to production offtake and stock of textiles in the country?

The Deputy Minister of Commerce and Industry (Shri Satish Chandra): A statement is laid on the Table of Lok Sabha. [See Appendix III, annexure No. 19.]

Shri Shree Narayan Das: From the statement it appears that there has been no appreciable fall in prices in the different categories of cloth. I would like to know whether Government have taken any steps to just reduce the prices of cloth in this country?

Shri Satish Chandra: The hon. Member will see that there has been