

Shri Kanungo: Yes, a large bulk of it is being produced in the small-scale industries sector.

Shri Vidya Charan Shukla: While answering a question previously, the hon. Minister had indicated that 7000 pairs of shoes were rejected; and it was also stated that these would be supplied after modification to further orders. May I know whether those rejected shoes have been included in these orders which are being supplied now?

Shri Kanungo: No, the orders were from other countries.

सब चल सिंह क्या मनी महोदय
 कृपा करके यह बतलायेंगे कि जो जूते सप्लाई
 किये जा रहे हैं वे ऐकीडिंग टु दो स्टैंडर्ड
 हैं या उन में से रिजेक्ट हो रहे हैं ?

श्री कानूनगो नहीं रिजेक्शन बहुत
 कम हुआ है ।

Cotton Textile Export Promotion Scheme

*713 **Shri Radha Raman:** Will the Minister of Commerce and Industry be pleased to state:

(a) the extent to which the Cotton Textile Export Promotion Scheme has borne fruit;

(b) the position of exports during the past three months, and

(c) the position of competition with other countries that India has to face?

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

(a) The scheme has helped to arrest and to some extent reverse the decline in the volume of exports noticed during 1958.

(b) There has been improvement in textile exports during the period May to July, 1959 over the corresponding period of 1958.

(c) India continues to face severe competition from other exporting countries.

Shri Radha Raman: May I know which are the countries that have taken advantage of our scheme for textile export promotion, and to what extent?

Shri Satish Chandra: The textile export promotion scheme enables our textile mills and exporters of compete better in the international market. There is no question of other countries taking advantage of it. This is for our own advantage.

Shri Damani: May I know how far the export of fine and superfine cloth has increased, and if it has not increased, the reasons therefor?

Shri Satish Chandra: The hon. Member, as a textile millowner should know better about those reasons. The greater demand in the international market is for medium and coarse varieties of cloth from India. *Tanzels* and *malmals* are not used in all foreign countries.

Shri Rameshwar Tantia: May I know whether it is a fact that 20 per cent of the imported cotton is allowed to be used by the exporting mills, and if so, whether Government would consider the question of increasing this allotment so as to give more incentive to those mills?

Shri Satish Chandra: 20 per cent is allowed to the mills at the ports and their vicinity; if they are 200 miles outside the port, but within a distance of 400 miles, then 22 per cent is allowed, and if the distance is more than 400 miles, 25 per cent is allowed.

Shri Rameshwar Tantia: My question was whether Government would consider the question of increasing the percentage of imported cotton to be used by these mills for exporting cloth so as to give more incentives to them?

The Minister of Commerce and Industry (Shri Lal Bahadur Shastri): Only very recently, an increase has

been made, and it will be very wrong on the part of Government to make frequent changes in these things. I think it is neither good for the industry nor for Government.

Shri Damani: May I know whether Government have received some suggestions from associations or individuals for the augmentation of the export of fine and superfine cloth?

Shri Satish Chandra: The present policy has been announced very recently, in fullest consultation with the cotton textiles consultative Board, which has got eminent men from the textile industry on it.

Shri Morarka: In answer to part (b) of the question, the hon. Deputy Minister stated that the exports had improved as compared to last year. May I know the exact extent to which improvement has taken place?

Shri Satish Chandra: I said this about the last three months, May, June and July. We have exact figures for the month of May. In that month, exports were a little over Rs. 4 crores as compared to a little less than Rs. 4 crores in the month of May 1958. Reports are that in the months of June and July the exports have been much higher. In the month of July 1959 the figure is provisional—they are expected to have touched the figure of 70 million yards as against 52 million yards in July 1958.

श्री रघुनाथ सिंह : आपने कहा कि एक्सपोर्ट में इम्प्रूवमेंट हुआ है। हम यह जानना चाहते हैं कि यह इम्प्रूवमेंट साउथ ईस्ट एशिया के बेसों में हुआ है या अफ्रीका में जहां कि इमारत कपड़ा जाता है ?

श्री सतीश चन्द्र : यह बतत तो इस बतत मेरे पास नहीं है। अगर आन्तीय सदस्य किसी विशेष मुल्क के बारे में पूछना चाहते हैं

श्री रघुनाथ सिंह : मैं साउथ ईस्ट एशिया के बारे में पूछ रहा हूँ, वो ही जगह जो इमारत कपड़ा जाती है, साउथ ईस्ट एशिया में और अफ्रीका में।

श्री सतीश चन्द्र : इस बतत तो सवाब यही है कि क्या वहाँ से एक्सपोर्ट बढ़ रहा है। किन किन मुल्कों को बढ़ रहा है इसके बतत-बतत आंकड़े इस बतत मेरे पास नहीं हैं।

Shri Tyagi: In view of the fact that quite a few other countries are out in the market to compete with our textile trade in foreign countries, have Government considered the possibility of switching on the production of fine and superfine cloth to coarse cloth and trying to see that our markets outside are increased?

Shri Satish Chandra: Markets outside have a demand for medium and coarse cloth, not for fine and superfine cloth.

Shri Tyagi: I am suggesting that the capacity used in India for manufacturing such quality of cloth could be switched towards the manufacture of medium cloth so that we can sell more of it outside

Shri Satish Chandra: The present problem is to sell more of our present output of medium and coarse cloth. We have got a surplus of these varieties and are trying to find additional markets for the same.

Shri S. M. Banerjee: The hon. Minister just said that there is some improvement in the export of medium and coarse cloth. May I know whether as a result of this increase in export our surplus has been reduced, and if so, to what extent?

Shri Satish Chandra: The accumulation of stocks has practically disappeared from the mills. They have more or less returned to the normal. As I have indicated just now, exports have shown a marked improvement in the last one or two months.

Shri Anthony Pillai: Have Government investigated the allegation that our exports are facing unfair competition in South-East Asian markets? If so, what are the results of such investigation?

Shri Satish Chandra: There has been acute competition from China, Japan and Hongkong in the South-East Asian markets. The incentive scheme is designed to improve our competitive position in those markets.

Mr. Speaker: Since those measures were adopted, how far has the position improved? That is the question.

Shri Satish Chandra: These measures, as I said just now, were adopted in the month of May, figures for which I have given. The figure for July shows an increase, according to provisional figures, of about 20 million yards in one month.

Shri Ramanathan Chettiar: May I know whether China is a serious competitor in the field of export of textiles to foreign countries? If so, what steps are being taken by Government to meet that competition?

Mr. Speaker: That is exactly what he has been saying in regard to the South-East Asian markets.

Shri Ramanathan Chettiar: It is not only in South-East Asian countries, but in other countries also.

Shri Lal Bahadur Shastri: The Deputy Minister has already answered those questions. We have taken steps. Of course, China and any other country would like to compete with India. They also want to increase their exports. But we are taking steps and it seems that there has been a distinct improvement. We hope the position will improve better in future.

Shrimati Parvathi Krishnan: Is it not a fact that one of the reasons why our textile exports were going down was the complaint that some of the goods that were being delivered were defective and, therefore, competition from other countries came to play a more important part? What steps are being taken to see that the goods we sent out are of an improved quality?

Shri Satish Chandra: There are no general complaints of this nature. There might have been an individual lapse here or there. These are not general complaints. If these complaints were there, our exports would not show an improved trend, as they are doing now.

Shri S. M. Banerjee: The hon. Minister has said that there is now practically no accumulation of cloth. Are Government in a position now to run those mills which were producing coarse and medium cloth? What steps are being taken in that direction?

Shri Satish Chandra: It hardly arises out of this question.

Shri S. M. Banerjee: It does.

Indians in South Africa

*714. { **Shri Ram Krishan Gupta:**
Shri Mahammed Elias:

Will the Prime Minister be pleased to refer to the reply given to Starred Question No. 969 on the 6th March, 1959 and state:

(a) whether the South African Government have since made any approach to open negotiations with India and Pakistan on the treatment of people of Indian and Pakistani origin in South Africa; and

(b) if so, when the negotiations are expected to start?

The Deputy Minister of External Affairs (Shrimati Lakshmi Menon):

(a) and (b). No, Sir.

Shri Ram Krishan Gupta: In view of the violation of the U.N.O. Resolution by South Africa, have Government made any request to U.N.O. to take action against South Africa?

Shrimati Lakshmi Menon: I do not understand what action the hon. Member contemplates?

Mr. Speaker: What is the suggestion of the hon. Member?

Shri Ram Krishan Gupta: In view of the violation of the U.N.O. Resolution by South Africa, will Government urge upon U.N.O. to take action