

Shri Sarmah: Will Government be pleased to consider delivering the coal of the locality to industries which are in the neighbourhood?

Shri K. C. Reddy: That is the objective, but it is not capable of application in all cases. So we have got to take the overall position into consideration before we rationalize transport.

Shri R. K. Chaudhury: Is the Government aware that the local coal in Assam has to be purchased at a much higher rate than Raniganj coal imported there and is it a fact that for want of wagons Raniganj coal has not been imported into Assam for some time?

Shri K. C. Reddy: I take the information from the hon. Member.

Mr. Deputy-Speaker: Next question No. 1170.

Shri T. T. Krishnamachari: If I may suggest, we may take up questions 1170 and 1172 together.

Mr. Deputy-Speaker: Another question on Coffee. Yes.

COFFEE PRICES

*1170. **Dr. Ram Subhag Singh:** (a) Will the Minister of Commerce and Industry be pleased to state whether the prices of coffee have marked any decrease in recent months?

(b) If so, do Government propose to take any steps to avert possible sharp price fluctuations?

The Minister of Commerce and Industry (Shri T. T. Krishnamachari): (a) No, Sir. No perceptible prospects of return to normal prices are indicated.

(b) Government have been in communication with the Coffee Board in regard to this matter—I attended a meeting of the Board on 31st December 1952 at Bangalore and discussed the question with the members of the Board. The prices I am sorry to say have shown an upward trend since then and the Government have had to co-operation from the Board in its attempts to reduce prices. Government have under active consideration the steps that could be taken to achieve the desired end.

EXPORT OF COFFEE

*1172. **Shri P. T. Chacko:** Will the Minister of Commerce and Industry be pleased to state:

(a) whether representations were made urging Government to permit

export of the accumulated stocks of coffee seeds following a twenty per cent. drop in the price of good quality seeds in the coffee market; and

(b) whether Government have taken any steps in the matter?

The Minister of Commerce and Industry (Shri T. T. Krishnamachari): (a) and (b). In December 1952 representations were received from the Kanara Chamber of Commerce and the Andhra Chamber of Commerce for allowing exports of coffee seeds. But it would not be correct to say that there has been a 20 per cent. drop in the price of coffee. In fact, prices have been steadily going up from the month of April 1952. The increase in price is in the region of over Rs. 110 per cwt. considering that the basic price fixed for Plantation A variety was Rs. 209 per cwt. In the circumstances Government did not feel that it would be wise to export coffee seeds from the 1952-53 crop, as it would seriously interfere with supplies available for internal consumers.

Dr. Ram Subhag Singh: Has there been much accumulation of coffee stocks in recent months?

Shri T. T. Krishnamachari: No, Sir. There has been no phenomenal accumulation of coffee stocks.

Shri A. M. Thomas: May I know what is the estimated requirement of the country and what is India's production?

Shri T. T. Krishnamachari: The production is somewhere in the region of 18,000 cwts. I have not got the correct figures but as it seems today India's consumption will be approximately that figure, provided prices are reasonable.

Shri P. T. Chacko: Due to the difficulties inherent in the present system of auction sales may I know whether the price is kept controlled by a handful of dealers?

Shri T. T. Krishnamachari: There must be some reason for the price going up from Rs. 196 for Plantation A variety in the month of March to Rs. 312 in September. I think, there must be some kind of rigging up of the market by interested parties.

Shri M. S. Gurupadaswamy: May I know what is the total accumulation of coffee now?

Shri T. T. Krishnamachari: I would like to have notice.

Shri V. P. Nayar: May I know whether it is not a fact that the Coffee House Workers Union suggested the opening of a number of coffee houses in Northern India to regularly clear the stocks accumulating and may I also know whether it is not a fact that the Indian Coffee Board has repeatedly come out with a statement that they are requested by North Indian cities to open Coffee houses?

Shri T. T. Krishnamachari: I do not know if it is at all germane but I must require notice.

Shri P. T. Chacko: May I know whether Government are at present considering any steps to keep these fluctuations of price in control?

Shri T. T. Krishnamachari: The position is this: I took some interest in this matter from July onwards because of increasing complaints from various consumers that the prices have gone up considerably, and my attempts at getting the Board to co-operate were not successful. I was told that the Chairman of the Board was away in England. Until he came back, nothing could be done. In fact, according to the present Act, the powers of the Chief Marketing Officer are subordinate to those of the Chairman of the Board. Therefore, at a meeting of the Board on the 31st December, 1952, I told them that if they would not devise methods to bring down the prices within three months, they must allow the Government to follow its own way. I am sorry, Sir, that there has been a certain amount of propaganda since then and instead of co-operation from the Board, in their meeting on the 10th of March, I have been told that the Chairman has made a tirade against the Government pointing out inequities of Government over a period of years. The position is now being examined by the Law Ministry as to what powers Government have in this matter. I am waiting to hear from the Law Ministry to take further steps.

Shri M. S. Gurupadaswamy: May I know whether Government is non-cooperating with the Board and there is a lot of complaint from the Board's members regarding this matter?

Shri T. T. Krishnamachari: It usually happens that when a Board non-cooperates with Government it says that Government is non-cooperating with it.

Shri Punnose: Is it not a fact that the Coffee Board previously demanded that there should be no export so that the prices could be controlled, and may I hope that Government will bear

in mind the interests of the Indian consumers when the question of export of coffee is considered?

Shri T. T. Krishnamachari: The decision this year has been that there should be no exports, and the reason was that prices were going up and the interests of the consumer suffered. I do not know what the Government did before May 1952. I have been told that Government have been issuing contradictory instructions to the Board, but when Government's instructions were specific, I hoped the Board would obey those instructions. Apparently, that is not the case.

Shri Damodara Menon: May I know whether Government have conducted any enquiry into the causes for the rise in the price of coffee?

Shri T. T. Krishnamachari: No, Sir. I have not conducted any enquiry, but I think it is pretty plain that somebody has rigged up the prices and the beneficiary happens to be the Board, and the producers.

Shri P. T. Chacko: May I know whether Government are considering to revise the rules regarding the auction sales at present in vogue?

Shri T. T. Krishnamachari: The whole question, as I said, is being now considered by Government. Under the present Act, Government can take some very drastic steps, but in regard to the intermediate steps I think the position of Government happens to be a little doubtful. If Government's powers are clear, then very possibly I might give instructions to the Board to revise their rate of auctions. All that we have done so far is that we have asked them to put out more coffee—nearly 2000 tons of coffee—every month for auction. I am not quite sure if those instructions have been obeyed yet.

Shri P. T. Chacko: May I know whether there was any export of coffee in 1952 in spite of the decision of the Board that there should be no export of coffee?

Shri T. T. Krishnamachari: In the 1952-53 season, coffee was not exported. I am unable to say whether there had been any export in 1952: I require notice.

Shri A. M. Thomas: May I know whether Government are aware that coffee has been hoarded by the traders from the 1951-52 releases and now they are applying for export after hoarding?

Shri T. T. Krishnamachari: The agitation for export comes from various quarters: from Chambers of Commerce and also from interested growers and it is also raised in the forum of legislative assemblies. It is very difficult to say what the motive power behind this demand for export is.

Shri V. P. Nayar: May I know whether Government have taken any concrete steps to increase internal consumption of coffee, especially in non-coffee-consuming areas in India?

Shri T. T. Krishnamachari: At the present moment, my headache seems to be that we are not able to meet the demand at reasonable prices.

Shri S. V. Ramaswamy: Is the increase in price due to fall in production or increase in consumption?

Shri T. T. Krishnamachari: I do not think there has been any appreciable fall in production. On the other hand, in spite of the fact that the coffee produced per acre is low in Madras and Mysore, the production has risen. Very possibly, we have to assume that the other alternative is the correct one.

Mr. Deputy-Speaker: Next question.

TRADE WITH CENTRAL ASIA

*1171. **Dr. Ram Subhag Singh:** (a) Will the Minister of Commerce and Industry be pleased to state whether it is a fact that India's trade with Central Asia over the mountainous route of Ladakh has practically stopped since September, 1949?

(b) If so, do Government propose to take any steps to revive that trade?

The Minister of Commerce (Shri Karmarkar): (a) Yes, Sir.

(b) Sinkiang is a closed area to foreigners and local conditions there are not at present conducive to a revival of trade between India and Sinkiang.

Dr. Ram Subhag Singh: May I know whether Government have any information about the Indian traders who had established themselves in Sinkiang before 1949?

Shri Karmarkar: Nothing has happened to Indian traders, except that trade has stopped.

Dr. Ram Subhag Singh: Have they come to India, or are they still there?

Shri Karmarkar: We shall have to find out.

Shri M. S. Gurupadaswamy: What was the volume of trade between India and Sinkiang before 1949?

Shri Karmarkar: I require notice.

Shri N. Sreekantan Nair: What were the reasons for the stoppage of the traffic and trade? Is the People's Government of China putting any obstruction in the way?

Shri Karmarkar: My hon. friend will be interested to know that as a result of the taking over of the province of Sinkiang by the People's Government of China towards the end of 1949, our Consulate-General at Kashgar which had been established there in December 1948 with the concurrence of the Nationalist Government of China had to stop functioning as the new Chinese Government refused to recognise it.

Shri Punnoose: What is the present position? Have we taken up that question with the People's Government of China?

Shri Karmarkar: Yes, Sir.

CLAIMS FOR C.P.W.D. WORKS AT STATIONS NOW IN PAKISTAN

*1173. **Shri Bahadur Singh:** Will the Minister of Works, Housing and Supply be pleased to state:

(a) whether there were any claims of pre-partition period on account of works got done by the C.P.W.D. at stations now in Pakistan; and

(b) whether the Government of India have undertaken liability in respect of such claims or they are under dispute?

The Minister of Works, Housing and Supply (Sardar Swaran Singh): (a) Yes, Sir.

(b) In this connection hon. Members' attention is invited to the Press Communique dated the 23rd May 1948, a copy of which is laid on the Table of the House. [See Appendix VIII, annexure No. 20.]

Shri Bahadur Singh: May I know what was the amount of the claims?

Sardar Swaran Singh: Claims of the value of Rs. 41,25,000 have been registered so far with the Accountant-General.

Shri Bahadur Singh: May I know whether any claims have been settled by private negotiations or arbitration?