

## COTTON YARN (EXPORT)

\*311. **Dr. P. S. Deshmukh:** (a) Will the Minister of Commerce and Industry be pleased to state the quantity of cotton yarn exported out of India during the years 1949 and 1950?

(b) Has the quantity of cotton yarn for export during 1952-53 been fixed?

(c) If so, what is it?

**The Minister of Commerce and Industry (Shri T. T. Krishnamachari):** (a) 1949—32,690,896 lbs.

1950—82,705,427 lbs.

(b) and (c). Export of cotton yarn is not allowed except to countries with which India has bilateral trade agreements for supply of yarn. Accordingly following exports of yarn are being allowed:—

Pakistan—7,500 bales from 1st January 1952 to 30th June 1952.

Australia—5,000 bales from 1st January 1952 to 30th June 1952. This, I should mention, is now being diverted to other countries as Australia does not want it.

Burma—2,000 bales from 1st January 1952 to 31st December 1952 and the same quantity for each year upto 1955.

Ceylon—3,500 bales from 1st January 1952 to 31st December 1952.

In addition to this 6,000 bales of yarn manufactured from foreign cotton except between 2/30s and 2/60s (both inclusive) and 80s and above are also being licensed freely for shipment upto June, 1952 to enable mills to clear their accumulated stocks.

**Dr. P. S. Deshmukh:** What was the position of the demand on the part of the handloom industries so far as this yarn was concerned?

**Shri T. T. Krishnamachari:** If I were making a very general statement, I should say that the position today happens to be that the handloom industry does not want yarn. They have got enough supplies.

**Dr. P. S. Deshmukh:** Have Government examined the causes leading to the lack of demand on the part of the handloom industry?

**Shri T. T. Krishnamachari:** It is a perpetual process. Every day we go on examining the causes of accumulation of stocks with the mills, with stock-holders and also the position of the handloom industry. It is not

an isolated or a stray incident in the life of the Ministry which I have the honour to represent here.

**Dr. P. S. Deshmukh:** Has Government at any moment examined the unemployment and distress caused to handloom weavers as a result of....

**Mr. Speaker:** Order, order. It is both a suggestion and an argument and is not asking for any information.

## PEPPER AND TEXTILE (EXPORT DUTY)

\*312. **Shri P. T. Chacko:** Will the Minister of Commerce and Industry be pleased to state:

(a) whether it is a fact that the Committee of the Indian Merchants Chamber, Bombay, has made representations to Government to the effect that export duty on pepper and textiles should be reduced to encourage export trade in these commodities;

(b) if so, whether Government have taken any steps in the matter; and

(c) whether Government have taken any steps to check the precipitous fall in the price of pepper?

**The Deputy Minister of Commerce and Industry (Shri Karmarkar):** (a) Yes.

(b) Government have not considered it necessary to reduce the export duty on pepper and cotton textiles.

(c) There is obviously nothing that Government can do in this matter.

**Shri P. T. Chacko:** May I know whether Government have taken any steps to regain the markets for Indian pepper which we are reported to be losing?

**Shri Karmarkar:** The only thing is to pray for it. There is no step which the Government can take. If the foreign demand is less we cannot help it.

**Shri P. T. Chacko:** May I know whether Government have taken any steps to constitute a quality control authority to ensure the quality of the pepper that is exported?

**Shri Karmarkar:** We have had no complaints about the quality of pepper being bad.

**Shri P. T. Chacko** rose—

**Mr. Speaker:** The hon. Member will remember that he is not to make any suggestions for action; he can only ask for information.

**Shri P. T. Chacko:** May I know whether our Trade Commissioners appointed in other countries cannot do anything to regain markets for Indian commodities?

**The Minister of Commerce and Industry (Shri T. T. Krishnamachari):** The position is that pepper is one of our chief articles of export in which we are interested as it gets foreign exchange. The fluctuations in the market cause uneasiness in the minds of the Ministry as they do in the minds of the trade. And here I would like to amend the answer given by my hon. colleague. The quality generally is supposed to be varying and that is why there have been certain adverse reactions in the export market. But Government is doing all that is possible. Our Trade Commissioners are certainly told to find out why there is a fall in the demand and the causes therefor. But beyond that I do not think the Government can do anything.

**Shri P. T. Chacko:** Are the Government aware that the falling of the price of pepper is causing great hardship to the pepper growers and the vast majority of pepper growers are small scale cultivators?

**Shri T. T. Krishnamachari:** We are aware that any fluctuations in trade causes hardship to people who are engaged in the trade or the person who produce, but actually these fluctuations are not caused by Government. I think, if my hon. friend will look into the figures of prices of pepper now, he will find that the market has hardened lately.

**Shri A. M. Thomas:** May I know Sir, what is the present export rate of duty on pepper?

**Shri Karmarkar:** The export duty is 30 per cent.

#### TEXTILES (IMPORT)

\*313. **Shri P. T. Chacko:** Will the Minister of Commerce and Industry be pleased to state whether the import of foreign textiles has been completely stopped and if not, the extent of textile goods imported in 1951-52?

**The Minister of Commerce and Industry (Shri T. T. Krishnamachari):** No, Sir. A statement showing the value of such goods imported during the year 1951-52 is laid on the Table of the House. [See Appendix, II, annexure No. 19.]

**Shri P. T. Chacko:** May I know on what basis this is allotted to States?

**Shri T. T. Krishnamachari:** I do not think there is any allotment as such. I say this subject to correction. If my hon. friend wants a very precise answer, I would like to have notice.

#### TRADE WITH U.S.S.R. AND EASTERN EUROPEAN COUNTRIES

\*314. **Dr. M. M. Das:** Will the Minister of Commerce and Industry be pleased to state:

(a) the total volume of trade in rupees (import and export separately) between India and the countries of Eastern Europe and the U.S.S.R. during 1951-52;

(b) the chief items of import and export and the values of the quantities imported and exported; and

(c) whether the trade was regulated by trade agreements?

**The Deputy Minister of Commerce and Industry (Shri Karmarkar):** (a) and (b). Two statements giving the required information are placed on the Table of the House. [See Appendix II, annexure No. 20.]

(c) Letters were exchanged with Hungary and Poland for the regulation of trade with those countries and have been publicised. Trade talks with Czechoslovakia are now in progress for the conclusion of a fresh Agreement, the last Trade Agreement with that country having expired in March 1951.

**Dr. M. M. Das:** The total values of export and import of the countries given in the statement when individually taken do not balance each other. As for example, our export to Russia amounts to Rs. 6 crores 67 lakhs, whereas our imports from U.S.S.R. amounts to Rs. 1 crore and 38 lakhs. I would like to know how the balance has been paid to India.

**Shri Karmarkar:** In the usual manner. As a matter of fact, my hon. friend knows that any adverse or favourable balance is not actually paid in cash. It is adjusted against their account. For instance, with Russia, we have got an arrangement by which we pay into an English Bank and they receive the money through it. This is how it is arranged.

**Mr. Speaker:** The question is how does India get about Rs. 5 crores.

**The Minister of Finance (Shri C. D. Deshmukh):** By surplus elsewhere.

**Dr. M. M. Das:** I was under the impression that Russia does not fall