

ISTRY OF TEXTILES (SHRI G. VENKATA SWAMY): (a) Yes, Sir.

(b) The Corporation has suffered cash losses to the tune of Rs. 8.60 crores and 8.59 crores (Provisional) respectively during the year 1991-92 and 1992-93.

(c) The State Government of Uttar Pradesh have provided a sum of Rs. 11.50 crores as loan to the Corporation during the period January-March, 1993 with the expectation that the Corporation will be able to reduce their cash losses by purchasing cotton at right time and by making some payments against the previous debts, thereby paving the way for the credit purchases of the raw material and reducing the interest burdent.

[English]

Committee to Study Long Term Strategy on Tobacco

7399. SHRI R. DHANUSKODIATHITHAN:

Will the Minister of COMMERCE be pleased to state:

(a) whether the Government have set up a high powered committee to study the long term strategy on tobacco;

(b) if so, the recommendations made by the Committee;

(c) the reaction of Government thereto?

THE MINISTER OF STATE IN THE MINISTRY OF CIVIL SUPPLIES, CONSUMER AFFAIRS AND PUBLIC DISTRIBUTION AND MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI KAMALUDDIN AHMED):
(a) Yes, Sir. The Committee was set up in September, 1989. It submitted its report in August, 1990

(b) and (c). The salient recommendations of the Committee and the action taken thereon are given below:-

*Recommendation**Action Taken*

1. As long as there is an export demand India should continue to produce tobacco.
2. To bring about stability in production, the Board should effectively direct its annual exercise of production planning.
3. It is necessary to empower the Board to seize and confiscate unauthorised stocks and to prosecute law breakers.
4. Tobacco cultivation in light soils should be encouraged.
5. There is need for elimination of saline and low lying lands from tobacco.
6. To ensure planting is done as per licences, there should be crop inspection by Board Staff.
7. Tobacco varieties resistant to pests and disease should be evolved.
8. There is need for improvement in curing the process to reduce cost.

India is continuing to produce tobacco

Being done

The Board approved certain amendments to the Tobacco Board Act in the meeting held on 28.1.93 to empower the Board along these lines.

Tobacco Board is gradually increasing the crop size in light soil areas.

Production of tobacco in saline and low lying soils is being discouraged.

Despite publicity and inspection by the Board Staff, a large number of farmers have a tendency to grow crop in excess of authorisation or without authorisation.

CTRI has evolved leaf mosaic resistant varieties. Research is being continued to evolve more pest and disease resistant varieties.

Roof insulation of barn to conserve energy is one of the techniques evolved recently, which is being evaluated by the Indian Institute of Sciences, Bangalore.

Recommendation

Action Taken

9. Tobacco Board field staff should play an important role in extension activities.
10. Inadequacies in the auction system should be rectified.
11. There is need for maintaining stability in price.
12. There is need for restructuring the number of buyers on the auction floor.
13. There is need for efforts to improve exports.
14. There is need for giving long term credit to certain hopeful markets for tobacco.
15. Counter trade should be used as a means for boosting exports.

Board has intensified its extension activity through field staff, and group meetings of farmers, staff and scientists are being held frequently to have better inter-action.

Auction floor level committees have been constituted to remove irritants regarding classification of tobacco. Standard samples are prepared and displayed for reference purpose to avoid disputes.

Trade Wing of the Tobacco Board has margin money capital to make purchases as and when prices fall below the Minimum Support Price (MSP). Traders are advised to maintain price stability.

This is reviewed every year.

Action Taken to improve exports includes sponsoring of trade delegations, participation in Fairs and exhibitions, publicity in International magazines, and through coloured brochures etc.

Longterm credit (18 months credit) was extended for Algerian import of Indian tobacco. Special payment terms have been allowed for export to Egypt, Algeria, Tunisia and Morocco.

Tobacco is included as an item permissible for export on counter trade basis.