

occasions on which fire has been noticed in the Viscounts, if hon. Member wants more information, I will collect it. But there are very few cases of fire.

12:00 hrs.

SHORT NOTICE QUESTION
Virginia Tobacco Market

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S.N.Q. 10. { Shri Ranga:
Shri P. Venkatasubbaiah:
Shri Kolla Venkaiah:
Shri M. N. Swamy:

Will the Minister of Food and Agriculture be pleased to state:

(a) whether it is a fact that the Virginia tobacco market has crashed at Guntur and other coastal districts of Andhra Pradesh;

(b) whether it is also a fact that the farmers are being offered unremunerative prices against the minimum price fixed by Government and the State Trading Corporation;

(c) whether more than 4,000 tons of high grade Virginia tobacco remains unsold resulting in loss of Rs. 3 crores in foreign exchange to Government; and

(d) if so, what immediate steps Government propose to take in the matter?

The Minister of State in the Ministry of Food and Agriculture (Dr. Ram Subhag Singh): (a) Although the tobacco crop comes in the market in the middle of January, there have been no substantial sales of Virginia tobacco for want of a settlement about the price of tobacco between the growers and the traders.

(b) There is no minimum support price fixed for tobacco either operational or statutory. The Government has fixed minimum export prices for different grades of tobacco. The prices offered by traders are somewhat lower than that of last year.

(c) The foreign demand for tobacco continues to be at about the same level as last year and if the growers

and traders arrive at a mutually satisfactory settlement, there will be no reduction in foreign exchange earnings.

(d) Attempts are being made jointly by the Andhra Pradesh Government and the Indian Central Tobacco Committee to bring about a settlement between the growers and traders regarding the prices to be offered for the current crop. It is also proposed to extend the provisions of the Central Warehousing Corporation Act as well as the State Warehousing Corporation Act to tobacco so that growers can obtain advances from scheduled banks on warehouse receipts for tobacco.

Shri Ranga: This is an excellent example of the way in which the Government depreciates the actual fact of things and then makes it appear as if there is no crisis at all. Is it not a fact that the Minister of Agriculture of the Andhra Pradesh Government had himself come over here along with so many others representing the marketers as well as growers and represented the true facts of the position there, and said that the position is very serious that the growers are suffering, and that the traders are not able to find any market because the IMTD and various other exporters are not prepared to take tobacco there?

Dr. Ram Subhag Singh: Yes, Sir. But what the hon. Member has just now said regarding the Government is totally different from the actual facts, because, the Government was so alert that it pointed out the difficulty at the nick of time, and the Minister of Agriculture of the Andhra Pradesh Government has taken up the matter with the Central Tobacco Committee as well as the Government of India, and we are going to extend the Warehousing Corporation Act and are going to advance money so that the growers are not put to loss.

Shri Ranga: Am I to understand that the Government of India has assured the Andhra Pradesh Government that if they were to help the

farmers to store their tobacco in the Government warehouses, the Andhra Pradesh Government would be enabled to advance credit to the farmers with the help of the Reserve Bank of India and the State Bank?

Dr. Ram Subhag Singh: The whole matter is being discussed. I would have been happy had the hon. Member pointed out the fact earlier than the Agriculture Minister of Andhra Pradesh.

Shrimati Yashoda Reddy: Is it not a fact that this year the trouble is more about the flu-cured virginia tobacco, unlike in other years? In other years, the low grade variety was in trouble. This year it is the high-grade variety. May I know whether there is any proposal either with the Ministry of Agriculture or with the Ministry of International Trade to reduce the price of the high-grade variety a little and increase the price of the low-grade variety for which there is great demand, so that there may be a balanced market for both?

Dr. Ram Subhag Singh: We will examine this. But the price is not at present as low as it was in the month of January, because after 25th February, it has started rising and we hope that the measures that we will be taking will enable the prices to go up further.

Shri Ramanathan Chettiar: May I know whether this crisis has taken place due to the low off-take in the European market?

Dr. Ram Subhag Singh: Yes, Sir.

Dr. L. M. Singhvi: May I know what is the present difference between the prices offered last year and the prices offered by the traders this year and what specific steps the Government of India and the State Government have taken jointly to secure a settlement and along what particular lines?

Dr. Ram Subhag Singh: The prices offered last year for Grade I virginia

tobacco varied between Rs. 285 to Rs. 370 per quintal, whereas this year the prices vary between Rs. 245 to Rs. 350 per quintal. About the latter part of the question, we have taken up the matter and we hope that the objective will be achieved.

Dr. L. M. Singhvi: That they have taken up the matter, we have been told. But what steps have the Government taken and along what lines towards a settlement?

Dr. Ram Subhag Singh: As I read out in the main reply, the Central and State Warehousing Acts are going to be extended to it, but that will depend on the Andhra Pradesh Assembly passing a resolution.

Mr. Speaker: That he has already said.

Dr. L. M. Singhvi: On a point of order, Sir. The answer does not relate to the question I put. The extension of the Central Warehousing Act is not in any way the term of settlement between the growers and the traders. We want to know along what line the Government of India and the State Government are trying to secure a settlement and what are those terms.

Dr. Ram Subhag Singh: Actually this is a settlement, because the traders do intend that they should earn more profit. But what we are interested in is that we should enable the grower to deposit their stocks in the warehouses, so that they may not be forced to sell at the traders' prices. When the export quantum increases, then they will be able to take higher prices for their tobacco. But at the same time, the Agriculture Minister of Andhra Pradesh had a meeting both with the growers as well as the traders where our Central Tobacco Committee representatives were also present. He is impressing upon the traders not to take advantage of the situation. That is the effort that was made by the Government of Andhra Pradesh. By extending this facility we believe

that the growers will be put in a better position.

Shri Ranga: In view of the fact that the generic term 'traders' includes not only those who are in India, but also international traders, including USSR, may we have the assurance that the Minister of International Trade, when he attends the U.N. Conference will use his good offices in order to ease the situation and obtain greater orders for our tobacco of various grades?

The Minister of International Trade (Shri Manubhai Shah): Actually speaking, the exports of tobacco last year have shown a record figure—Rs. 4.75 crores more than any time in the previous years. The real difficulty is as one of the hon. Members was pointing out, when the going was good, instead of producing the quality which was sold in much abundance, they have produced a littler larger surplus of the higher variety of the flue-cured Virginia tobacco which has not so much world market. I have cautioned all the producers that they must keep down the ratio of the high grade and produce more of the medium grade. Secondly, we have lifted all the restrictions so that we can send to the East European countries as much of the tobacco as possible. With the steps enumerated by my hon. colleague in the Ministry of Agriculture and with the several steps we have already taken, I am quite sure the position will improve considerably.

Shri Ranga: What did he say with regard to the assurance . . .

Mr. Speaker: Normally, assurances are not given during the question hour.

WRITTEN ANSWERS TO QUESTIONS

Micro-wave System in Assam

*611. **Shri P. C. Borooah:** Will the Minister of Posts and Telegraphs be

pleased to refer to the reply given to Starred Question No. 500 on the 10th December, 1963 and state:

(a) the progress made in the installation of the micro-wave system in Assam;

(b) when the installation is likely to be completed; and

(c) the names of the places which are to be linked with this system?

The Deputy Minister in the Department of Posts and Telegraphs (Shri Bhagavati): (a) Detailed engineering survey by the manufacturer's engineers has been completed and installation details finalised. Acquisition of sites is in progress.

(b) The installation is expected to be completed by March, 1965.

(c) 1. Calcutta.

2. Asansol.

3. Katihar.

4. Cooch Behar.

5. Siliguri

6. Darjeeling.

7. Shillong.

8. Gauhati.

9. Tezpur.

10. Jorhat.

11. Dibrugarh.

12. Tinsukia.

Dry Dock Facilities

{ **Shri Indrajit Gupta:**
 { **Shri P. C. Borooah:**
 *615. { **Shri Pottakkatt;**
 { **Shri A. V. Raghavan;**
 { **Shri Kappen:**

Will the Minister of Transport be pleased to state:

(a) whether dry dock facilities in Indian ports are now lagging far behind the growth of Indian shipping;

(b) if so, whether any assessment has been made of the foreign exchange spent annually on repairing Indian ships abroad; and