

[Translation]

Price of Cotton

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*424. SHRI UTTAMSINGH PAWAR :
SHRI RAJENDRA AGNIHOTRI :

Will the Minister of TEXTILES be pleased to state:

(a) the number of times the support price of cotton has been increased during the last three years alongwith the price increased each time; and

(b) the steps taken by the Government to check the rise in market price of cotton?

[English]

THE MINISTER OF TEXTILES (SHRI R.L. JALAPPA) :
(a) and (b). A Statement is laid on the Table of the House.

STATEMENT

(a) The Government announces the Minimum Support Prices (MSP) for cotton once in a year and the same remains effective for the entire crop season. The MSPs for two basic varieties of cotton i.e., F-414/H-777 & H-4 are announced by The Ministry of Agriculture, Government of India & for other varieties of cotton are fixed by Textile Commissioner, keeping in view normal price differentials with other varieties. The MSPs announced for the two basic varieties of cotton for the last three years and the increase over previous years are as under :-

The Minimum Support Prices for Cotton

(in Rs. per Quintal)

Year	Basic Variety	MSP Announced by the Government	Increase in the MSP over Last Year
1994-95	F-414/H-777	1000.00	100.00
	H-4	1200.00	150.00
1995-96	F-414/H-777	1150.00	150.00
	H-4	1350.00	150.00
1996-97	F-414/H-777	1180.00	30.00
	H-4	1380.00	30.00

(b) The average prices of raw cotton during the last three months have been generally slightly lower than the prices which prevailed during the corresponding months in the previous year.

Since, there was no abnormal rise in the prices of cotton in 1995-96 and so far in the current year, taking any steps to check price rise does not arise. However, the prices are being regularly monitored.

[Translation]

SHRI UTTAMSINGH PAWAR : Mr. Speaker Sir, through you I would like to ask the Hon'ble Minister as to how much and how many times the price of cotton has been increased during last three years?

My other question is regarding the price paid to the farmers of cotton in Maharashtra, Madhya Pradesh, Rajasthan and Gujarat who are unfortunately paid less. When cotton comes to market it is hoarded. Whether government has any control over it and whether government is going to take any steps for the welfare of farmers.

[English]

SHRI R.L. JALAPPA : Sir, for the last three years the M.S.P. (Minimum Support Price) is being fixed, once in a year it will be fixed. While fixing the Minimum Support Price, the commission on Agricultural Costs and Prices will go into the details about the investments that they are making on land, labour and other inputs and also the parity between the other crops and this crop which will also be considered. They will also consult the concerned Ministeries. The Agriculture Department will fix the Minimum Support Price. For the last three years, there has been a hike every year which is just to see that the farmers get better price. Whenever we feel that there is plenty of cotton in our country, we allow exports. Last year, till the end of December, only two lakh bales were allowed. This year we have already allowed 6,15,000 bales to be exported outside to see that the farmers get better price.

[Translation]

SHRI UTTAMSINGH PAWAR : Till now lot of bails of cotton are lying there. The reply given by the minister does not satisfy. How much export you are going to do this year and whether it will serve the purpose?

[English]

SHRI R.L. JALAPPA : Sir, I am sorry that I will not be in a position to satisfy the hon. Member. But he should understand that out of the quota that we have already allotted for exports, which is 6,15,000 bales, not even 50,000 bales have gone outside. Except 30,000 bales the rest of the bales are given to cooperative institutions and the Maharashtra State Federation. It is their duty. I have also written to them. If they are not going to purchase, I will allot it to somebody else... (Interruptions) Further, the meeting of the Cotton Advisory Board is going to be held on 23rd December. On 24th or 25th we will look into the matter and see that some more quota is allotted for exports.

[Translation]

SHRI CHHITUBHAI GAMIT : Mr. Speaker, Sir through you I would like to ask the Minister of Finance. Whether government of Gujarat has asked for approval

of the Government for export of cotton? If so, the details thereof and whether government of India has already given the permission to Gujarat for export of the cotton or would it give the same.

[English]

SHRI R.L. JALAPPA : Sir, we have already allotted 50,000 bales to the Gujarat Federation...*(Interruptions)* Please allow me to answer. We have already allotted 50,000 bales to them. On 16th we have received another letter from the Gujarat Federation. It is under our consideration.

[Translation]

SHRI RAM NAIK : Mr. Speaker, Sir, minimum price fixed for cotton in 1996-97 is Rs. 1180 and 1380 and according to the monopoly cotton scheme being introduced in Maharashtra the price paid is Rs. 2100. There they get some thing. Whether the government would extend any such scheme to other parts of the country also which protects the interests of the farmers. Another thing is that every year we have to enquire from the Government whether the scheme is being extended to other parts and whether Government would start any permanent scheme which has been sanctioned?

[English]

SHRI R.L. JALAPPA : Sir, the Maharashtra Government has got this Monopoly Procurement Scheme, which has got its own liabilities also. They are spending Rs. seven to eight hundred crore every year. They are losing Rs. seven to eight hundred crore...*(Interruptions)*

SHRI RAM NAIK : They are not losing, they are doing it in the interest of farmers...*(Interruptions)*

SHRI R.L. JALAPPA : Whatever it is, the State exchequer is losing this amount...*(Interruptions)*

SHRI RAM NAIK : No.

SHRI R.L. JALAPPA : Even now, the Government of India has given two years' extension to them in spite of knowing that the Government is losing money. We are also giving them sufficient cotton to be exported so that they can make up some losses and it is being given in the form of a better price

[Translation]

SHRI RAM NAIK : Whether the government propose to increase the minimum price?

[English]

MR. SPEAKER : You cannot convert it into a debate.

SHRI S.K. KARVENDHAN : Sir, due to the heavy price of cotton, the power-loom industries are totally affected. There are 22 items allotted to hand-loom industries. The Supreme Court had allotted 11 items.

There is a long pending demand from the power-loom owners to scrap these 11 items. I want to know from the Minister whether the Government is going to scrap these 11 items in favour of the power-loom industries.

SHRI R.L. JALAPPA : Sir, there were formerly 22 items. Just, recently they were reduced to 11. If they want to reduce even these 11 items also, then what about the hand-loom people? We do not have such a thinking for the present.

Export of Tea and other Plantation Items

*425. SHRI MAHESH KUMAR M. KANODIA :
SHRI N. DENNIS :

Will the Minister of COMMERCE be pleased to state:

(a) whether export of tea and other plantation items has stagnated in the recent past;

(b) if so, the total quantity of these items exported and the foreign exchange earned therefrom during each of the last three years, country-wise;

(c) whether the Government have examined the slump prevailing in these industries;

(d) if so, the details thereof; and

(e) the steps taken by the Government to boost the production and export of these items?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI BULLA BULLI RAMAIAH) : (a) to (e). A Statement is laid on the Table of the House.

STATEMENT

(a) No, Sir. Tea and Coffee exports have not stagnated in the recent past.

(b) Does not arise. However, countrywise details of export of various commodities are available in the monthly publication "Foreign Trade Statistics of India" published by the Directorate General of Commercial Intelligence and Statistics (DGCI&S), Calcutta, copies of which are available in the Parliament Library.

(c) and (d). Do not arise.

(e) The concerned Commodity Boards are implementing various developmental schemes to encourage activities such as replantation, extension planting and research to enhance production. Steps taken to increase exports include participation in trade fairs/exhibitions abroad, conducting publicity campaigns, market surveys, holding buyer seller meets, promoting brands etc.

SHRI AMAR ROY PRADHAN : Mr. Speaker, Sir, I would like to raise a procedural objection to the reply given to this question. The answer is not correct. Mr. Speaker, Sir, if you go through the reply to part (b) of the question, you will find that it is suggested - 'if you