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Title: Need to continue freight subsidy on pepper and pepper products.

SHRI K. FRANCIS GEORGE: Mr. Chairman, Sir, last year when the price of pepper came down drastically, the Ministry of Commerce in the Government of India introduced WTO compatible freight subsidy on pepper and pepper products of Indian origin. The amount sanctioned was Rs.14 crore for exporting 20,000 tonnes of pepper. Per kilogram of pepper, Rs.7 of subsidy was declared, that is, Rs.5 for freight and Rs.2 for transport of this product. What happened was, by February of this year, 20,000 tonne-target was achieved but from the corpus fund only an amount of Rs.9.4 crore was utilized. So, there is a balance of Rs.4.6 crore in this particular fund that was allotted. Now what is going to happen? By April this year, I mean by next month, import of pepper from Sri Lanka will start under the India-Sri Lanka Free Trade Agreement. Also, the

* Not recorded

season in Vietnam is just beginning by June. So, there is going to be tremendous competition in the international market for our exporters and internal price of pepper is going to come down again drastically. Now it is up to Rs.120. Formerly, it had come down to Rs.65 and it is again going to crash. So, what I would request the Commerce Minister is thatâ€¦

MR. CHAIRMAN: You have not come to the demand. The demand is for giving subsidy.

SHRI K. FRANCIS GEORGE : I have already come to my demand. My demand is that this balance amount of Rs.4.6 crore should be utilized and exports should be allowed to continue. The Government is not going to incur any additional financial burden because already there is this money which is lying unutilized. So, the Government should allow exporters to further export pepper and continue to grant this subsidy up to Rs.4.6 crore that is still there in the corpus fund. I would earnestly request the Government to do this. I would request the Parliamentary Affairs Minister to kindly convey this matter to the Commerce Minister.