

Tribes on Action Taken by Government on the recommendations contained in the Nineteenth Report of the Committee on the Ministry of Defence, Department of Defence Production—Reservations for, and employment of Scheduled Castes and Scheduled Tribes in Ordnance Factory Board and in Ordnance Factories

12.15 hrs.

**STATEMENT RE: SOME PRESS REPORTS ABOUT PRIME MINISTER'S SPEECH IN NAGALAND**

THE MINISTER OF PARLIAMENTARY AFFAIRS AND WORKS AND HOUSING (SHRI BHISHMA NARAIN SINGH): Some hon. Members day before yesterday referred to the Press reports which had appeared on October 23, 1962, to the effect that the Prime Minister, Shrimati Indira Gandhi in her speeches in Nagaland had said that pro-Centre States had a prior claim of Central attention.

An official spokesman has already contradicted these incorrect reports. However, since the Hon'ble Members have asked for a further clarification in the House, I am reading out the note which the Prime Minister wrote.

"My attention has been drawn to a news report which appeared in a section of the Press on 23rd October, 1962, which is incorrect and even mischievous. Nagaland is a sensitive and strategic area with special problems. At no time or place, either during this election or any other have I said that only those working for the Congress would be helped. My Government has helped all State Governments regardless of the ruling party there.

As I was speaking on behalf of the Congress, I naturally, appealed to the people to vote for the Congress candidates, adding that Congress candidates would be more effective since they believe in and would implement our special programmes for

the tribal and hill people and weaker sections. However, my stress was on the importance of the unity of the country the advantages of a national party as opposed to a regional party. I also said that for reasons of security and development it was more advantageous to belong to a larger unit. I laid stress on the importance of Nagaland coming more closely into the national mainstream. No party or individual who has the nation's good at heart will advocate any sentiment in Nagaland which could weaken this closeness."

**COMMITTEE ON SUBORDINATE LEGISLATION**

FOURTEENTH REPORT

SHRI MOOL CHAND DAGA (Pali): I beg to present the Fourteenth Report (Hindi and English versions) of the Committee on Subordinate Legislation.

12.17 hrs.

**CALLING ATTENTION TO MATTER OF URGENT PUBLIC IMPORTANCE REPORTED SERIOUS SITUATION PREVAILING IN THE COIR INDUSTRY**

SHRI M. M. LAWRENCE (Idukki): I call the attention of the Minister of Industry & Steel and Mines to the following matter of urgent public importance and I request that he may make a statement thereon:—

"Reported serious situation prevailing in the coir industry due to accumulation of stock, mechanisation and lack of raw materials in the Coir . . ."

It has been wrongly typed as Corporation it should be actually 'Co-operatives'—

". . . Co-operatives of India."

12.18 hrs.

[MR. DEPUTY-SPEAKER in the Chair]

**THE MINISTER OF INDUSTRY AND STEEL AND MINES (SHRI NARAYAN DATT TIWARI):** Government are aware of the difficulties being faced by the Coir Industry and are continuously taking suitable measures to increase the sale of coir and coir products both within and outside the country. The State Governments/ Union Territories have been requested to maximise the use of coir furnishing, and consider exempting coir and coir products from sales tax. Advertisements through radio, newspapers and magazines in the regional languages have been intensified and Coir Board is increasingly participating in Exhibitions/Fairs. As a result of these efforts, the exports in 1981-82 increased to 30,079 tonnes valued at Rs. 26.94 crores against the export of 28,610 tonnes valued at Rs. 25.25 crores in the previous year. In 1982-83, upto the end of August, the exports were of the order of 12,960 tonnes valued at Rs. 1180 lakhs against 12,287 tonnes valued at Rs. 1116 lakhs exported in the corresponding period of the previous year. Sales through Coir Board Show Rooms are also on the increase compared to previous years. In the year 1981-82, the sales were of the order of Rs. 147 lakhs as against Rs. 116 lakhs during 1980-81.

With a view to assist the State Government in their efforts to encourage co-operative in the coir industry, Government have drawn up a scheme for the co-operativisation of the coir industry, which aims at the formation of viable co-operatives and revitalisation of the potentially viable dormant societies and bringing the coir workers under the co-operative fold, so that the quality and quantity of production improves, the workers get better wages and full employment and the growth of the coir industry is put on a sound footing. This Centrally sponsored Scheme for the co-operativisation of coir industry has come into force w.e.f. 21st August, 1982. A provision of Rs. 9.5 crores has been earmarked in the

Sixth Plan for this Scheme. Under this Scheme, share capital assistance, managerial and marketing assistance and assistance for modernisation/purchase of equipment, would be available.

The recommendations of the High Level Study Team including that on mechanisation are still under consideration of the Government. Government are fully seized of the employment implications of mechanising the Mat Sector in Coir Industry which will be kept in view while formulating Government's policy in this regard.

The Government are also aware of the inadequate supply of husk to co-operatives at controlled prices and are actively considering various measures to increase the flow of husk to the co-operatives in consultation with Government of Kerala.

**SHRI M. M. LAWRENCE:** This coir industry in Kerala is a traditional industry. It is giving employment to the largest number of poor people in Kerala State. Hundreds of small entrepreneurs are engaged in this industry, in the manufacture as well as exporting of this material to foreign countries. A serious situation has arisen due to the lack of employment because of the policy which is pursued by the Government of India. The present policy of the Government of India is to help mechanisation which is diminishing employment prospects in the industry. About five lakhs of workers are engaged in this industry. But they are not getting continuous employment. As we all very well know, because of the adverse situation prevailing in this industry only very few people are getting employment. This industry is mainly dependent on exports. Mats and other coir products are exported. Even before mechanisation, by using the handloom material, workers were producing very good quality coir products. Now the Government have opted for mechanisation. But the pro-

ducts which have been manufactured in the mechanised industry are no better than the ones produced in the handloom industry. That is one aspect of the problem.

Now, the Government is claiming that it is continuously taking suitable measures to increase sale of coir and coir products both within and outside the country.

Now, the hon Minister has stated that the quality and the price of the exported material are both good. My question is whether the employment potential is decreasing or increasing. This point has not been replied to in the statement. This concerns the workers who are living in Kerala State. About 25 million people are there in Kerala and the whole of Kerala State as also this august House very well know that there are not many big industries in that State. If 5,000 people are engaged in an industry, and if you take that as a unit, there is no such industry in Kerala. Even investment in the public sector in Kerala is not much.

(Interruptions)

SHRI E. BALANANDAN: Five thousand or more... (Interruptions)

MR. DEPUTY-SPEAKER: He says that there is not a single industry employing more than 5,000 people in Kerala.

SHRI M. M. LAWRENCE: Investment in the public sector when compared to other parts of the country is very low in Kerala State. Unemployment also is very high. More than 16 lakh of educated youths are unemployed. Lakhs and lakhs of uneducated people are unemployed in the State. In such a situation, is it proper for the Government of India to help mechanisation in a traditional industry, which is providing employment to the poor people of the State in a big way?

There is one company in Alleppey, called Alleppey, Company. This company is owned by one Mr. Ravi

Karunakaran. This company started another sister concern in the name of FLOORCO. This unit was given licence for import of 30 looms. But instead of importing 30 looms, they imported about 39 looms. It was reported in the newspapers. Then it was enquired into and it was found that those looms were imported by the company illegally and fraudulently. According to newspaper reports, the company was fined roughly about Rs. 15 lakhs and the person, who is owning this company, was fined Rs. 5 lakhs. In the beginning, he got licence for this import in the name of producing mattings. The Government had given sanction to produce one-third of the total quantity of mattings in the mechanised sector. To take advantage of this, he had imported these looms. It has been brought to light by the enquiry committee appointed by the Coir Board that the permission was secured by M/s Alleppy Company in 1976 by fraudulently correcting the wording 'matting' shown in the application to 'coir products'. Ultimately it was changed to 'mats', where mechanisation has been prohibited by the Government. By violating the decision of the Government, he has imported this machinery fraudulently. Now, he has started an industry in Ammanduvilla in Tamil Nadu. He is scotfree. Is the Government prepared to make a thorough enquiry by using the CBI about this fraudulent and illegal import of looms by the company? If he has violated any rules, is the Government prepared to take stringent action against this monopolist in the coir industry?

This monopoly company has industries abroad also. As far as I know, he is a son of a German lady born to an Indian. He has inherited some assets from his mother. As far as I know, he has got a company in Notterdam where 60 per cent of the shares are owned either in his name or in his relatives' names. So also he has connections with so many other concerns in foreign countries. By

[Shri M. M. Lawrence]

using all these facilities, by under-invoicing and all other malpractices, he is amassing wealth. And, for these actions, the Government of India is siding with him and helping these actions. It is not fair. The unions affiliated to INTUC(I), CITU, AITUC, UTUC, all together have submitted a memorandum to the Government of India in the month of August. In that, they have stated all these facts. So, irrespective of party difference, irrespective of differences in the union affiliation, all unions in Kerala State which are working in this industry, together and unitedly and in one voice, have requested the Government to stop these illegal actions of this company. Why they are concentrating only against this company? Because, they are the only company which is engaged in a big way in using these mechanised looms and which is cutting down the employment potential.

Sir, we are talking about this new 20-Point Programme making more production, I mean employment potential, ameliorating the conditions of toiling masses, the down-trodden people, and all that. Sir, if there is section of down-trodden people, it is all natural. It is a lakhs and lakhs of hiring of the workers in Kerala State—the poor backward State in India. Yesterday, the hon. Prime Minister was telling about starting industries in backward areas. Kerala State is also a backward area as any other backward area of this country. So, the Government is not implementing this 20-Point Programme with sincerity. If the Government has got any sincerity in implementing this 20-Point Programme, thereby increasing the employment potential, it is the duty of the Government to see that this mechanisation is stopped further. So, my question is this whether (Interruption).

MR. DEPUTY SPEAKER: You were telling us the background?

SHRI M. M. LAWRENCE: Yes, Sir.

MR. DEPUTY SPEAKER: Now put your question.

SHRI M. M. LAWRENCE: Sir, the question of this policy, the workers, the trade unions, the political parties of Kerala, the producers, the exporters, all are hit and still the Government is giving instructions to renew the licence of this monopoly company.

MR. DEPUTY SPEAKER: Put your question.

SHRI M. M. LAWRENCE: What reply Government has to say about this? So, my question is this whether the Government is prepared to institute a CBI enquiry as to how licences came to be given for mechanised production of coir mats in Floorco, contrary to Government's accepted policy? A CBI enquiry should be instituted if the Government is sincere. My second question is whether the Government is prepared to prohibit the production of mechanised looms of coir mats which can be produced on handlooms? The third question is whether the Government is prepared to accept the recommendations of the Coir Board not to renew the licence given to Floorco to produce coir mats on mechanised looms and to reconsider the directions of the Government to give licences?

MR. DEPUTY SPEAKER: Now the Minister will reply.

SHRI NARAYAN DATT TIWARI: I find that the main thrust of the Calling Attention and the speech made by the hon. Member is regarding one company, the Alleppy Company, suggesting that the request or demand of that Company should not be considered and that the registration of that Company should not be renewed. In fact, only yesterday I had the privilege to meet a deputation of MPs, trade union leaders and exporters from Kerala, when we had exhaustive discussions. Perhaps, Shri Lawrence was not there, but two or three Members including Shri B. K. Nair

were present, and I explained to them in some detail the situation in regard to this matter.

It is very unfair on the part of the hon. Member to have questioned the intention of the Government of India, stating that the Government of India want mechanisation, as a matter of policy, to displace labour in Kerala. I think it is very very unfair on the part of the hon. Member to impute such motives. The Coir Board itself is a body constituted by the Government of India. If the Coir Board, in which the nominees of the Government of India are present, make a unanimous recommendation, you cannot impute any motives on the Coir Board, especially when you are yourself accepting and supporting the recommendations of the Coir Board, which is a creature of the Government of India.

In this connection, I want to state that there are some legal aspects of the whole matter. This Company was registered and it commenced business in 1973. Since then it has been operating. So, before we take any decision to de-register it, we have to understand the legal consequences of it. I have explained to the deputation yesterday that we are consulting the Law Ministry... (Interruptions).

This unit is located in the State of Tamil Nadu, in a place called Ammanduvilla. Perhaps, the Tamil Nadu Government is holding a different opinion on this matter, and it is entitled to its opinion. In the past I have found that there are no identical views in the matter among the coir-producing States of our country. So, we have tried to evolve a consensus in the past; I have tried it myself. Sometimes we do not have a consensus. But we perfectly understand that we should not encourage mechanisation, as far as the State of Kerala goes. As I mentioned in my response to the hon. Member, the report of the Sivaraman Committee, a high level committee on the coir industry, we are considering it at great

depth. It is in the final stage of decision-making. We shall consider this aspect and we shall not allow mechanisation, which affects the employment potential.

The hon. Member mentioned about the lack of positive approach regarding the employment potential of the coir industry. I would draw attention to the fact that in the Sixth Plan for the development of coir we have targeted an employment coverage of 8 lakh persons by the end of 1985, as against 5.59 lakh persons in 1979-80, an export of Rs. 550 crores by 1985 as against Rs. 30 crores in 1979-80 and reaching for the fibre a value of Rs. 122 crores by 1985 as against Rs. 36 crores in 1979-80. So, in the Sixth Plan itself there is a perspective of growing employment, as far as the coir industry is concerned.

It is to ensure this that we have launched on the co-operation movement. Here I would seek the co-operation and support of the hon. Members, irrespective of their political ideologies and views, and I would say that we should unite in sustaining the co-operation movement of the coir industry in Kerala. That is the need of the moment how to co-operativise, how to reactivate the Government coir industry unit there, how to organise the coir co-operatives? I think the gross root organisation is required to sustain and to encourage the cooperative movement so that the targets of the Sixth Five Year Plan are fulfilled.

As far as export go, again I may repeat that the hon. Member knows that the Coir Board has been very active on this front and all due measures are being taken to increase the exports.

I am also inviting the Ministers belonging to the coir producing States for a meeting so that we can further discuss what co-ordinated efforts can be made by all the coir producing

[Shri Narayan Datt Tiwari ]

States to give more employment, to generate more employment, to sustain and to have more exports and also encourage more internal consumption of coir products within the country.

SHRIMATI SUSEELA GOPALAN (Alleppey): The problem of the coir industry has been before the Central Government for the last so many years. Lakhs of people who are employed in this sector for the last so many years, they are getting, as Shri Lawrence has put it, employment for 100 days, 60 days, 50 days.

Actually there is slackness in the export market. In 1946-47 our export was 65,000 tonnes and now it has come to 30,000 tonnes. The hon. Minister in his statement has stated that there is improvement from the last year. But I would like to remind him that in the last year figures—1980-81—account given is from January to December and for 1981-82 account given is from April to March. We can say whether improvement is there or not only by the end of December. We cannot say about the improvement on this basis. I, of course, admit that the Government of India has taken certain measures to improve the outside market as well as the internal market. There is a slight improvement in the internal market. Unfortunately, in 1946-47 the coir industry was an organised industry. In one factory there were 3000 to 4000 workers employed. But afterwards it was decentralised. Now it is almost a cottage industry—one loom, two loom, three looms like that. The merchant exports are looting these people like anything because they have not much interest in industry. They take product from the small producers and export it. They also sell in India. Even the schemes in regard to purchase price formulated by the Coir board is flouted by the merchant exporters. They never give price to the small producers. The

result is that the workers are very much suffering. They do not get their wages.

This industry is scattered in 250 villages. It is very difficult to organise them.

Considering all these aspects, the Government of Kerala has taken decision to co-operatives it. Several steps have been taken. Now there are 452 co-operatives on the spinning side and there are 26 manufacturing co-operatives.

The Government of Kerala submitted a scheme to the Government of India and requested to give aid of Rs. 15 crores. But actually we got only Rs. 431 lakhs. Afterwards, it was delayed. So the cooperatives are actually suffering. One of the reasons for suffering is lack of fund. Another reason is lack of raw materials which the Minister has admitted. But if there is more husk in Kerala, why it cannot be procured by the Government. The Government of India has kindly included this item in the essential commodities. The Government has never given enough powers to the Government of Kerala. For the last three years we are pleading with the Government and the Government of Kerala is pleading with the Centre to give enough powers to procure the husk. We also asked for power for monopoly. That was also delayed under the plea of lack of infrastructure. What is the way out if there is no infrastructure? We will make the infrastructure. But the Govt. denied this step.

According to the definition of 'dealer' under the present law, only a private man can deal with the husk. The State Government or the Central Government cannot interfere and procure the husk. We asked them to change the law. The present minister might not be aware of it but I myself have met several times for the last 2 and half years all the Ministers and pleaded with them for enough powers. But it was never done.

Only the project officer can register a case if the husk is taken without licence and when the husk is transported. If the case is registered, now the courts are asking them to produce all those raw materials which are involved in the illegal trade. If some amount of husk is taken away without licence, the court will order them to produce it before the court. What is happening? I do not know. These raw materials—raw husk as well as reated husk—will have to be taken to the court. Therefore, we have asked for some changes in the law. So far it is not allowed.

Another aspect is, in one project area, only one project officer is there to register a case. Only he has the power to register a case. We are requesting the Government of India to delegate the powers to the inspectors who are in the villages. But you have never given the powers. Are you helping the cooperatives? Because of decentralisation, they are looting thousands of producers and 5 lakh workers. They are not giving the price and the workers are not getting the wages. If the workers are doing the work they should also get the wages. But there is no raw material for the work. We cannot procure it. I pleaded with the Minister that if the Government of India is actually for cooperativisation, give us enough powers to procure the raw materials. At least, in three districts, give us power for monopoly procurement. We will make the infrastructure. Then only, something can be done and the cooperatives can be supplied with enough raw materials. About one and a half lakh workers are engaged in the cooperatives. If they get employment for 300 days, then much difference will be felt. But in that respect, actually the Government of India has done injustice, we feel. I along with the 700 workers came to your house, Industries Minister's house and pleaded with you

for help. Mr. Tiwari, Industries Minister received us and gave us water. But we did not get the help and the necessary power to procure the raw materials. Because of that, our cooperatives are going to be ruined. We are not getting fund even for meeting the administrative expenditure. They are getting work for 60 or 70 days. Wherefrom will we meet the administrative expenditure? Naturally, from the capital fund and that will finish all these cooperatives. You are ruining the cooperatives. I accuse. This is our experience. I am coming from the coir workers area. The people are starving like anything. Can he deny this fact? What has he done about it?

Regarding the money, he has said that in the Sixth Plan, they have allotted Rs. 12.50 crores which will go to the cooperatives. But there is a condition that 50 per cent matching grant from the State has to be there. What is the position of the State Government? They are going to have a deficit of Rs. 100 crores. With this precarious position of the State Government, will it be possible for them to spend more amount on this? They may find money for buying helicopters. But they will not be able to find money for this. Political will is required. Two years back, finally Rs. 1.25 crores was provided in the budget. The Government spent Rs. 2.86 crores for the coir industry. The political will is an important factor. But now you are putting this condition of matching contribution by the State. The Coir Board approached the State Government. They say that this year Rs. 1.50 crores is allotted for the cooperative sector. The Government of Kerala is saying that they can give only Rs. 75 lakhs. So, we will get only Rs. 75 lakhs for Coir Board. Whatever they give us, all these amounts are returned by the cooperatives. It is not a subsidy. It is a loan. We are asking for the money without matching contribution.

[Shrimati Suseela Gopalan]

If that is not done, we will not be able to develop our cooperatives in the coir industry.

Apart from that, there is an accumulated stock there. The stock worth Rs. 1112 crores is lying there. We have pleaded that at least Rs. 5 crores be given to the public sector so that they can buy the yarn and produce coir products. There is a developing market. Even in India, we can sell it. When the workers came to meet the hon. Minister, they asked him about that. But no decision has been taken yet. The Government of Kerala is not in a position to give such an amount. That is why we pleaded that if they give us at least Rs. 5 crores, we will buy the accumulated yarn and produce coir products and sell them in the market.

This is traditionally a cottage industry. We are asking that some rebate should be given for at least a month for coir and coir products for selling in the market. There is a rebate for seasonal sale of handlooms in Kerala, now for two seasons, they are selling it for handloom. So, some rebate should be given to coir also. But the Government of India is thinking of giving 15 days subsidy. How will that help? At least one month's subsidy should be given. It is required not only for coir products but for the coir yarn also. That is most essential. If Govt. of India is prepared to take concrete measures, there is a possibility of developing the internal market in a big way and for developing the external market also. We are now relying on the traditional markets. We have to make a departure. There are negotiations going on with the socialist countries. I had been to the socialist countries as a member of the trade delegation from Kerala Govt. We had talks with the socialist countries. I think, there is much scope for developing export to the socialist countries. If the hon. Minister puts a little seriousness in

this, I think, the stalemate will be broken. So, he should take some concrete steps in this regard.

MR. DEPUTY SPEAKER: Now you pu. the question.

SHRIMATI SUSEELA GOPALAN: Therefore, I would like to know whether the Government of India is prepared to give enough powers to meet the requirements. The delegation of powers is pending for long. I asked question three or four times and every time I am told that it is under the active consideration of the Government or that it is receiving the attention of the Government. I want a categorical reply from you. I would like to know whether you are prepared to give power for monopoly procurement of husk for at least three districts. I would like to know the amount of Rs. 5 crores will be given.

Something would have to be done immediately regarding the external market.

Something can be done if the socialist countries can be approached.

The assurance of the Government to give to the coir workers Rs. 5 crores to buy the accumulated stock and make products and sell it should be fulfilled.

I would like to have a reply on all these points.

SHRI NARAYAN DATT TIWARI: I have heard with great attention the suggestions made by the Hon. Member. I had the privilege to welcome the Hon. Member yesterday when she led the Delegation along with two or three other Members of Parliament.

MR. DEPUTY SPEAKER: I think that there has been some understanding between you and the Hon. Member.

SHRI NARAYAN DATT TIWARI: I hope that understanding would prevail. That is more important.



As regards the question whether we are going to delegate the powers of procurement of husk and all that, I had already mentioned in my statement that this has been the subject matter of a high-level enquiry and this is under the final stage of consideration. Therefore, I can only say that unless...

(Interruptions)

MR. DEPUTY SPEAKER: The hon. Minister said that it is in the final stage now.

(Interruptions)

SHRI NARAYAN DATT TIWARI: We have to take into consideration, the views of other Governments, apart from Kerala, because there are three other States where coir products are manufactured. They are also coming up in a big way. They are also trying to come up in a big way. So, we have to take their views also into account. (Interruptions)

PROF. P. J. KURIEN (Mavelikara): Do you need so much time to ascertain the views of the Government?

SHRI NARAYAN DATT TIWARI: I do not agree with the hon. Member that the matter has been pending consideration for so long.

As far as exports are concerned, I entirely agree with the hon. Member that we should do more to promote exports and, as a matter of fact, the hon. Member has been good enough to mention that she herself led a Delegation to the Socialist countries.

Apart from that, we have Export Promotion Cell in the Ministry of Commerce. Trade delegations go not only to the socialist countries but also to Australia, New Zealand and to other South-East Asian countries.

A coir workshop was organised in June, 1982, by the India Trade Centre, Brussels and we are also trying to include the subject of coir in the discussions whenever there are Joint

Economic Commission meetings with any other country. We are trying to conclude some agreement with those countries so that coir products are encouraged through the medium of the Joint Economic Commission.

As I pointed out yesterday new competitive coir products or similar products are coming into the international market. There is, therefore, an urgent need to improve the quality of our export products.

When asked as to who are our main competitors, the exporters who were accompanying the hon. Member yesterday said that from China we are having a new type of grass and the market is dumped with this new type of grass. I learnt this from the exporters who came to Delhi. All the exporters were agreed that we have to improve the quality of our products. Therefore, I would request the hon. Member to use her ample influence with the coir exporters and manufacturers...

MR. DEPUTY SPEAKER: Improve the quality without mechanisation.

SHRI NARAYAN DATT TIWARI: That is a touchy subject, I would not refer to it now. Our policy is not to encourage mechanisation. Our policy is to encourage the quality of hand-made coir products. That is our policy 13 hrs.

That can be done provided there is the will and there has to be the political will also; with the political will in Kerala it can be done so that we can develop the quality of our export products. We cannot force our products in the international market unless we improve our quality. So, I would make a humble request to the hon. Member to cooperate in this venture.

The hon. Member was good enough to mention about the matching provision, that fifty-fifty would not do. But Sir, you will agree that when the State Government themselves have agreed, when the State's Sixth Five-Year Plan was being formulated—

[Shri Narayan Datt Tiwari ]

this is one of the first Plan schemes of this type it is a unique scheme—if the State Government themselves agree that they will be providing the matching any grant, we do not have any occasion to disbelieve a recommendation of the State Government, and I think that whatever might be the hue and colour of the Government in Kerala, they will certainly abide by their commitment that they will put the 50 per cent par of theirs for the development of coir industry.

SHRIMATI SUSEELA GOPALAN:

This year because of the precarious financial position they have agreed for only Rs. 75 lakhs. That means, only Rs. 75 lakhs we will get from here. Some constraints are there.

SHRI NARAYAN DATT TIWARI:

I do not have this fact with me just now. As I said, I am going to invite a Conference of Ministers of all the coir-producing States and coir-product manufacturing States. I would assure the hon. Member that I would write again to the Chief Ministers and urge on them so that the consumption of coir products in their respective States through the medium of State Government and State agencies is also increased.

SHRIMATI SUSEELA GOPALAN:

We have requested for Rs. 5 crores for buying the accumulated stock. That has not been replied to.

MR. DEPUTY-SPEAKER: Mr. Balanandan.

SHRI E. BALANANDAN (Mukundapuram): Our Industry Minister, as you know, Sir, is a pleasant man for discussing this matter. I thank him for that. I want to thank him also for one point. He has taken certain steps for improving the internal market; I do not deny that. But we are discussing a serious problem of a State and a problem affecting five lakhs of people. Therefore, we have

to go a little deeper into the problem and we can find out some solution.

Mr. Minister, you will admit that we are the people who are connected with this industry for years. Therefore, you should agree with me if I say that the Coir Board prescriptions or the prescriptions of the traders are to be taken on their merits but when we say something, that also should be taken very seriously.

Now, what is the position of the coir industry? In 1945-46, as hon. Member Shrimati Suseela Gopalan has said, we had exported 65,983 tonnes of coir goods. And what have we exported in the last two years? In 1980-81 we exported 28,609.3 tonnes and in 1981-82 30,078.7 tonnes. I am talking about the export trade. In 1945-46 it was about 66,000 tonnes and in 1981-82 it was just 50 per cent of that.

In the coir industry there are two sectors, the spinning sector and the manufacturing sector. In the manufacturing sector in 1945-46 we had a few factories with 30,000 workers. Now the big factories have been abolished and we are having about 4,000 small producers. This change has come through. For what? Always we know that big factories with a little improved technique will be good for quality production, etc. But those people who got the control of the industry then thought that decentralisation if they resort to, they can squeeze more out of the industry. Now, what is the position? To-day's position is that these 4000 poor people who are supposed to be manufacturers cannot keep one day's production with them. Their financial position is so poor. Therefore, there is another set of people coming into the picture. They are called merchant-traders. They have no other interests. They are only traders. They have come to you yesterday; I know. What are they doing? They have stopped their

manufacturing and they do only trading. Trading you know. The word itself denotes so many things. They are export-traders. They are having many kinds of under-invoicing and so many other methods. They are not bothered about your quality or anything of that sort. They are not bothered about Kerala State. They are only bothered about their profits. Therefore, what happens is that these merchant-traders who have nothing to lose except their profits and who have no concern except their profits are now standing in the way of development of this industry.

Therefore, the Coir Board may agree with me and the Kerala Legislature unanimously agreed with us for making a demand to the Government of India that this export trade should be nationalised. Can you do that—to nationalise the export trade? I make a suggestion, if you find it difficult to immediately nationalise the trade. Let it be canalised. The Government of India can canalise so that these cut-throat people who have no business except to earn their profits should be immediately sent out of the industry. That is my first point...

PROF. N. G. RANGA: Very good.

SHRI E. BALANANDAN: Another point. The earlier Government has suggested starting of 2 or 3 factories under the Coir Corporation so that a thousand or two thousands workers can be employed and organised production started. Some efforts have been made by the earlier Government. I do not know the present position. But as the other hon. Member put it to you, Kerala Government is finding financial difficulties. Therefore, you see—you can calculate the input for getting a man employed, that is, for giving a man employment to a man. In any organised industry it comes to Rs. 10 lakhs. But in this coir industry if you put

that Rs. 10 lakhs you can give employment to a minimum of 100 workers. Therefore, here I am suggesting a point that for the development of the coir industry, you should help to organise the coir industry under the Coir Corporation in an organised way. For that, I request the Minister through you that at least Rs. 3 crores should be given. In any part of the industry in the country, with that amount so much of employment potential cannot be given. Therefore, considering this point, the Government of India should come forward to assist the Coir Corporation for starting three coir factories and to organise the industry. This is my second submission.

Coming to the spinning sector, hon. Member, Shrimati Suseela Gopalan was listing the difficulties that we are having a stock of Rs. 10 crores worth of goods. What is the position then? The Government of Kerala requested the Government of India to help them with an advance, if possible, without interest, of Rs. 5 crores.

I can understand if the Minister says that it is not possible to give Rs. 5 crores but he will give Rs. 4 crores. This I can understand and the figure is negotiable. But I know you will go not talking in this house that a sizeable financial help will be given to this industry. I hope that when this industry is facing a crisis you will consider giving this help. Another thing is this.

AN HON. MEMBER: How long you will go on?

MR. DEPUTY-SPEAKER: Because this is coir, he will go on speaking.

SHRI E. BALANANDAN: Coir means coir. Coir is embracing in Kerala State. Therefore, I am talking. I may take some more time. The point here is this. You are talking about the quality and about the pricing mechanism. I can vouchsafe through you in this House.

{[Shri E. Balanandan]

Mr. Deputy-Speaker, Sir, that Coir Board, as I understand it, has a research section. They certify that the mechanisation with out proper supervision will mean that the quality will go to the doldrums. For example, I can tell you about the coir-yarn making through the machines.

MR. DEPUTY-SPEAKER: They are to compete with China.

SHRI E. BALANANDAN: We can compete with anybody else including China.

MR. DEPUTY-SPEAKER: You must tell that also.

SHRI E. BALANANDAN: With Russia and China, they should compete provided they have the political will. I agree with you there. Then what is it that is required? Coir Board is an expert body and they are having a Research Centre. And that Centre made a study about the coiryarn making through the machines. If the quality of yarn goes down, then why should you rechanise that? Another thing is that there is a company named Ravi Karunakaran & Co. Shri Ravi Karunakaran is a big man.

MR. DEPUTY-SPEAKER: Is he the hon. Chief Minister?

SHRI E. BALANANDAN: He is Shri Ravi Karunakaran. He is another person. I do not want to mention any name of the person who is not present here. What I am saying here is this. This kind of mechanised industry is not capable of competing with the other handloom machines which we have in the making of the coir mats. I am sorry to say here that the Minister, is bringing in other states which are involved. If he says that he wants to protect the interests of the States, I am one in protecting these States. There is a body called 'Coir Board'

where the Government of India is also represented and all the other States are represented and also the experts, all the interests are there. Therefore, they can formulate the policy. It is unfair on the part of the Minister to say that he is going to discuss that with the States. These States are already represented there. And they are discussing and formulating the policy. When I come here and talk about it, the Minister will say 'Mr. Balanandan, I have to talk to the State Government. This is not wanted. The only thing is: You have to tell us whether you are going to accept the suggestion of the Coir Board or not. You are referring to the report of Sivaraman Committee. That Committee has studied this subject. There is a report in which they have said that the export trade should be nationalised and the traders who have no stakes in the industry should be given a go-by. I am cutting short. Since suggestions have been made. I do not want to go point by point. But, still, he has to remember certain things and therefore, I have to repeat them again.

MR. DEPUTY-SPEAKER: He is noting that down.

SHRI E. BANANANDAN: The first point that we must decide is this. I want the Minister to declare in this august House that the export trade in coir industry is going to be nationalised. Secondly, for concentrating the industry whether the Government of India is going to give aid and held for the Coir Corporation to start three coir factories; Thirdly, about the Government of India giving aid of Rs. 5 crores to the coir industry, I want a decision here and now.

MR. DEPUTY SPEAKER: You want a decision on this spot.

SHRI E. BALANANDAN: Here and now, Sir, I would request the

hon. Minister to come with a positive answer. (Interruptions)

**SHRI M. M. LAWRENCE:** Sir, I would like to seek a clarification whether Government will institute an inquiry about the fraudulent and illegal action in importing looms from foreign countries.

**SHRI NARAYAN DATTA TIWARI:** Sir, first of all I must thank the hon. Member. As per the norms and parliamentary practices, it is not proper to name the hon. Member—we only name the constituency—but I may have your permission to address him as Mr. Balanandan. Sir, I thank him for having given a modicum of appreciative recognition which is a rare commodity these days. He applauded certain of our measures for increasing exports and increasing internal consumption of coir products, I am thankful to him.

Sir, he wants me to make a blind declaration that exports of coir products will be nationalised. I do not know how he thought that I could make such a blind declaration at this point of time. I have the Sivaraman Committee report with me to which he has referred. I do not think they have made such a recommendation as the hon. Member has mentioned. As far as the exporters who met me yesterday, they did not come alone. They were accompanied by—if I am correct—Shrimati Suseela Gopalan.

**SHRI E. BALANANDAN:** Those industrialists are against mechanisation.

**SHRI NARAYAN DATTA TIWARI:** They had come with a unanimous demand that this factory should not be allowed....

**SHRI E. BALANANDAN:** We are all unanimous on that.

**SHRI NARAYAN DATTA TIWARI:** Sir, the question of quality of exports is a 'must' now in the overall

context of export development of coir production. The hon. Member has made many references to the question of quality. I would only like to refer to one recommendation of the Sivaraman Committee report, namely, para 9(14):

"It is reported that in Sri Lanka, both machine-spun and hand-spun, curled coir is produced, whereas in India curling is done only on imported machines, even though attempts are going on to fabricate indigenous curling machines. India can also adopt the method followed in Sri Lanka in introducing hand operated curling machine to advantage."

I am just referring to one particular recommendation of the Sivaraman Committee report which does not require Government approval. It is a general recommendation which anybody should implement—even cooperatives should implement. It is hand curling. Why can't we implement such an innocuous recommendation which is quality-improving and gives more employment.

As far as employment is concerned that figure is static, 5 lakhs; 5 lakhs. As I mentioned earlier, I require the cooperation of hon. Members so that we can reach the employment target of 8 lakhs persons by the end of the Sixth Five Year Plan. That is our target. We have to reach the figure of 8 lakhs. That is our target. This is what we want to achieve by the end of the Sixth Five-year Plan.... (Interruptions) That is always our endeavour.

The hon. Member has suggested that the Coir Corporation should start organised factories. Well, first of all, I must clarify it—there is no Coir Corporation of India...

**SHRI E. BALAMANDAN:** .... of Kerala.

**SHRI NARAYAN DATTA TIWARI:** Here in the Calling Attention Motion, I find 'Coir Corporation of India'.

## Industry (CA)

**SHRI E. BALANANDAN:** Typing mistake.

**SHRI NARAYAN DUTT TIWARI:** May be typing mistake, but it is there in print.

Now, Sir, it is the Coir Corporation in Kerala which itself has to take a decision. It does not require any approval of the Government of India.

If the Coir Corporation of Kerala wants to set up any organised factory, they are welcome to set up such an organised factory. If they want to do so, they are welcome to do that.

**SHRI E. BALANANDAN:** What about financing part of it?

**SHRI NARAYAN DUTT TIWARI:** Financing? It is not just Governmental financing; there are institutional financing, there are various financial institutions. That is why I said that they should also avail of the existing facilities. The IDBI is there, AVAR is there, the Government's and the Reserve Bank of India's policies are there. Let us pool all our common talents for the implementation of what we have already planned for.

Sir, I do not think there is any basic difference between what I have said and what the hon. Member has said. So, Sir, I would request and plead with hon Members on this point. I am thankful to them for having raised this important issue regarding the CBI enquiry. Now, first of all, the hon. Member knows that no CBI enquiry is made until and unless the State Government recommends such an enquiry or the matter is of such importance which requires intervention of the Central Government *ad initio*. Therefore I request hon. Members to give me the facts so that we can check up what are the allegations. Because, this has not been the subject matter of today, Calling Attention Motion. In the

Calling Attention Motion, no reference is made to by CBI enquiry against any party. Therefore, I request that the hon. Member should give me in writing what exactly he wants and what type of enquiry he wants.

Sir, I have done.

13.25 hrs

*The Lok Sabha adjourned for lunch till thirty minutes past fourteen of the clock.*

*The Lok Sabha re-assembled after lunch at thirty three minutes past Fourteen of the Clock.*

[MR. DEPUTY-SPEAKER in the Chair]

**MR. DEPUTY-SPEAKER:** Now, the Minister of External Affairs to make a statement.

STATEMENT RE: VISIT OF H.E. GEN. ZIA-UL HAQ, PRESIDENT OF PAKISTAN

THE MINISTER OF EXTERNAL AFFAIRS (SHRI P. V. NARASIMHA RAO): His Excellency General Mohammad Zia-ul-Haq, President of the Islamic Republic of Pakistan, spent nearly four hours in Delhi on November 1, 1982 en route to Indonesia. He was accompanied by four Ministers—Sahibzada Yaqub Khan, Minister of Foreign Affairs; Mr. Ghulam Ishaq Khan, Minister of Finance and Commerce; Mr. Mohyuddin Baluch, Minister of Communications; Lt. General Saeed Qadir, Minister for Production, Railways and National Logistic Board; Lt. General K. M. Arif Chief of Staff to the President; Mr. Niaz Naik, Foreign Secretary and other officials.

2. During his brief halt in Delhi, President Zia-ul-Haq called on our President. He had an hour's meeting with the Prime Minister Shrimati Indira Gandhi at which the Foreign Ministers of the two countries were also present. Simultaneously, my colleague the Minister of State, Shri A. A. Rahim, led a team of officials