

## [ श्री रामाबतार शास्त्री ]

सूचना सभा पटल पर रख दी जाएगी। सरकार को तीन महीने के अन्दर जवाब देना चाहिए। लेकिन मेरे पास अभी छः क्वेश्चन्ज मौजूद हैं, जिन को तीन महीने से ज्यादा हो गए हैं—चौथा महीना हो रहा है, मगर अभी तक कोई जवाब नहीं दिया गया है। मैं ने 22-8-74 को चार सवाल पूछे थे, जिन के नम्बर ये हैं—

**अध्यक्ष महोदय:** यह बात आप मे चेम्बर में रेज कर सकते हैं। मैं यह परम्परा नहीं डालना चाहता हू कि जब रिपोर्ट को प्रेजेंट किया जाये, तब भाषण शुरू हो जाये। मगर आप चाहते हैं, तो हल 377 में नोटिस दीजिए। यह बात गलत है।

**श्री रामाबतार शास्त्री:** इन छः क्वेश्चन्ज को चार महीने हो गए हैं। मैं उन्हीं क्वेश्चन्ज के नम्बर बता रहा हू। निधम 377 में आप अनुमति देते नहीं हैं।

**अध्यक्ष महोदय:** मैं यह कन्वेंशन नहीं डालना चाहता हू कि रिपोर्ट के प्रेजेंटेशन के वक्त इस तरह भाषण दिए जाय।

13.11; hrs.

## COMMITTEE ON PETITIONS

## MINUTES OF FORTY-SECOND TO FIFTY-FIRST SITTINGS

**SHRI JAGANNATH RAO:** (Chattrapur): I lay on the Table Minutes of the Forty-second to Fifty-first sitting of the Committee on Petitions.

## STATEMENT RE. MICA AND SHELLAC

13.11; hrs.

**THE MINISTER OF COMMERCE (PROF. D. P. CHATTOPADHAYAYA):** Mr. Speaker, Sir, Export of mica was

canalised through Minerals and Metals Trading Corporation with effect from January, 1972, and Mica Trading Corporation (MITCO) was set up, as a subsidiary of M.M.T.C., with effect from June, 1974. This Corporation is the specialised agency for handling all work pertaining to mica trade. Helping the weaker sections of mica industry and trade is one of the important objectives of this organisation.

For achieving this particular objective such processors, dealers and mine owners who have been in the export trade in the past and whose exports during any one of the last three years had not exceeded Rs. 7.5 lakhs are treated as weaker sections of the trade. There are about 400 to 500 processors, dealers, and mine owners in this category.

With a view to helping these sections, formerly M.M.T.C. and now, Mica Trading Corporation, has been purchasing mica from them for export. During the period from April to October, 1974, it has purchased, on an average, about Rs. 43 lakh worth of mica per month from these small producers, and MITCO's purchasing operations have not been affected on account of inadequacy of funds. Also, MITCO makes these purchases on a non-discriminatory basis from all processors etc in the category of weaker sections.

13.15 hrs.

[Mr. Speaker in the Chair].

Floor prices of various grades of mica are determined on the basis of their availability for export and demand from foreign buyers. These floor prices were last revised for different grades in February, 1974.

A few years ago, exports of No. 6 loose splittings had dwindled and the mica products made from these splittings were meeting with serious competition from synthetic substitutes. In order to meet this situation, export duty of 40 per cent *ad valorem*

leviable on these splittings was reduced to 20 per cent *ad valorem* with effect from the 31st March, 1969, and further to 15 per cent *ad valorem* from 1st January, 1973. The floor prices for this grade has also been raised twice, by 10 per cent from the 1st January, 1973, and further 20 per cent in February, 1974. The exports of these splittings have now picked up. These floor prices are under constant review with a view to ensuring a fair return for the processors and mine owners and an even flow of exports. Government would thus be seen to be paying adequate attention to the question of promoting the export of this category of mica.

A Liaison Committee has been set up by the Mica Trading Corporation to deal with day to day problems of export of processed mica. Both big and small mica mine owners, processors and dealers are represented on this Committee. The selection of representatives was made by the traders themselves. Full participation of mica trade has thus been secured on the Committee.

Exports of processed mica declined in 1973-74 on account of delay in finalisation of contracts by certain important buyers, but have shown an upward trend in the first half of this year. They have risen from 10,484 metric tonnes valued at Rs. 4.04 crores in April to September, 1973, to 18,749 tonnes valued at Rs. 10.39 crores in the corresponding period this year.

As regards shellac, a sudden increase in shellac export prices was witnessed during 1973-74. While the average price realisations of hand-made shellac and machine made shellac were Rs. 8000/- and Rs. 8,715/ per ton during 1972-73, the unit value realisations during 1973-74 on an average were Rs. 24,216/- per ton for hand-made and Rs. 29,000/- per ton for machine made shellac. After taking into account the recommendations of the Shellac Export Promotion Council and the price trends in the recent months, the minimum Export Price of shellac of various types was

revised with effect from 30th May, 1974.

The Minimum Export Price of hand-made and machine-made shellac has always been kept at the same level. The total shellac content of the two types is the same. If the price of man-made shellac is kept at a lower level than that of machine-made shellac, this may result in an unnecessary loss of foreign exchange to the country. We expect that machine made shellac will automatically fetch a higher price from foreign buyers because of its superior specifications. In fact, during 1973-74, a ton of machine made shellac fetched about Rs. 5,000/- more than a ton of man-made shellac.

The impact of a higher Minimum Export price has resulted in increased exports of shellac both quantitywise and valuewise. During the period April 1974 to October 1974, exports valued at Rs. 14 crores have been effected and orders of about Rs. 4 crores are reported to be pending with exporters. This can be compared with the total exports of 1973-74 which were of the order of Rs. 13.40 crores in value only. The quantity exported during 1973-74 was 3115 tons as against exports of 4050 tons already made in the current financial year upto October 1974.

Higher earnings consequent on the fixation of a higher Minimum Export Price create conditions for better prices to be given to stick lac growers, since all stick lac comes to primary markets from the growers. It is then sold through brokers to both the man-made and machine-made shellac manufacturers.

Government appreciate the need to review the Minimum Export Price of Shellac from time to time, having regard to all relevant circumstances. It is hence proposed to set up a Standing Advisory Committee on Shellac Trade consisting of mechanical experts, representatives of the trade, Ministry of Commerce and the concerned State Governments to advise the Central Government from time to time on the

need and scope of such revision and other relevant aspects.

**SHRI CHAPALENDU BHATTACHARYYA (Giridih):** Sir, May I ask a few questions?

**MR. DEPUTY-SPEAKER:** One question on shellac and one question on mica.

**SHRI CHAPALENDU BHATTACHARYYA:** It involves four lakh families.

**MR. DEPUTY-SPEAKER:** It may involve. I am not disputing this. But, there are certain Rules. We have to run this House according to certain Rules. When I am here, I will run the House according to the Rules. If you think that you have many more things to say and that you are not satisfied, then resort to some other provisions of the Rules.

**SHRI CHAPALENDU BHATTACHARYYA:** There is no remedy.

**MR. DEPUTY-SPEAKER:** I permit you two questions, one on shellac and one on mica. If you do not want to avail yourself of that, I will go on to the next item.

**SHRI CHAPALENDU BHATTACHARYYA:** Sir, I have always submitted to the ruling of the Chair, however hamstrung I may be. Firstly, I would like to know, has the policy led to increase in production or drop in production of mica from the mines and what has been the shortfall in regard to export of mica compared to the anticipated export? How and why, the Mica Exporters' Association which comprises of the largest number of exporters has been deliberately bypassed in favour of the so called Liaison Committee so that the Liaison Committee may rubber stamp the functioning of the Managing Director there. I would also like to know whether all these have led to large scale unemployment over the 72 mile long mica belt in the districts of Giridih and Hazaribagh? This is about mica. About shellac, I would like to know, whether

the internal prices of sticklac have crashed after the fixation of minimum export prices of shellac on 30th May, 1974, when with majestic impartiality the Commerce Ministry fixed the prices of hand-made shellac and machine-made shellac at par? If so, whether this crash in sticklac prices available to the consumer will or will not result in unduly cutting down of the sticklac producing trees?

**PROF. D. P. CHATTOPADHYAYA:** Sir, as the figures indicate and as has been pointed out by my hon. friend, it is a fact that mica production in the last six or seven years has somewhat come down. The reasons for the fall in production are (a) high cost of production and (b) synthetic substitutes are being very much used in the foreign countries....

**MR. DEPUTY-SPEAKER.** Mr. Shastri, why not go to the lobby and talk? You are distracting my attention.

**PROF. D. P. CHATTOPADHYAYA:** Thirdly, Sir, because of the huge stockpiles in the USA, our mica has been rather uncompetitive in the world market, and therefore, production incentive has somewhat come down, resulting in lower production. It is a fact. I am not disputing it. But because of that, we are taking appropriate measures. As I said, we have formed this MITCO, Mica Trading Corporation to look after the interests of the weaker sections of the mica industry, processors and dealers.

**SHRI CHAPALENDU BHATTACHARYYA:** Have you defined it?

**PROF. D. P. CHATTOPADHYAYA:** I have said in the body of my statement.

**SHRI CHAPALENDU BHATTACHARYYA:** Six months after it came into operation....

**PROF. D. P. CHATTOPADHYAYA:** In the statement, I have given the def-

nitition, which are the weaker sections of the mica trade. About shellac prices, I know the problems in regard to shellac and I had the privilege and also the occasion to discuss the problem with the hon. Member outside the House. Sir, one of our objective is to earn more foreign exchange from exporting our shellac. The shellac content in man-made shellac and machine-made shellac being identical, we try to fix their prices at the same level and if we make any distinction between the two levels, that is, lesser price for man-made shellac than the machine-made shellac, then, there is a tendency among exporters to treat the floor price as the ceiling price resulting in loss of foreign exchange.

Therefore, figures indicate, as I have quoted in my statement, that both volume-wise and value-wise this new price we have fixed of shellac has yielded good results for the country. This is one aspect.

The second point is whether this policy is adversely affecting the poor shellac collectors and growers at the primary market level. That problem is being looked into. Apparently, from the figures because of the rise of export, both volume-wise and value-wise, it suggests that intake from the primary market has also not gone down. But this point has been brought to our notice, among others, by knowledgeable people like Shri Bhattacharyya. We have set up a committee which will go into the matter, consult State Government representatives and trade

representatives and knowledgeable people like my hon. friend, and we will see that not only higher export earning but also grower interests are taken into account.

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13.26 hrs.

CODE OF CIVIL PROCEDURE  
(AMENDMENT) BILL

APPOINTMENT OF MEMBER TO JOINT  
COMMITTEE

SHRI LILADHAR KOTOKI (Now-  
gong): I move:

"That this House do appoint Dr. (Smt) Sarojini Mahishi to the Joint Committee on the Bill further to amend the Code of Civil Procedure, 1908, and the Limitation Act, 1963, in the vacancy caused by the resignation of Shri Niti Raj Singh Chaudhary".

MR. DEPUTY-SPEAKER: The  
question is: f

"That this House do appoint Dr. (Smt.) Sarojini Mahishi to the Joint Committee on the Bill further to amend the Code of Civil Procedure, 1908, and the Limitation Act, 1963, in the vacancy caused by the resignation of Shri Niti Raj Singh Chaudhary".

*The motion was adopted.*