

(c) if so, the steps being taken to boost their exports and make the spices more competitive in the world market?

THE MINISTER OF FINANCE AND THE MINISTER OF COMMERCE (SHRI NARAYAN DATT TIWARI): (a) to (c). A Statement is given below:

### STATEMENT

(a) The earnings from export of spices as a percentage of total export earnings during 1986-87 is estimated at 2.28%.

(b) Pepper is the single largest item of export amongst spices. Price of this item has been on increase. In the case of other spices, the prices have been fluctuating.

(c) Steps being taken to boost export and to make the spices more competitive include implementation of various development schemes for increasing their production and productivity especially for pepper and cardamom. Other export promotion measures include grant of cash compensatory support, air freight subsidy on cardamom for exports made during Sept-Dec, 1987, publicity scheme for market promotion in West Asia, North Africa and participation in fairs abroad etc.

### Restructuring of Indo-USSR Trade

\*273. SHRI H.N. NANJE GOWDA  
SHRI G.S. BASAVARAJU

Will the Minister of COMMERCE be pleased to state:

(a) whether India and the Soviet Union have agreed to restructure Indo-USSR trade;

(b) if so, whether efforts are being made to identify areas of import and export;

(c) whether an official delegation visited the Soviet Union to identify import opportunities, particularly in the private sector;

(d) if so, the details thereof; and

(e) to what extent trade has increased between the two countries?

THE MINISTER OF FINANCE AND THE MINISTER OF COMMERCE (SHRI NARAYAN DATT TIWARI): (a) to (e). A Statement is given below:—

### STATEMENT

1. India and USSR have agreed to diversify the structure of bilateral trade in order to raise its level by 2.5 times in the next five years. Steps have been taken to expand the list of commodities and machinery and equipments being exchanged between the two countries and to introduce new forms of economic cooperation. Bilateral trade between the two countries has increased from Rs. 1.3 crores in 1950 when Rupee trading arrangements were introduced to Rs 3690 crores (prov.) in 1986.
2. A meeting of the Working Group on Trade was held in Moscow in July, 1987, to review the flow of trade between the two countries and to consider the pace of implementation of measures to achieve the targetted level of growth. Based on these discussions, it has been decided to continue further work in several sectors to attain the targets set forth earlier.

[Translation]

### Illegal arms manufacturing factories

\*274. SHRIMATI MANORAMA SINGH:  
SHRI VILAS MUTTEMWAR:

Will the Minister of HOME AFFAIRS be pleased to state:

(a) whether Government propose to amend the law with a view to provide stringent punishment for illegal manufacture of arms; and

(b) if so, the outlines of this proposal ?

THE MINISTER OF HOME AFFAIRS (SHRI BUTA SINGH) : (a) and (b). No, Sir. However, various penal provisions of the Arms Act, 1959 were made more stringent through the Arms (Amendment) Acts of 1983 and 1985. Under the amended provisions of Section 25 of the said Act, punishment for illicit manufacture of arms and other allied offences has been enhanced from imprisonment for three years or fine or both to imprisonment for a minimum period of three years and a maximum of seven years with liability to a fine.

#### Export of cotton textiles

\*275. SHRI KALI PRASAD PANDEY: Will the Minister of TEXTILES be pleased to state:

(a) whether Government have been exporting fine cotton textile at throw away prices so as to meet the heavy import bill

(b) if so, the details of the volume of export of cotton textile made during the last three years, indicating the period in

which volume of exports of cotton and cotton textile, along with their prices so increased in terms of percentage;

(c) the reasons for which there was no commensurate increase in the earnings from such export in proportion to the increase in its volume; and

(d) whether Government are considering to take any effective steps in this regard?

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI RAM NIWAS MIRDHA) : (a) to (d). Fine cotton textiles from India are not sold at throw away prices. The prices for Indian cotton textiles in the international market are dependent on market demand and quality of the products. Better quality fabrics from India fetches higher price. Prices for the textile fabrics are fixed through negotiations between exporters and importers, taking into account market forces. The volume and value of exports of mill-made and powerloom cotton fabrics during the last three years are furnished below :—

Year	Quantity (Million Sq Mtr.)	% Increase	Value (Million Rs )	% Increase
1984	530.75	—	3319.24	—
1985	472.55	(—) 11.0	3375.29	(+) 1.7
1986	515.57	(+) 9.1	3537.55	(+) 4.8

During the first half of 1987, exports have shown significant improvements, both quantitatively and value-wise as compared to the corresponding period in 1986 by 36.5% and 30% respectively.

Government has taken the following steps to boost export of textiles:—

(i) For the purpose of removing

obsolescence and for modernising the textile industry, the Government policy of indigenous production of textile machinery has been liberalised and select machines are allowed to be imported with export obligation.

(ii) A textile modernisation fund of Rs. 750 crores has been created