

available in the country within a reasonable price.

The cost of production of tea has been very high.

**SHRIMATI GEETA MUKHERJEE :** what is the difference between auction price and consumer price?

**SHRI P.A. SANGMA :** According to the figures available with me the consumer price of various grades of CTC tea, excluding local taxes, is as follows :

April-June 1983 —

Red Label — 28.76

Super dust — 30.47

Yellow label — 28.66

Ruby Dust — 30.48

April-June, 1984 —

Red label — 32.00

Super dust — 35.67

Yellow Label — 30.88

Ruby Dust — 35.68.

#### Export of Cotton Yarn due to Surplus Production.

\*42 **SHRIMATI JAYANTI PATNAIK :** Will the Minister of COMMERCE AND SUPPLY be pleased to state :

(a) whether India has become surplus in cotton ;

(b) if so, whether Government have a proposal to export cotton yarn in view of its surplus production ;

(c) the quantum of cotton and cotton yarn proposed to be exported during 1985-86 financial year ; and

(d) the details thereof ?

**THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND SUPPLY (SHRI P.A. SANGMA) :** (a) to (d). A statement is laid on the Table of the House.

#### Statement

(a) to (d) : The production of long and extra-long staple varieties of cotton has been surplus to our domestic requirements during the last few years. The export of cotton is determined on the basis of demand, supply and trend cotton prices. During the current season (1 September 1984 — 31 August 1985), a quantity of 1.00 lakh bales of long and extra-long staple varieties of cotton has been released by Government for export so far. During the Calendar year 1985, export of cotton yarn of counts 4ls to 60s is allowed within a ceiling of 6 million kgs., while that of counts 6ls and above is allowed without any restriction.

**SHRIMATI JAYANTI PATNAIK :** The Minister has replied that the production of cotton has been in surplus for the last few years. I would like to know the average surplus quantity of cotton per year. What is the price in the international bulletin? what is the f.o.b. and c.i.f. price of it? Will the Minister supply a copy of the bulletin to me regarding this ?

**MR. SPEAKER :** I am happy that she asked this question though there is no cotton produced in Orissa. It is I who should have done it. She must be knowing all these facts. If the prices of cotton are going down, why can you not export more of it ?

**SHRI P.A. SANGMA :** As far as this year is concerned, the estimated production - hon. Speaker knows it very well because he has been talking very often about this - is 84.75 lakh bales. The carry-over stock is 16 lakh bales. That makes the stock available 100.75 lakh bales. The consumption by the mills is expected to be 86.65 lakh bales. As far as export is concerned, the surplus that we talk about is only in the case of extra long and long staple cotton. Our estimated surplus at the moment is 2.86 lakh bales, out of which we have allowed export of one lakh bales so far. As far as medium staple is concerned, there is in fact shortage of it to the tune of 70,000 bales.

That shortage is there. Exports have been very negligible. I am sorry I do not have the exact if value of exports.

**SHRIMATI JAYANTI PATNAIK :** But what is the price I could not follow. Whether it is in our port or in their post? And do we have buffer stock? If it is not so, is there any proposal for having a bufer stock?.....  
(Interruptions)

**MR. SPEAKER :** The prices have already gone down.

**SHRIMATI JAYANTI PATNAIK:** Yes, these have gone down but the farmers will suffer.....(Interruptions)

**MR. SPEAKER :** That is why they are suffering.

**SHRIMATI JAYANTI PATNAIK :** That is why I am asking. And also there has been decline in the production due to natural calamities and due to other reasons also.....(Interruptions).

**MR. SPEAKER :** Yes, Mr. Purohit.

[Translation]

**SHRI BANWARI LAL PUROHIT:** Mr. Speaker, Sir there is a monopoly procurement scheme for cotton in the Maharashtra State. As a result of decline in the prices of cotton there, the Federation could not dispose it of. The Maharashtra Cotton Federation, therefore, sought the permission of the Central Government to export it. I want to know the number of bales for the export of which Maharashtra Government had sought permission and the number of bales for which the Central Government gave permission?

[English]

**SHRI P. A. SANGMA :** We have allowed them 40,000 bales for export. Out of one lakh bales, we have allowed 40,000 bales to be exported by the Cotton Corporation of India, 40,000 by Maharashtra Federation and 20,000 by Gujarat Federation.

**MR. SPEAKER :** So, in all it was one lakh.

[Translation]

**SHRI BANWARI LAL PUROHIT :** What is the number of bales for which permission was sought and the actual number for which permission was granted?

[English]

**MR. SPEAKER :** How much the Federation demanded?

**SHRI P. A. SANGMA :** I do not have the figure as to how much they wanted.

**PROF. N. G. RANGA :** Sir, according to the Minister's statement, there are still more than one lakh bales available here in addition to what they have already allowed to be exported. How is it and what steps are the Government going to take in order to facilitate the export of the surplus which is already there? Whether it is a fact that the Andhra Government has asked for permission to export their long staple cotton and whether it has been a long standing demand?

**THE MINISTER OF FINANCE AND COMMERCE AND SUPPLY (SHRI VISHWANATH PRATAP SINGH) :** I share the concern which Prof. Ranga has for the farmers and also his concern for the little price depression that cotton has. I can assure on the floor of the House on behalf of the Government that we will permit one lakh more bales of cotton to be exported in addition to what we have already allowed.

**MR. SPEAKER :** That is nice. That is all right.

**SHRI VISHWANATH PRATAP SINGH :** At the same time, regarding exports from Andhra, Andhra is the largest producer of long staple cotton. So far we have been allowing the Maharashtra Cotton Federation, CCI and the Gujarat Cotton Federation. This was with a view to restrict so that

there may not be many people in the international field to sell the same product and there may not be competition. But if the Cotton Federation of Andhra has long staple with it, we will sympathetically consider exports from there.

**PROF. MADHU DANDAVATE :**  
Some good supplementaries may be put from the Chair.

**MR. SPEAKER ?** I will only get the positive answer. Yes, Mr. Reddy.

**SHRI ERASU AYYAPU REDDY :**  
Sir, I would like to know from the hon. Minister whether the principal cotton growing States are consulted in determining the export policy and is there any possibility of the *kisan* lobby being represented before determining this export policy. The general impression is that immediately after the harvest, the prices are going down. Cotton goes into certain quarters and then the prices go on shooting up after the *kisan* is deprived of his produce. Therefore, I would like to know whether the principal States are consulted before determining the cotton export policy.

**MR. SPEAKER :** The question is what steps can we take to forestall any such happenings? We should be prepared. Prevention is always better than cure.

**SHRI P. A. SANGMA :** We will try to find out a way.

**PROF. N. G. RANGA :** The cotton Corporation goes to sleep.

SOME HON. MEMBERS *rose*—

**MR. SPEAKER :** The question has been done ample justice, I know.

#### Hike in Prices of Steel

\*43 **SHRI SOMNATH RATH :**  
Will the Minister of STEEL, MINES AND COAL be pleased to state :

(a) whether the recent hike in the prices of steel has been enforced ;

(b) if so, since when ;

(c) whether the Indian steel prices are already twice that of the international prices ;

(d) if so, the reasons therefor ; and

(e) the steps taken to stabilise the steel prices ?

**THE MINISTER OF STATE IN THE DEPARTMENT OF STEEL (SHRI K. NATWAR SINGH) :** (a) and (b) Yes, Sir, The Joint Plant Committee increased the prices of steel reform the midnight of 20/21 February, 1985.

(c) No, Sir.

(d) Does not arise

(e) In the long run, steel prices have to reflect the costs of production and constant efforts are made to contain these to the extent this is within the control of the producers. Some of the steps taken to control the cost of production are the planned higher production, improved technoeconomic parameters and technological processes, better maintenance and control over inventories and expenditure,

**SHRI SOMNATH RATH :** I would like to know the reasons which led to the steel price hike a number of times. Is it a fact that this has been done because of the fact the production costs of the public sector steel plants have gone up and so they want to meet the difference and hence this price hike has taken place? Is so, will the hon. Minister be pleased to appoint a Committee to go into the details and suggest removal of bottlenecks? Is it also a fact that one of the reasons is the increase in price of raw materials and components, like coal, energy etc.? It so, will the hon. Minister have co-ordination with the Minister of Coal, Railway and Energy to see that proper facilities are provided to these steel plants at the proper time for increased production?