

SHRI K. LAKKAPPA: I would like to know from the hon. Minister about the export promotion efforts so far as coffee is concerned. Even though some improvement has been shown, still, countries like Latin America, specially Brazil, are competing in the international market. To make sure that more coffee exports are promoted, what special efforts have been made by the Coffee Board, Export Promotion Council and the Ministry to improve further our exports in the face of competition from other countries.

SHRI PRANAB MUKHERJEE: This is an exercise which is made constantly. From the figures I have quoted, the hon. Member would appreciate that it is increasing. But so far as coffee production is concerned, India is not in a position to compete with them because their production is much more. Of course, for three years we got the advantage because of some natural calamity in Brazil; it is known to the hon. Members. And one instance, I can give, to show in what way we are trying to promote the exports. For instance, this year we have reduced the export duty on coffee so that our coffee becomes more competitive to those coming from other countries.

MR. SPEAKER: Next question—
Shri Ghufan Azam....absent. Shri Niren Ghosh.

Canalisation of Mill Purchases of Raw Jute through JCI

*484. **SHRI NIREN GHOSH:** Will the Minister of COMMERCE be pleased to state:

(a) whether the management of the Jute Corporation of India, as also the Jute Corporation of India Staff Organisation and the Advisory Committee had proposed that all mill purchases of raw jute should be canalised through the Jute Corporation of India;

(b) what were the grounds on which they have proposed such canalisation; and

(c) what was the decision taken by Government thereon?

THE MINISTER OF COMMERCE AND STEEL AND MINES (SHRI PRANAB MUKHERJEE): (a) to (c). A statement is laid on the Table of the House.

Statement

(a) Yes, Sir.

(b) The main grounds adduced in support of the proposal were:

(i) Link between industry and trade would be broken, thus eliminating various malpractices leading to generation of black money;

(ii) Speculative hoarding would end;

(iii) It would create stable conditions for small traders to operate without anxiety at small but assured margin;

(iv) Existing staff of Corporation would be fully utilised;

(v) Prices fixed by JCI would remain stable for the season.

(c) Government felt that the proposal did not ensure a remunerative price to the growers and the elimination of middlemen. It was also felt that in order to distribute the procured jute on a monopoly basis to the jute industry, the Jute Corporation should in the first instance have sufficient expertise and manpower.

SHRI NIREN GHOSH: Throughout the century, for more than a hundred years, the jute-growers spread over six States have been ditched by the government and they have been a prey to the speculative tendencies of the jute barons of India. All the promises of the government were broken as regards procurement, price and everything. In view of this the Jute Corporation of India itself have submitted a proposal and their employees have submitted a proposal, that all

raw jute purchases by the mill should be through the Jute Corporation. That eliminates the big traders and the jute magnates. But the small traders will sell at the prevailing market price but in no case beneath the support price fixed by the Jute Corporation and only from that, a mill will make purchases at a fixed price. It introduces an element of stability. Jute growers will also get something. For the first time they will be able to get something. But that proposal has been ditched.

The grounds stated here are a tissue of lies. This government has been cheated by the Jute magnates....

MR. SPEAKER: Please put the question.

SHRI NIREN GHOSH: They are violently opposed to it. Your grounds are completely untrue. The links would be broken. You have not told us anything in your statement why it could not be broken. Please tell us.

SHRI PRANAB MUKHERJEE: So far as this question is concerned, the hon. Member has been raising it almost every time whenever he gets an opportunity and I have explained the position a number of times....

MR. SPEAKER: Could you send him a written reply?

SHRI PRANAB MUKHERJEE: We had debates on two occasions. And I do not know. In fact I had a series of discussions with him also. I appreciate it—that the Jute Corporation of India was not in a position to render substantial relief to the growers as a result of which the growers do not get a good price. There is no denial of this fact. The question is what mechanism will ensure a remunerative price to the growers. For that, one of the suggestions made by the JCI was canalisation. But canalisation is not possible unless I have the total control over the production. That means monopoly procurement. But because of the lack of the infrastruc-

ture and lack of supporting co-operative movement in the States, Monopoly procurement of jute is not possible by JCI alone. Therefore, because of these shortcomings, we are not in a position to improve the situation. But, as on earlier occasions I mentioned, I am trying to improve the situation for the next year and I am having a discussion with the State governments of the jute-growing areas.

SHRI NIREN GHOSH: The Minister in his reply says that canalisation is only possible by monopoly procurement. He is completely wrong. He is side-tracking the issue. The issue is because monopoly procurement cannot be made by the JCI, it can expand its infrastructure and godowns, etc. which they are not doing deliberately, till the canalisation scheme, so that the big traders could not get a single quintal of jute and the small traders will sell to JCI because there is no other purchaser at the prevailing market price and in no case beneath the minimum support price and at that price plus the carrying costs, the mills will get the stocks from the JCI. The Jute Corporation has the necessary staff and expertise and everything. Why is he bypassing? He says without monopoly procurement it is not possible.....

MR. SPEAKER: He has explained that. Time and again this question has been answered. The same answer and the same question.

SHRI NIREN GHOSH: It is a new thing. He said canalisation is dependent on monopoly procurement. This scheme is dependent.....

MR. SPEAKER: Now you put your question. What do you want? I think that has been explained.

SHRI NIREN GHOSH: Sir, I want to know on what grounds, the Minister says that the canalisation scheme is dependent only on the monopoly procurement and, on what ground, he says that the expertise of the J.C.I. taking jute from the small growers is

not sufficient. The staff of the J.C.I. who is idle for the past six months could be fully employed on this score also and the jute growers could be saved till he embarks upon the monopoly procurement scheme.

SHRI PRANAB MUKHERJEE: Sir, the question is very simple. If the jute is purchased by the other middlemen and traders, they supply the same to the jute millowners unless I have the total control over the procurement by the jute millowners that they will have to purchase it from the JCI alone, his suggestion is legally not possible. We examined that possibility and at least half a dozen times, I explained the legal position on the floor of this House.

In regard to his suggestion as to why the J.C.I. is not purchasing from the small traders, I explained the story of the small traders who are practically the benamidars of big traders and the middlemen of the millowners. When the J.C.I. is not in a position to purchase directly from the growers, what is the fun in asking them to purchase it from the traders?

श्री इमर लाल बैठा : कई बार यहां पर कहा गया है कि जब तक मोनोपोली-परचेज सरकार नहीं करती है, तब तक प्रोडर्स को रिलीफ देने में सरकार सक्षम नहीं है। सरकार को पता है कि एक तरफ तो जे० सी० ग्राइ० के द्वारा जो खरीद हुई है, उस से उस के सारे स्टोरिंग स्पेस खत्म हो गये और उस के बाद पैसा खत्म हो जाने के कारण उसने प्रोडर्स से खरीदना बन्द कर दिया है, दूसरी तरफ जिन मिलों को सरकार ने अपने हाथ में लिया है उन मिलों द्वारा जो खरीद होती है, वह बाहर मार्केट से होती है। यदि वह खरीद जे० सी० ग्राइ० से हो तो जे० सी० ग्राइ० की स्टोरिंग स्पेस भी खाली होगी और पैसा भी उपलब्ध होगा। मैं जानना चाहता हूँ कि सरकार ऐसा क्यों करती है ?

SHRI PRANAB MUKHERJEE: This is not correct because I answered this question only last week in reply to a question put by Shri Indrajit Gupta. I said that Rs. 83 crores have been allocated to the J.C.I.

MR. SPEAKER: I remember that.

SHRI PRANAB MUKHERJEE: This is for purchasing jute from the J.C.I. in regard to the takeover Bill.

Foreign Shareholding in Chesebrough Ponds

*485. **SHRI DHARM BIR SINHA:** Will the Minister of FINANCE be pleased to state:

(a) what was the amount due to Head Office in Chesebrough Ponds before Indianisation;

(b) what is the amount of foreign shareholding in Chesebrough Ponds; and

(c) details of consideration for which these foreign shares were issued?

THE MINISTER OF FINANCE (SHRI R. VENKATARAMAN): (a) Rs. 249.57 lakhs was the amount due to Head Office in Chesebrough Ponds before Indianisation.

(b) Rs. 42 lakhs is the amount of foreign shareholding in Ponds (India) Ltd. representing 40 per cent of the share capital.

(c) Rs. 42 lakhs worth of shares were issued to Chesebrough Ponds Inc., U.S.A. in part settlement of the net purchase consideration of Rs. 123,88,666/- for the assets taken over by the Indian company.

SHRI DHARAM BIR SINHA: Mr. Speaker, Sir, may I ask a question from the hon. Minister if you agree? That is, the decision taken by Government to permit conversion into such a large number of bonus shares does not give the best of both the worlds in the sense that they remain a part of the multi-national and