

**Decline in Export of Agarbatics**

\*491. SHRI R. K. MHALGI: Will the Minister of COMMERCE be pleased to state.

(a) whether it is a fact that the foreign exchange earnings from export of agarbatics are continuously declining during the last three years;

(b) if so, the figures (year-wise);

(c) what are the reasons for the decline in this export trade; and

(d) whether Government are proposing any measures to help the industry to pick up the lost ground in the export trade?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND STEEL AND MINES (SHRI KHURSHEED ALAM KHAN): (a) to (d). A statement is laid on the Table of the House.

**Statement**

Export figures in respect of Agarbatics during the last three years as reported by the Basic Chemicals, Pharmaceuticals and Cosmetics Export Promotion Council are as follows:—

1977-78	Rs. 6.11 crores
1978-79	Rs. 6.20 crores
1979-80 (Est.)	Rs. 5.86 crores

2. The marginal decline in exports during 1979-80 is reported to be due mainly to reduced off-take by some of the traditional buyers, namely, Ethiopia, Nigeria, Saudi Arabia and USA.

3. Measures taken/proposed to be taken to augment exports include the following:—

- (i) Essential inputs required for export production of Agarbatics and Dhoop have been made permissible for import against REFP licences; and
- (ii) Delegations/Study-cum-Sales Teams/Market Survey Teams are being sponsored by the

Basic Chemicals, Pharmaceuticals and Cosmetics Export Promotion Council to major importing countries and potential markets abroad.

SHRI R. K. MHALGI Sir, it has been stated in the statement that the marginal decline in exports during 1979-80 is reported to be due mainly to reduced off-take by some of the traditional buyers, namely, Ethiopia, Nigeria, Saudi Arabia and USA. It is a decline to the tune of 34 lakhs in a year and according to the Government, it is marginal. This seems to be the attitude of the Government to this industry. Twenty-three countries in the world import agarbatics from India, out of which four have reduced their off-take. May I know from the hon. Minister whether our Export Promotion Council have enquired from these countries in regard to the said reduced off-take. If so, what is the response and the reasoning given by each of these countries and the action taken by the Government of India.

SHRI KHURSHEED ALAM KHAN: Sir, the main reason stated for the less off-take is that some of these countries find that the smell of the Agarbathis is too strong and they prefer to manufacture their own and, therefore, they have been importing some of the raw materials and making their own Agarbathis. That is one reason. Another reason is that Nigeria, UAE, Saudi Arabia, France, UAR, Kuwait, USA, UK, Canada and Malaysia, these all countries have shown less interest during last year. But, we have taken special steps particularly by providing them cash assistance and Dhoop Bathis which were not being provided cash assistance, have also been provided, from last month at the rate of 10 per cent. Another difficulty was that our Dhoop Bathis give a little smoke when they are used and those people do not like the smoke and, perhaps, something will have to be done to eliminate the smoke. We have conveyed to the manufacturers concerned that they should look into this problem and do something about it.

**SHRI R. K. MHALGI:** May I know from the Hon. Minister what is the total quantity of Agarbathis, Bharat Annual exports at present and what is the target of our export of the same by sponsoring the delegations, the Study teams, and the market survey teams, and how many and when, such delegations and teams are likely to be sponsored?

**SHRI KHURSHEED ALAM KHAN:** The figures are here that in 1977-78 Ethiopia got 20.77 and Nigeria 134, Saudi Arabia 51 and USA 45 and these teams are being sponsored shortly. They will go to all these countries, find out the particular interest and the type of smell that they would like and something will be done about removing the smokes so that they can import more Agar Bathis also and whatever losses we have sustained will be made up.

**SHRI R. K. MHALGI:** My question is different. My question is what is the total quantity of Agar Bathi, the Bharat Annual exports and what is the target of our export by sending and sponsoring these delegations and teams?

**THE MINISTER OF COMMERCE AND STEEL AND MINES (SHRI PRANAB MUKHERJEE):** Sir, I can give the figures to the Hon. Member. The figures in terms of volume is not possible but in terms of value, I can give.

	Rs.
In 1976-77 it was 498.7 lakhs that means	4 crore 98 lakhs.
1977-78	6 crore 11 lakhs.
1978-79	6 crore 20 lakhs.
1979-80	5 crore 86 lakhs.
1980-81	3 crore 59 lakhs. (from April to November)

श्री धर्मदास सास्त्री : अध्यक्ष महोदय, अरबराशियों का निर्यात ही नहीं, बल्कि सभी

चीजों का निर्यात घटा है क्योंकि जनता पार्टी सरकार के जमाने में जो अलगाउंडर कमेटी बनी थी इम्पोर्ट-एक्सपोर्ट पालिसी का निर्धारण करने के लिये उसके समय में आयात बढ़ा और निर्यात घटा है, जिसकी वजह से कीमतें ऊपर जा रही हैं। मैं मंत्री महोदय से जानना चाहता हूँ कि उस पालिसी में बुनियादी परिवर्तन करने के लिये वह कुछ कर रहे हैं या नहीं जिससे जो पहले हमारी इन्दिरा गांधी जी की सरकार में एक्सपोर्ट बढ़ा था और जो जनता पार्टी के जमाने में घट गया है, उसे फिर से बढ़ाया जा सके ? मैं यह भी जानना चाहता हूँ कि क्या जनता पार्टी की सरकार की गलत नीतियों पर कार्य अब भी चल रहा है क्योंकि जो उस समय के अफसर इस गलत नीति के भागी हैं, वही उस कार्य को अब भी कर रहे हैं जिसकी वजह से यह एक्सपोर्ट घटा है ?

**SHRI KHURSHEED ALAM KHAN:** Sir, the factual statement is correct. This question does not arise. We are doing everything possible to increase our exports.

#### Handbook of Rules for Import and Export

\*493. **SHRI RATANSINH RAJDA:** Will the Minister of COMMERCE be pleased to state:

(a) whether it is true that Government have received an opinion of the Attorney General in the case of the State Chemicals and Pharmaceuticals Corporation of India Limited that the provisions laid down in the Import and Export licence are irrelevant;

(b) if so, whether in the light of the above, Government are withdrawing the Handbook of Rules; and

(c) if not, the reasons for not doing so?

**THE MINISTER OF COMMERCE AND STEEL AND MINES (SHRI PRANAB MUKHERJEE):** (a) to (c).