

Shri T. T. Krishnamachari: I am not moving the Bill. I am moving the resolution.

Shri S. S. More: I am sorry.

Mr. Deputy-Speaker: But the difficulty is this. When is this to conclude?

Shri T. T. Krishnamachari: This evening.

Mr. Deputy-Speaker: Which will be the first item tomorrow?

Shri Gadgil (Poona Central): There are already half a dozen Bills under discussion. Let there be some system.

Mr. Deputy-Speaker: The only point is this. Is this resolution likely to take a long time?

Shri T. T. Krishnamachari: It all depends upon the House. I would like to submit, Sir, that there is a Bill coming up before the House in regard to amendment of the Coffee Marketing Act. The main issues will be discussed on that Bill. This is only a minor measure of collecting an export duty on coffee exported. May I go on?

Shri H. N. Mukerjee (Calcutta North-East): May I submit, Sir.....

Mr. Deputy-Speaker: The hon. Minister means that this can be taken up along with the Bill?

Shri T. T. Krishnamachari: I am entirely in the hands of the Chair.

Mr. Deputy-Speaker: I am sorry if I misunderstood the hon. Minister. Both refer to the same matter.

Shri T. T. Krishnamachari: No, Sir. When the amending Bill is under discussion, that is the time when everything regarding coffee may be raised. This is merely a matter of export duty on exported coffee and I thought I could move the Resolution and get it passed.

Mr. Deputy-Speaker: The resolution may be moved.

Then so far as the work for tomorrow is concerned, hon. Members

must know whether the Industrial Disputes (Amendment) Bill will be taken up for further consideration.

Shri A. V. Thomas (Srivaikuntam): On a point of order, Sir. This resolution is not so simple a proposal. It is very important and many of us would like to speak on it.

Mr. Deputy-Speaker: Whoever prevents hon. Members from speaking?

The resolution may be moved. But the Industrial Disputes (Amendment) Bill will be taken up only after that.

Shri Gadgil: There are already three Bills pending. This will be the fourth.

RESOLUTION RE EXPORT DUTY ON COFFEE

The Minister of Commerce and Industry (Shri T. T. Krishnamachari): I beg to move:

"In pursuance of sub-section (2) of section 4A of the Indian Tariff Act, 1934 (XXXII of 1934), the House of the People hereby approves of the notification of the Government of India in the Ministry of Commerce and Industry S.R.O. 1904, dated the 10th October, 1953, by which an export duty of Rs. 62-8-0 per cwt. was levied on coffee with effect from the date of the said notification."

Mr. Deputy-Speaker: The hon. Labour Minister may be in his seat for sometime more.

What I am feeling is this. I want to fix up the business for tomorrow. There are some amendments which have not been circulated for consideration of the Members. Various amendments have been tabled by the Government. They must have become part and parcel of the Bill itself. The Ordinance was issued a month ago. Naturally, the other side would like to consider that matter and would like to have time also for tabling amendments. It is on account of that that I called upon the hon. Minister of Commerce and Industry to move his resolution. If the amendments to the amendments are in such

[Mr. Deputy-Speaker]

large number, the Government must also consider them. So the Industrial Disputes (Amendment) Bill will be taken up day after tomorrow and this resolution may be continued tomorrow.

Shri H. N. Mukerjee (Calcutta North-East) rose—

Mr. Deputy-Speaker: There is no hustling. Let the amendments be circulated, and if any amendments have to be tabled to these amendments, let them all come up for discussion day after tomorrow.

The Minister of Labour (Shri V. V. Giri): I have no objection, Sir.

Mr. Deputy-Speaker: This resolution will continue tomorrow and after this, the Dhotis Bill will come up for consideration, then the Ancient Monuments Bill (*Interruptions*).

Shri V. V. Giri: I take it that my Bill will come up day after tomorrow.

Mr. Deputy-Speaker: Yes.

Shri Damodara Menon (Kozhikode): We have some amendments to this resolution. When are we to move them?

Mr. Deputy-Speaker: They can all be moved. If we sit till eight, they can be moved. Otherwise, they will be moved tomorrow. What is this question about? The hon. Member is well aware of the procedure. After the resolution is moved, I will place it before the House, and then allow all amendments to be moved.

Shri Damodara Menon: Notice of this resolution was given only today. We did not know that this would be taken up.

Mr. Deputy-Speaker: Amendments can be allowed tomorrow.

Shri Keshavalengar (Bangalore North): After the resolution is passed, let us take up the Industrial Disputes (Amendment) Bill.

Mr. Deputy-Speaker: It will be taken up only day after tomorrow. After this resolution is passed, the Dhotis Bill will be taken up and if there is time...

Shri S. S. More (Sholapur): What happens to the Banking Companies (Amendment) Bill which has been already introduced?

Mr. Deputy-Speaker: The hon. Member is aware that at the instance of hon. Members here, I wanted that extracts from documents, correspondence and so on must be circulated. They are preparing the extracts and after they are in the hands of hon. Members, the Banking Companies (Amendment) Bill will come up for consideration.

Shri S. S. More: It will again be put on the agenda?

Mr. Deputy-Speaker: Certainly. Otherwise, how can it be taken up here?

Shri T. T. Krishnamachari: Sir, the need for exports arose from the fact that owing to high prices the offtake of coffee considerably diminished and in September, the stock of coffee with the Coffee Board was 12,700 tons out of which Robusta, i.e. the most inferior of the three qualities of coffee, was about 5000 tons. Representations were made to Government that for some time some coffee must be allowed to be exported mainly because of the reason that coffee prices in the world are much higher than the coffee prices in India, which in all conscience are high enough.

Mr. Deputy-Speaker: Hon. Members need only sit for five minutes more.

Shri T. T. Krishnamachari: As a result of these representations, Government felt convinced that the market for low grade coffee in India was not very good and considering the fact that the new season's crop would also be available in another two months, Government decided initially to allow an export of 2,000 tons of

Robusta. Subsequently, it has been increased by another 1000 tons.

As I said, Sir, the difference in the price between Indian coffee and the coffee in the London market is considerably high. The price of Robusta in the Indian market is Rs. 146. That is the basic price for the pool auctions. And this Rs. 146 is comprised of Rs. 21 by way of excise duty, coffee cess Re. 1 and the administrative expenses of the pool Rs. 7-4, making in all Rs. 29-4. Actually, the price that is paid to the grower in the matter of Robusta is Rs. 117 per cwt. Sir, the price abroad is fluctuating. It is somewhere between Sh. 360 and Sh. 400 per cwt. for coffee of this sort. So after taking into account the possibility of a very large amount of money passing into the hands of middlemen. Government decided that they should impose a duty of Rs. 62-8 on each cwt. of coffee exported. One thing that hon. Members here may probably not be aware of is that in the case of coffee that is exported, the excise duty does not operate; so much so that even as it is, with this duty, the Coffee Board must have been able to realise an average of Rs. 168-8 to Rs. 169 per cwt. which after taking into account Rs. 117 to be paid to the grower, Rs. 7-4 to the Coffee Board's expenses and Re. 1 for cess, totalling about Rs. 125-4 still leaves a margin of about Rs. 43 for the Board.

The fact that 2000 tons have been taken off immediately and another 1000 tons would be taken off as soon as offered shows that the middleman has also a fairly substantial margin. That is in sum, Sir, the position in regard to this particular duty. If 3000 tons are exported the Exchequer will benefit to the extent of 37½ lakhs of rupees on the basis of this duty. As I said, 2000 tons have already gone and the Exchequer has benefited when the goods have passed for shipment to the extent of 25 lakhs of rupees

and another 12½ lakhs will accrue. There is no more to be said in regard to this particular resolution. But it may be that hon. Members will have some view with regard to the Government's policy vis-a-vis the Coffee Board, or with reference to the Coffee Board's policy vis-a-vis the Government's policy, or it may be with reference to the consumer's policy both with regard to the Coffee Board and the Government. All these matters, I suggest, Sir, might be dealt with at the proper moment when the amending Bill is taken up. Otherwise, we will probably have a double discussion, one discussion on this and the same discussion repeated when the Coffee Board Act (Amendment) Bill comes before the House.

This is such a simple matter and it does not permit of any amendments. I do not know what the hon. Members are going to suggest as amendments; whether they may be that it should be only Rs. 50 or Rs. 45 or that no tax at all should be levied. It may be some such thing; I am not aware of them, Sir. There is no room for any radical amendment because the policy is there that there is a duty of Rs. 62-8 levied on coffee that is exported and that will accrue to the Exchequer.

Mr. Deputy-Speaker: Resolution moved:

"In pursuance of sub-section (2) of section 4A of the Indian Tariff Act, 1934 (XXXII of 1934), the House of the People hereby approves of the notification of the Government of India in the Ministry of Commerce and Industry S.R.O. 1904, dated the 10th October, 1953, by which an export duty of Rs. 62-8-0 per cwt. was levied on coffee with effect from the date of the said notification."

The House then adjourned till Half Past One of the Clock on Tuesday, the 24th November, 1953.