

MR. CHAIRMAN: Yes, that is being looked into. Please look at the Order Paper of to-day. Shri Nirmal Chandra Jain's Call Attention and the Minister's Statement are there. You please discuss this with the Speaker in his Chamber. You know the procedure.

SHRI YUVRAJ:**

MR. CHAIRMAN: I have not called you. Don't record. (Interruptions)** You have not been recorded. You can discuss with the Speaker. Another Calling Attention has been admitted to-day. Not more than one at a day is allowed. Shri Nirmal Chandra Jain.

श्री युवराज नारायण राव (मधुबनी) :
हमारा एक विरोधाधिकार का प्रस्ताव था ...

MR. CHAIRMAN: You can discuss with the Speaker. Kindly see today's order paper. Shri Nirmal Chandra Jain's Calling Attention is there. You can discuss it with the Speaker in his Chamber. You know the procedure. Now, Mr. Jain.

12.05 hrs.

CALLING ATTENTION TO MATTER OF URGENT PUBLIC IMPORTANCE

REPORTED FALL IN FOREIGN TRADE -

SHRI NIRMAL CHANDRA JAIN (Seoni): Sir, I call the attention of the Minister of Commerce and Civil Supplies and Cooperation to the following matter of urgent public importance and request that he make a statement thereon:

"The reported fall in foreign trade".

THE MINISTER OF COMMERCE, CIVIL SUPPLIES AND COOPERATION (SHRI MOHAN DHARIA): Madam Chairman, this statement is of nearly ten pages. I have submitted the copies to both the members. I can

read according to the rules but if you allow me....

SOME HON. MEMBERS: No need to read it out.

MR. CHAIRMAN: You may please lay it on the Table of the House and Members will ask the questions.

Statement

I. According to provisional figures, India's overall exports during April—October 1978, amounted to Rs. 2970.7 crores as compared to corresponding figures of Rs. 3009 crores during April—October, 1977, showing a marginal decline of 1.2 per cent. For corresponding periods, provisional data for imports show that in April—October 1978, imports were of the order of Rs. 3612 crores as compared to Rs. 3155.86 crores during the corresponding period of last year. The marginal decline in exports has been due to the developments both in international and domestic economy. The main reasons are (i) Recessionary conditions prevailing in the developed countries and the protectionist measures adopted by them; (ii) considerable fall in international prices of important export commodities like tea, coffee, cashew; (iii) fall in rupee value of the dollar thus showing smaller export realisation in rupee terms; and (iv) reduction in exportable surpluses which has been caused by various factors like:—

(a) Increase in domestic demand in the case of iron and steel, textiles, cement, etc.

(b) Shortage of power.

(c) Transport bottlenecks and congestions at ports.

(d) Industrial unrest and lockouts and strikes.

(e) Unprecedented floods in many States like UP, Bihar, West Bengal, etc.

**Not recorded.

(Mr. Chairman)

(f) Reduced availability of imported raw cashewnuts.

(g) Difficulties faced by exports due to certain local policies like pricing of raw cashewnuts, restriction on movements of cashewnuts and husk (coir) and heavy sales tax on exportable commodities like pepper.

(h) Acquisition of new science and technology and new capabilities which have certain difficulties in having more exports to rupee trade countries, as imports from such countries have come down.

(v) deliberate policy of Government to restrict/control export of certain commodities to enable sufficient domestic availability at reasonable prices and to thus reduce the social cost of exports.

2. In spite of these difficulties, during current year, exports in our dynamic sectors have improved their performance and have shown buoyancy and increased growth. For instance, according to available estimates, exports of gems and jewellery, finished leather, garments, and processed foods, have shown growth rates higher than 20 per cent during the first few months of this year as compared to the corresponding period in 1977. The rate of growth in exports in important sectors such as engineering goods, jute manufactures, marine products and handicrafts are also high and encouraging.

II. Government have kept constant watch on the trend of our exports and have already taken a number of decisions and initiated action on series of others with a view to bringing about basic structural changes in our foreign trade so as to lay the foundations for a stable and sustained growth in exports. While devising any such measures, emphasis on making available the articles of essential consumption to the domestic consumers at reasonable prices has not been allowed to be relaxed.

Some of the important measures taken to step up exports are as follows:—

(1) ROLE OF EXPORT ORGANISATIONS

The role of export organisations like STC, MMTC, HHEC, ECGC, TDA and TFA have been re-defined to make them not only more action-oriented but also instruments for the growth of export sectors of the economy particularly in the small scale and cottage industries sectors. They have been entrusted with the responsibility of facilitating the availability of essential inputs, providing market intelligence and marketing support including credit cover to these sectors.

(2) ROLE OF EXPORT PROMOTION COUNCILS AND COMMODITY BOARDS

The Export Promotion Councils and Commodity Boards are also being energised to play a more dynamic role in servicing the exporting community. Their procedures also are being simplified with a view to providing them greater flexibility in operations.

(3) C.C.I.&E.—CHANGE IN ROLE

The organisation of the Chief Controller of Imports and Exports is being revamped and assigned a promotional role in the export sector.

(4) TASK FORCES

Task Forces have been constituted to look into the problems of dynamic export sectors like:—

(i) Leather & Leather products;

(ii) Gem and Jewellery;

(iii) Handicrafts;

(iv) Electronics;

(v) Project exports;

(vi) Furnitures;

(vii) Agriculture products;

(viii) Export Services;

and (ix) Exports from small scale sector.

Reports in respect of 4 of these sectors viz., leather and leather products, gem and jewellery, electronics and project exports have already been received and action initiated.

(5) VALUE ADDED ITEMS

Emphasis is being laid on the export of items in value-added form rather than in primary form. This will lead to increase in employment as also increase in export earnings.

(6) INPUTS AVAILABILITY

For strengthening the export production base, it is necessary to provide for availability of essential inputs at reasonable price. This is intended to be ensured through a stable import-export policy over a period of time.

(7) IMPORT POLICY LIBERALISATION

The import policy has been liberalised to facilitate availability of imported inputs at international prices. Import licensing procedures have also been considerably simplified and in a number of cases completely done away with so as to reduce the time taken in acquiring essential inputs.

(8) COMPENSATORY SUPPORT

With a view to provide stability and in order to maintain competitiveness of our exports in the international market, a policy of giving cash compensatory support to selected items for a period of three years has already been announced. The whole pattern of determining cash compensatory support and selection of items is being redesigned taking into account the general principles recommended by the Alexander Committee.

(9) STRENGTHENING OF PRODUCTION BASE

Exportable surpluses will be generated by strengthening and expanding the production base for selected items both in the industrial and agricultural sectors. Obstacles coming in the way of export production are being removed. Export oriented units specially the ones being established for 100 per cent exports are being encouraged.

(10) LONG-TERM MEASURES

As a long-term measure the priorities for allocating funds for the selected export sectors are being considered by the Planning Commission for inclusion in the next Annual/Five Year Plan. In the agricultural sector, emphasis will be laid on increasing the production of plantation crops (tea, coffee, rubber, cardamom), fresh fruits and vegetables, onions, potatoes, spices, Niger seed oil seeds, marine products, etc. for export purposes.

(11) INVOLVEMENT OF STATE GOVERNMENTS

It has been decided to encourage and secure greater involvement of the State Governments in the export effort. Detailed discussions will be held with them individually and collectively. Meetings will soon be held with the Chief Ministers and other concerned Ministers.

(12) DIVERSIFICATION

A study of country-wise potential for exports has been undertaken and emphasis is being laid on diversification of markets as well as commodities.

(13) RATIONALISATION OF OFFICES ABROAD

Foreign offices of Export Promotion Organisations and Commodity Boards are, to the extent possible, be-

[Mr Chairman]

ing brought under one roof for achieving better coordination in their activities. This has already been implemented at New York and Paris.

(14) **ROLE OF COMMERCIAL REPRESENTATIVES**

The offices of our Commercial Representatives abroad are also being geared up to play a more dynamic role in providing market intelligence, support to exporters, follow-up action and feed-back etc.

(15) The manual regulating the working of the Commercial Representatives abroad is also being completely revised so that they can provide better and more responsive support to the export effort.

(16) **QUALITY CONTROL**

Quality control regulations and pre-shipment inspection procedures are being revised and the relevant Act and Rules amended.

(i) to make the procedures less cumbersome and to provide flexibility taking into account the change in commodities and the requirements of our export markets.

(ii) to gear up the system regarding monitoring of quality control arrangements and enquiry into complaints; and

(iii) to provide for deterrent punishment to erring exporters who shipped sub-standard products.

(17) **JOINT VENTURES**

Revised guidelines have been issued governing establishment of Indian joint ventures abroad. Proposals will now be considered for establishment of not only industrial joint ventures but also others relating to consultancy, trading, wholesale and retail marketing, exploration of minerals and service ventures like hotels, restaurants etc.

(18) **TRANSPORT INFRASTRUCTURE**

Efforts are also being made to improve the transportation infrastructure available to the exporting community. Air Cargo Complexes are being established at locations nearer the places of production. This will also relieve some pressure on the existing exit points. For sea cargo, efforts are being made to simplify procedures, introduce containerisation, enlarge the frequency of shipping services and to keep freight rates stable and reasonable. Shippers Councils are also being strengthened so as to improve the bargaining capabilities.

(19) Institutional fora have been designed by constituting committees called SCOPE-SHIPPING, SCOPE-AIR and SCOPE-RAIL for enabling discussion and better appreciation of the concerned transportation problems.

(20) **FREE TRADE ZONE**

Procedures regarding Santa Cruz and Kandla Free Trade Zones have been simplified so that all proposals receive expeditious consideration. Import of capital goods, raw materials, Components etc. for units in the Free Trade Zones have been placed on the Open General Licence list. A committee was constituted to examine the problems and policies which hindered the growth and development of these Free Trade Zones. Action has already been initiated on the interim report received.

(21) **EFFORTS IN MULTILATERAL FORA**

Our efforts in various multilateral fora such as UNCTAD and GATT continue unabated for securing better trading environment for developing countries.

(22) EFFORTS AT BILATERAL LEVEL

At the bilateral level, efforts are being made to increase trade in both directions to mutual benefit. This is being arranged through meetings both at the official levels as well as at the ministerial level. Country-wise strategy is being planned both for imports and exports.

It is somewhat encouraging to note that the provisional export figures for the latest month for which figures are available viz. Oct. 78, shows an export of Rs. 348.8 crores as against the corresponding provisional export figure of Rs. 329.8 crores for October 1977.

III. IMPORTS

Precise item-wise information regarding imports made during 1978-79 is not yet available. The large value items of import are mainly Pol, Fertilizers, Edible oils, Capital equipment etc. Constant vigilance is kept in consultation with the GDGT and other concerned Ministries to ensure that import of only such items are permitted as are not adequately or effectively available indigenously. Efforts are also being made for increasing domestic production of items which are currently being imported for meeting essential consumer or industrial requirements. To some extent, import costs have also increased on account of inflationary trends in foreign countries.

As already indicated earlier, while Government has liberalised imports selectively, it is also keen on regulating the growth in imports, in keeping with its objective of self-reliance. It is in the light of these considerations that we have recently decided to place under canalisation the importation of edible oils. In addition, I have already started discussions with the Ministry of Agriculture and the Planning Commission on measures to accelerate implementation of programmes aimed at increasing oilseeds production.

Given the inherent potential of our country, stability in our policies, simplified procedures and a constructive and promotional attitude the Government are confident that it shall be possible for the country to overcome the present situation and to attain a sustained growth in exports to meet not only our import requirements but also our needs for development.

श्री निर्वल कन्नू जीन : महोदय, मैंने माननीय मंत्री जी के बयान्य को बड़े ध्यान से पढ़ा है। विगत वर्षों में हमारे विदेश व्यापार का स्थिति चिन्ता-जनक हो गई है। जहाँ एक ओर घायात बढ़ा है वहाँ निर्यात के दर में कमी आई है। 1976-77 में हमारा निर्यात 5145.78 करोड़ था जो 1977-78 से 5376.19 करोड़ हुआ। 1978-79 के प्रारंभ से सितम्बर तक पहले के मुकाबले 2970.7 करोड़ से 1.2 प्रतिशत कम 2497 करोड़ निर्यात रहा। वैसे तो मंत्रालय के आंकड़ों के आधार पर, 16 वस्तुओं के निर्यात में कुछ बढ़ोतरी हुई है परन्तु 11 वस्तुओं के निर्यात में बहुत अधिक कमी आई है। 11 वस्तुओं ऐसी हैं जिनपर हम निर्यात के लिए बहुत अधिक निर्भर करते हैं। इस वर्ष हमारे निर्यात का प्रारंभिक अनुमान 5750 करोड़ था परन्तु अब लगता है कि हम 5250 करोड़ तक ही पहुँच पायेंगे।

गत वर्ष हमने अपने व्यापार में 27 प्रतिशत की वृद्धि की थी परन्तु इस वर्ष की बढ़ोतरी दर सिर्फ 5.4 प्रतिशत की अनुमानित है। इस वर्ष 5250 करोड़ के बरसे 6000 करोड़ के घायात की सम्भावना है निश्चित ही यह समस्या चौकाने वाला है। अगर सिर्फ इतना ही होता तो ठीक था कि कभी कभी हमारे विदेश व्यापार में गिरावट आती है और फिर बढ़ जाती परन्तु मामला इतना सरल नहीं है। गिरावट बहुत अधिक आई है। छठी पंचवर्षीय योजना के प्रारंभ में भी हमारे विदेश व्यापार की बढ़ोतरी की दर सिर्फ 7 परसेंट ही प्राप्ति गई है जबकि पाँचवीं योजना की अंतिम चार वर्षों में यह दर 10 परसेंट थी। छठी पंचवर्षीय योजना के प्रारंभ में हमारा निर्यात 1976-77 में 5146 करोड़ से 1982-83 में 7750 करोड़ बढ़ा अनुमानित है और घायात 5076 करोड़ से 10500 करोड़ बढ़ाया है। क्या यह सच है ?

MR. CHAIRMAN. Pleased put your questions now.

श्री निर्वल कन्नू जीन : महामहिम राष्ट्रपति महोदय ने भी एक प्रश्न पर कहा है :

"I recognise the exports as an important vehicle to achieve the goal of self-reliance and economic stability."

[श्री निर्मल चन्द्र जैन]

इस दृष्टि से यदि देखा जाये तो इंडियन एक्सपोर्ट प्रमोशन बोर्ड के समक्ष भी भारिया की का बाध्यता का भाव को पूरा नहीं करता है जो बाजारों में राख पति की ने व्यक्त की है। यह बाध्यता कोई नहीं देता है। भारिया की ने तर्क देता कहा है कि नई नीति का निर्धारण हो रहा है।

MR. CHAIRMAN: Please office to the question (Interruptions)

श्री निर्मल चन्द्र जैन: हमारी धोर से निर्यात बढ़ाने और आयात घटाने का कोई विशिष्ट उपाय अभी नहीं हो रहा है। प्रसेज्जर कमेटी की रिपोर्ट अभी विचाराधीन है। आयात निर्यात बैंक का मानना भी विचाराधीन है। करीब पांच करोड़ की भारतीय निर्यात की वस्तुओं विभिन्न देशों में पोर्ट्स पर हेल्ड-अप पड़ी हैं। इन सब के बारे में आचरणीय मंत्री जी क्या योजना बना रहे हैं? मैं इस योजना में निम्न-लिखित बातों के समावेश का अनुरोध करता हूँ।

1. आयात निर्यात बैंक की शीघ्र स्थापना की जाए।
2. प्रसेज्जर कमेटी नीति सम्बन्धी रिपोर्टें दुरुस्त लागू की जाए।
3. निर्यात की जाने वाली वस्तुओं पर रेल फिस्ट की दरों का पुनर्निर्धारण हो।

MR. CHAIRMAN: Mr. Jain, please conclude now.

श्री निर्मल चन्द्र जैन: निर्यात बीमा की नीति को बल दिया जाए। की ट्रेड जोक्स बढ़ाये जायें।

कृषि और उद्योग की भी ऐसी वस्तुओं का पता लगाया जाये जोकि निर्यात की जा सकें और इस बात के लिए राज्य सरकारों की सहायता ली जाए।

केन्द्रीय मंत्रि-परिषद् की एक ऐसी उपसमिति बने जिसमें ऊर्जा, उद्योग और अन्य मंत्री भी शामिल हों क्योंकि हम उत्पादन के बढ़ने पर ही जीवित रह सकते हैं और उत्पादन का बढ़ना ऊर्जा, बिजली वगैरह से सम्बन्धित है। साथ ही साथ औद्योगिक प्रगति से भी पैदावार बढी है।

कृपया मंत्री महोदय इन बातों पर गौर वकर उचित नीति निर्धारण करेंगे और कब तक यह नीति निर्धारित हो जाएगी?

श्री मोहन भारिया: सभापति जी, मैंने निवेदन मैंने किया है, जो गिरावट आई है उसके क्या कारण हैं और कौन से उपाय हम कर रहे हैं, उसका पूरा जवाब हमने दिया है। मैं बीजारा उसको बेहतर बना नहीं चाहता। बीजा में ने बताया है, सीमेंट और स्टील का एक्सपोर्ट हम कर नहीं सकते हैं क्योंकि हमारे यहाँ उसकी ज्यादा जरूरत है। एक साल में स्टील का कंजम्पन लगभग 14 प्रतिशत बढ़ गया है। इसके साथ साथ काफी कैप्सु, चाय ऐसे जो हमारे अन्तर्गत एक्सपोर्ट के बाइडेंट में उनकी इन्टरनेशनल बाइल में भी का की गिरावट आई है। यह सब कारण मैंने उममें बताये हैं। इन सब बातों के बावजूब हमने ठोस कदम उठाए हैं। प्रसेज्जर कमेटी में ने कांस्टीट्यूट की भी और उसकी रिपोर्ट के आधार पर भी जो कदम उठाए हैं वह कदम भी हमने उठाए हैं। हमने टारक कोस एंवाइंट किया था और उसकी रिपोर्ट के आधार पर भी हमने कदम उठाए हैं। मैं यह कहना चाहता हूँ कि हम एक नया मार्केटिंग बेल दे रहे हैं जिसमें केवल एक्सपोर्ट को बढ़ाने के लिए नहीं बल्कि यहाँ जो प्राइसेस हैं उनका ध्यान करके एक्सपोर्ट को बढ़ाने की बात है।

माननीय सचिव ने कुछ और सवाल जो पूछे हैं उनको जवाब मैंने दिए हैं। एक्सपोर्ट इम्पोर्ट बैंक की जो बात है वह विचाराधीन है। फाइनेंस मिनिस्टर के साथ विचार विमर्श चल रहा है। हम समझते हैं कि जिस रीति से हमारे यहाँ एक्सपोर्ट इम्पोर्ट बढ़ रहा है उसके लिए किसी खास मशीनरी की व्यवस्था करना जरूरी है। इसके लिए एक्सपोर्ट इम्पोर्ट बैंक हो या बैंक में कोई अलग से इसकी व्यवस्था की जाए, इस पर विचार किया जा रहा है।

कृषि के बारे में मैं कहना चाहता हूँ कि बाघ सचिव की रिपोर्ट तैयार है और बाघ ही वह हमारे पास था जाएगी। उसके आधार पर हमारी कृषि की जो पैदावार है, जो प्रोसेस्ड फूड है या जो दूसरी प्रोसेस्ड फ्राइटिक्स हैं उनको बेचने के लिए हम ज्यादा से ज्यादा कोशिश करेंगे ताकि हमारे किसानों को अच्छा पैसा मिले और साथ ही अच्छा खरैद एक्सपेंज भी मिल सके।

SHRI JYOTIRMOY BOSU (Diamond Harbour): Madam Chairperson, unfortunately, even after thirty-two years of independence, we are following exactly what the Britishers did, that is colonial pattern of trade and commerce with foreign countries. When we sell our goods, we operate in buyers' market and when we buy, we buy in the sellers' market. Export of raw material and import of finished goods is the formula that we are following even after thirty-two years of independence and the total economy of this country, specially in the foreign

trade, is absolutely controlled by foreign multi-nationals and capitalist countries.

12.14 hrs.

(Mr. DEPUTY-SPEAKER in the Chair)

Sir, many raw materials are exported under different names showing them as finished or semi-finished goods—items like leather, engineering goods etc. I know, a sewing machine that is exported without any paint and without any brand name lands in London for five pounds and the same sewing machine is sold there through the show room after putting a brand name and a coat of paint for twenty-five pounds. This is the foreign trade practice we are following. The heavy export incentive given ran into no less than Rs. 1000 crores. I have got the details; you can see how it is increasing every year: in 1974-75 it was Rs. 67.18 crores; 1975-76 Rs. 133.22 crores; 1976-77 Rs. 226.62 crores; 1977-78 Rs. 311.28 crores and 1978-79 Rs. 233 crores.

Now look at the items: engineering goods, Rs. 81.63 crores; Foods Rs. 10 crores; textile ready-made garments, hosiery and knit-wears Rs. 61.89 crores; jute manufactures Rs. 13.01 crores, etc. But the most important point is that while our textile exports are going down, the cash compensatory support is increasing. Will the Minister explain this: for 1974-75 it was 0.1099.99 lakhs; 1975-76 Rs. 3401 lakhs; and 1976-77 Rs. 8483.43 lakhs.

The Public Accounts Committee in 1973-74—I do not know about the position afterwards because we were State guests from 1975—wanted to make a deep probe into the export incentive scheme payments. One of the biggest beneficiaries of this is Raunaq Singh of Maruti Ltd. There are so many others. The export incentive scheme is nothing but a fraud on the Exchequer. It is a hidden loss on the Exchequer. The trade deficit for six months now, comes to Rs. 588 crores;

but that is not all. You have also to add Rs. 233 crores, which is the budget provision for export incentives. This is one of the black deeds of the Government since 1974-75, feathering the nests of the big export houses and import houses in GATT countries. The import bill of 6 months rose by 25 per cent, and the volume is enormous.

How is it that we claim self-sufficiency? Between April and November 1977, I give the value in lakhs, of our imports—Wheat Rs. 56.67 lakhs; soyabean oil—why is it that this country should be required to import edible oils after 30 years of independence? It is not required—Rs. 15,418 lakhs; mustard oil including rape-seed oil Rs. 14,331 lakhs; palm oil Rs. 15,426 lakhs; other distillates Rs. 3114 lakhs; medicinal and pharmaceutical products Rs. 4485 lakhs; iron and steel Rs. 15,968 lakhs—after 32 years of independence; raw cotton Rs. 15,044 lakhs; and non-ferrous metals Rs. 12,226 lakhs. (Interruption) I am trying to make out a point. We are talking about self-sufficiency, and this is the picture. For the whole year 1977-78, the trade deficit is about Rs. 690 crores or about Rs. 700 crores, because we are all the time, while selling, operating in the buyers' market; and while buying, operating in the sellers' market.

By the end of September 1978, the convertible reserves stood at Rs. 4805 crores, which is Rs. 105 crores less than the figure for 1977-78. This is because of the export of human labour and brain drain. It is a shameful thing for any country. These human labour and natural resources, put together, would have generated a considerable amount of national wealth. The economy has started sliding back since the last few years; and this Government has not been able to put any check on this. Government has miserably failed as revealed in the Public Undertakings Committee. Invoice manipulations had reached at least a thousand crores of rupees a year and

[Shri Jyotirmoy Bosu]

the director and the deputy director who was caught; red-handed by the Committee, Shri Kaul, still remains at large manipulating papers sitting in the office. Invoice manipulation is one of the worst evils that the country is facing; that is a big drain on our exchequer; one main reason of our adverse trade balance is invoice manipulation. During the Emergency Mrs. Indira Gandhi gave out a circular asking the customs and the enforcement directorate not to prosecute the large business houses if they were caught doing invoice manipulation. Government have stated that there is a considerable fall in the international price of items like tea, coffee, etc. Mr. Mohan Dharia who devotes a lot of time at his desk could take the trouble of looking into the documents; I drew up a chart of 14 tea consuming countries. It was established in the document based on figures collected from different emphasises in various parts of the world that we do not get even one-fourth of the end price of our tea products. If tea is sold in Calcutta at Rs. 12 a kg. that tea is sold at Rs. 70 in Denmark and at Rs. 80 a kg. in America. We have visited shoe making factories. There is the STC. A shoe which is costing Rs. 120 a pair is exported from India, the western capitalist countries are selling it to the consumer at Rs. 600 a pair. This is your foreign trade. Kindly tell us what you propose to do to sell finished goods at the end price and get our price minus the marketing cost in the respective countries and what action you propose to take against invoice manipulations, especially the enforcement directorate officials who have been seriously indicted, Mr. S. P. Jain and Mr. T. N. Kaul.

SHRI MOHAN DHARIA: The decline in exports has been a matter of concern to the country. It has been said by Mr. Bosu that the old colonial pattern of our export-import trade still continues. I would assure Mr.

Bosu that ever since I have taken over, we have taken several decisions to reorient the old trade pattern and we would very much like to see that export-import trade is patterned according to the interest of the country. With a view to have diversification of markets and diversification of various items, we felt that we should have a dialogue with various countries and also diversification of markets of several products. It is in this context that we have identified dynamic areas for exports.

SHRI JYOTIRMOY BOSU: I am sorry to interrupt you; you know very well this year the tobacco growers have lost not less than Rs. 60 crores and all the benefit had been reaped by multinationals.

MR. DEPUTY-SPEAKER: You have had your full say; please resume your seat.

SHRI MOHAN DHARIA: At the same time hon. Member will appreciate that many times I have taken his advice in correcting policies. Is it not true?

SHRI JYOTIRMOY BOSU: It is true....(Interruptions)

SHRI MOHAN DHARIA: There are some qualities in Mr. Bosu and it will take a long time for you to appreciate them. We have bilateral trade with the countries in some areas and probably there is direct linkage between our exports and their imports whereby middlemen are stopped and multinationals who have established their own cartels there are brought to the minimum. We have taken some steps and various task forces have been appointed by the ministry. We have initiated action in all these areas. Without establishing proper production base in the country and having proper exportable surplus to be exported, it shall not be possible for us to be competitive and to have our entry into various markets. Simultaneously with a view to break down those monopo-

lies, we have taken up these issues at the multinational or bilateral levels and the House will be happy to know that India is one of the countries leading the developing world today in attacking these protectionist trends and telling the developed countries bluntly that because of their protectionist measures, they are doing great harm to the economy of the developing countries. We have also brought to their notice that by raising the standard of living in the developing countries, they will be getting a better market for their science and technology and that by adopting these protectionist measures they are harming the developing countries and they are also harming themselves. Some of the countries have taken note of these arguments and because of that we could get many of our quotas increased and in many areas, the matters are still under consideration.

A point has been made by the hon. member about cash compensatory support. I do agree with the hon. member that whenever this support is to be given, it should be on the basis of some specific criteria and it should be for supporting that particular commodity or article in getting entry into the foreign market. It cannot be given to those who are well established in their exports. Unfortunately it had happened so in the past, but now we have adopted new criteria. Cash compensatory support is necessary wherever the present taxation structure in the country or whenever the cost of inputs in the country do not make our exporters necessarily competitive. To that extent, care will be taken and it is being done on a selective basis. I can assure the House that wherever our exports of particular articles have been established, we would not like to give any cash compensatory support whatsoever. It is to give the strength in the beginning in the initial period that this support will be given and not otherwise.

So far as over-invoicing and under-invoicing is concerned, it is indeed a

very hard task. Here even though we are trying to make all possible efforts, the House is well aware of the linkages and it makes this whole task very difficult. Even then it is our desire that those indulging in this under-invoicing and over-invoicing should be brought to book and necessary steps are being taken in that direction also. Wherever they are caught they are being prosecuted.

SHRI JYOTIRMOY BOSU: S. B. Jain and T.N. Kaul have been caught sheltering, shielding, aiding and abetting under-invoicing by Singhanias to the tune of Rs. 49.5 lakhs in one case. They are still at large and no action has been taken. This is a very shameful matter. They should have been handcuffed and put behind the bars.

SHRI DHIRENDRANATH BASU (Katwa): Singhanias and Kanorias have snatched away amounts to the tune of over Rs. 2 crores. I say this from the report of the Committee on Public Undertakings.

SHRI MOHAN DHARIA: My friends will please appreciate that these are the commissions of the past. Now it is for us to rectify them and we shall try to rectify them. (Interruptions).

बीबरी बलवीर सिंह (होशियारपुर):
मालू वैदा करने वाले तो मर गये क्योंकि उन्हें अपनी कोस्ट प्राइज नहीं मिल रही है। इसलिए आप मालू का एक्सपोर्ट तेज कीजिए। 25,000 टन की बजाय कम से कम 5,00,000 टन एक्सपोर्ट होना चाहिए। (अव्यवधान)

MR. DEPUTY-SPEAKER: Mr. Balbir Singh, please take your seat. I am not going to allow anybody to interrupt now. Mr. Minister, you are not obliged to reply to anybody who stands up without my permission. If there is one member who is trying to interrupt, 5 or 6 members get up simultaneously and interrupt. If some-

[Mr. Deputy Speaker]

thing like that happens, nothing will go on record. Mr. Dharia may continue.

SHRI MOHAN DHARIA: So far as the import policy is concerned, it has been mentioned by the hon. Member that we should allow the import of such things which are widely needed in the country or to have new science and technology imported into the country. I entirely share the feelings of the hon. Minister.

SHRI JYOTIRMOY BOSU: The Agriculture Minister is sitting behind. We are importing palm oil. Everything we are importing.

SHRI MOHAN DHARIA: In this connection, as the House may be aware, we have taken a decision to canalise the import of edible oils. We would like to give remunerative prices to the farmers so that within the next three or four years within the country itself we will produce enough so that there will be no necessity whatsoever to have import of oil. That is why we are giving a support price of Rs. 135 for groundnut, soyabean and sun flower. We would like to have increased production here and bring down the imports. That is why Government have taken a decision to canalise the imports. If there are any cases of unnecessary imports, if such cases are brought to my notice, I shall immediately take steps to see that such imports are not allowed.

We agree with the view of the hon. Member that our foreign exchange should not be frittered away.

Regarding dynamic exports in various areas, I have in my note given all possible steps that were taken. A point was raised regarding tobacco and potato. Government have taken a decision to allow in the initial stage the export of potato to the extent of 25,000 tonnes. Only yesterday I had a discussion with Shri Barnala and I have told him that I have no objection to exporting any quantity of potato, if care is taken of the domestic

price of potato. In fact, I would be happy to encourage the export of potato and I have announced it....
(Interruptions).

In the case of onion, the House would be happy to know that we have taken a decision and we shall export at least 75,000 tonnes, and perhaps more if we could take care of the domestic price in the country.

So far as agricultural production is concerned, for the first time the Commerce Ministry has constituted a group under the Chairmanship of the Secretary, Ministry of Food and Agriculture, to find out the areas where we can make exports. On the basis of that report, we would first like to expand the base of production, which will lead to increased exports. I have taken up the matter with the Planning Commission, and I shall take care to see that whatever could be exported out of what is being produced in the country in a planned manner is exported, while at the same time ensuring the fulfilment of the domestic needs. There is also a proposal under discussion that sugarcane should be directly converted into alcohol and exported to foreign countries. That is also being discussed. All possible steps would be taken. To some extent, there is some marginal shortfall in our foreign exchange earnings from our exports. All steps have been taken on a scientific basis. We shall have substantial exports every year so that we can provide employment to a large number of people, while giving a remunerative price to our farmers.

12.35 hrs.

PUBLIC ACCOUNTS COMMITTEE

NINETY-FOURTH AND HUNDRED AND SECOND REPORTS

SHRI P. V. NARASIMHA RAO
(Hanamkonda): I beg to present the following Reports (English and Hindi