

all growers are getting better prices but when it comes to the question of export, the Tea Board obviously had been taking a lot of interest and I do compliment the Tea Board—of course, my hon. Member also—it is necessary that little more promotional activities with reference to tea exports have got to be undertaken. It is not true that big companies alone are picking up exports. We have allowed the public sector organisations also to take up the export of tea. In fact, the Tea Trading Corporation has also been asked but how far they succeed is a different matter because they have to purchase the tea from the open auctions and then export it.

In fact, the exports of value added tea fetches better prices. This year the performance of the value added tea has been dismal for which I myself am little upset. I am sure when once value added tea starts being exported we will be able to get better prices. The unit value will rise this year as the situation is, the prices that are likely to be fetched in the exports are not that encouraging. Last year with 223 million kg of exports we were able to get Rs 674.25 crores. This year the quantity is also slightly less and by now I am not satisfied because we have not even touched Rs. 600 crores. So it is for the Tea Board and the members of the Tea Board whom we are backing up so strongly that they should take necessary steps for increase in the exports.

SHRI HAREN BHUMIJ : Sir, the hon. Minister has stated that in 1985 and 1986 from the Tea Board approximately equal amount of tea exports were done but from the available data it is clear that in the last two years tea has been exported in equal quantities but it could fetch lesser amount in 1986 as compared to 1985. I want to know from the hon. Minister whether it is due to the fact that quality of tea produced in 1986 was inferior as compared to 1985?

Secondly, whether the export could not fetch the desired amount because the tea produced in tea gardens could not reach the auction centres in time as that deteriorates the quality of the tea.

SHRI P. SHIV SHANKER : I am sorry to submit that both the assumptions

of the honourable Member are not correct. In 1984-85, the quantity that was exported was 217 million kgs and we got Rs. 771.39 crores. In 1985-86, the exports were to the tune of quantity-wise 222.92 million kgs and the value that we got was less. As I said, it was total valued added, etc., coming to Rs. 674.25 crores. In 1986-87, so far from April to December, it is 161.85 million kgs that has been exported and in terms of value it is Rs. 491.03 crores.

Now the submission is this that we have very strong competitors in Kenya, Sri Lanka and Brazil. Because of the competition and when their produce goes up—the growth rate being appreciable in those countries—we have got to compete our product with the product of these countries. When the crop in these countries is good, the prices come down and it affects us also. Actually the position is this year there is a less production of 40 million kgs so far as our country is concerned and the prices were not firming up till October last. I had been watching every month. The prices were at a very low ebb because the other countries were in a position to bring their produce with a better crop into the market and reduce the prices. But the prices started firming up from October. Now the situation is that if the crops are good in the other countries and if the crop is not good in our country, then it has got the resultant effect. If the crops are bad in the other countries and if the crop is good in our country, naturally the value goes up. So, it is dependent on this major act of God.

Exports to USA

*334. **SHRI BEZAWADA PAPI REDDY :** Will the Minister of COMMERCE be pleased to state :

(a) the names of goods exported to the United States of America in 1984-85 and 1985-86; and

(b) the foreign exchange earned thereby during the last two years and the efforts made by Government to increase exports to U.S.A. ?

THE MINISTER OF COMMERCE (SHRI P. SHIV SHANKER) : (a) and (b). A Statement is given below.

Statement

The major items exported to USA during 1984-85 and 1985-86 are : diamonds, readymade garments and other textiles, petroleum products, engineering products, leather and its products, carpets and rugs and agricultural products such as cashew-nuts, spices and marine products.

The foreign exchange earned during 1984-85 and 1985-86 by non-oil exports to USA are as follows :

Year	(Value : Rs. Crores) Exports to USA
1984-85	1765.83
1985-86 (P)	1994.48

(P)=figures are provisional and subject to revision.

A series of initiatives which have been taken to promote our exports of various products would assist our exports to USA also. With particular reference to the USA, a number of steps have been taken to increase exports which include market surveys, participation in trade fairs and exhibitions buyer-seller meets and special publicity programmes.

SHRI BEZAWADA PAPI REDDY : Mr. Speaker, Sir, according to the statement, 'trade fairs' is also mentioned in the statement. I would like to know the impact of trade fairs on these earnings.

Also, is it a fact that the trade fairs are giving more publicity to the Chairman of the Trade Fair Authority than to the country ?

SHRI P. SHIV SHANKER : Sir, I would not like to say anything on the latter part of the observation of the honourable friend because his observation is not really reflective of the actual situation.

The trade fairs have really done a good job. In the United States, the position is that the balance of trade is in our favour.

The figures show that there is a gradual increase in exports. I should submit that in 1986, there had been a slight fall in the exports because of the fact that we had not been able to export crude oil to the United States in that year. 1985 was the last year when we were able to export crude oil which used to be a good chunk of our exports to the United States. But I must submit that in 1985 and 86 other commodities had done well. If I am allowed to give the figures, even this year, 1986, the position is that there is 2283.2 million dollars worth of exports and the import stands at 1509.7 million dollars, leaving a balance of trade in our favour to the tune of 773.5 million dollars.

SHRI BEZAWADA PAPI REDDY : What is the share of Andhra Pradesh in the exports ?

SHRI P. SHIV SHANKER : I am really sorry that while it is not possible for me to give the exact figures of the exports from Andhra Pradesh to the United States, but, on the whole, I must submit that I am myself concerned—and in fact, I have been talking to the officials concerned also whenever they come—that the share of Andhra Pradesh in the exports is practically negligible. It only stands at Rs. 400 crores. The major portion out of this Rs. 400 crores is tobacco. I have had discussions with some of the agricultural growers and I have requested them to increase the agricultural products export which they can. Apart from the fact that we have from 1st July 1986 increased the CCS in respect of certain agricultural commodities, we would do whatever could be done for the purpose of export of agricultural commodities and we would take necessary steps if we find that there is need of such steps for purposes of better exports.

[Translation]

SHRI C.P. THAKUR : Mr. Speaker, Sir, have our exports to U.S.A. and other countries declined mainly on account of the prevailing protectionism and sub-standard quality ? Along with it, we assure them of a certain quality while signing the contract but we are not able to supply goods of the same standard.

SHRI P. SHIV SHANKER : Mr. Speaker, Sir, our exports have not declined.

ed during this year. The figures from April to January which are available with me clearly show that our exports have been worth Rs. 10,000 crores and according to the trends in February and March also, it does not seem that there has been any decline in our exports. I have said earlier as well that our target will be reached. Hence it is not that our exports are decreasing. This year our exports have been worth about Rs. 1500 to Rs. 1600 crores more than that of last year. As has been said by the Hon. Prime Minister inside and outside the Parliament, there has been a 17.3 per cent increase in exports this year. It is of course, true that five countries and to some extent U.S.A. are exercising protectionism, and have imposed countervailing duty as well as anti-dumping tax. In this way, the tariffs in the E.E.C. countries have been enhanced. As regards our supplies to other countries, we fix a certain quota, however our quality perhaps does affect it. But in spite of these difficulties, our exports and performance have been quite good.

[English]

SHRI S. JAIPAL REDDY : Will the hon. Minister tell us whether it is a fact that the contribution of big business houses in the area of export has been proportionately decreasing, while the imports on their part have been increasing? If so, what are the measures contemplated to check this tendency?

SHRI P. SHIV SHANKER : Sir, in fact as the hon. member was pleased to say, I will submit that in the engineering sector 30 largest companies are only doing exports of Rs. 27 crores. In the general sector 50 large companies are only carrying out exports to the tune of Rs. 30 crores. I am myself engaged with this exercise and I have invited the representatives of these companies. I have also addressed letters to the Chambers for purposes of seeing to it that they increase their exports. We have been constantly having discussions with their representatives. We are also bringing in amendments in the Company Law. As I have informed earlier, it will be obligatory on the part of these companies to bring out in the balance sheet the exact foreign exchange they have used and the amount they have earned so

that the nation would know the performance of these big companies. The only way to induce them to effect more exports is to persuade them to do so. I find that the internal market is more attractive for them and they get better prices in the internal market. Because of the pull in the indigenous market, they have been trying to sell their goods internally and they have not been giving any attention towards the exports. I must admit that this is a sorry state of affairs. What all we could do, we are certainly doing.

SHRI S. JAIPAL REDDY : What about their imports? You are doing nothing to check their imports.

SHRI P. SHIV SHANKER : The point is, so far as the imports are concerned, with regard to machinery which is technologically developed and would produce a product that is essential for the country, we have got to necessarily allow its import. Otherwise, we may have to allow the product itself to be imported. Different considerations weigh for the purposes of imports. But I assure the House that wherever we have got the indigenous production capacity, such a machinery is not being allowed for being imported. We are taking different steps. This is a continuous process which we have to continue. In fact, we are coordinating with different Ministries. There is a Co-ordination Committee and there is a Committee of Secretaries for this purpose and I have been periodically going into this question. We will take such steps which are absolutely necessary to see that unnecessary imports are curbed.

[Translation]

SHRIMATI USHA THAKKAR : Mr. Speaker, Sir, I want to know from the hon. Minister whether it is true that our export of black pepper, grown in Kerala, has declined this year and, if so, the reasons therefor?

SHRI P. SHIV SHANKER : Our exports have declined on account of reduced production this year. But I want to submit one point that we have secured good prices for it.