

My question is that when there were no night-landing facilities there, why the Prime Minister's plane was permitted to land at Jorhat and risk his life. That is our question.

श्री पुरुषोत्तम कौशिक : इस का जवाब तो डिफेंस मिनिस्ट्री ही दे सकती है क्योंकि उन्होंने अपने विमान से प्रधान मंत्री को भेजा ।

SHRI NRIPATI RANJAN CHOU-DHURY: Sir, my name was on the list. I am not called.

MR. CHAIRMAN: You were not there.

SHRI NRIPATI RANJAN CHOU-DHURY: It was here.

MR. CHAIRMAN: Yes, you are allowed to ask.

SHRI NRIPATI RANJAN CHOU-DHURY: No question, Sir.

Committee to review foreign trade policy

*422. SHRI SARDAR AMJAD ALI:†
SHRI SANTOSH KUMAR SAHU:
SHRI DEVENDRA NATH DWIVEDI:

Will the Minister of COMMERCE AND CIVIL SUPPLIES AND CO-OPERATION be pleased to state:

(a) whether it is a fact that Government have constituted a high power committee to recommend suitable changes in the import-export policy and procedures; and

(b) if so, what are the details in this regard?

*†The question was actually asked on the floor of the House by Shri Sardar Amjad Ali,

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE, CIVIL SUPPLIES AND CO-OPERATION (SHRI ARIF BAIG):

(a) Yes, Sir.

(b) The Committee has been set-up under the Chairmanship of Dr. P. C. Alexander, Commerce Secretary with the following terms of reference:

(i) To review the present structure of import and export policies and their formulation;

(ii) To suggest improvements in the structure and use of instruments of policy and rationalisation and simplification of procedures; and

(iii) To suggest appropriate changes in the Organisation of Chief Controller of Imports & Exports and other export-related agencies.

SHRI SARDAR AMJAD ALI: I would like to know from the hon. Minister whether in view of the favourable balance of trade that we have had in the last few months and during the earlier years, it has struck the mind of the Government if the change which they are contemplating is going to help the country with regard to its foreign exchange position. On taking power, the Janata Party has made a declaration that by keeping the country unfed, they are not going to export things. It is a good policy no doubt. But at the same time we have to consider what will be the position with regard to the foreign trade and foreign exchange. Now we have a favourable balance of trade. What kind of changes are likely to be suggested by the Government? It is not only the reference that would be made, but there should be some guidelines also before that Committee which has been appointed. May I know what type of suggestions is the Government going to make before this Committee in view of this position?

SHRI MOHAN DHARIA: Sir, unfortunately, there is some misunder-

standing or confusion. So far as the export and import policy is concerned, the Government has constituted a Cabinet Committee which consists of the hon. Finance Minister, hon. Ministers for Industry, Steel and Mines, Agriculture and External Affairs and the Commerce Minister is the Chairman of that Committee. It is for that Committee to take decisions on policy matters. So far as this Committee and this question are concerned, it is very much concerned with the structural changes in the present apparatus or the instruments through which the imports and exports take place. So, naturally, the sphere of operation of this Committee under the chairmanship of Dr. P. C. Alexander is limited. There are several handicaps; there are delays; and there are procedural wrangles. The hon. Members have been complaining about these. I do assure them that the Commerce Ministry will go into these. We would like to re-structure the whole mechanism so that the delays do not take place and the Commerce Ministry functions not only as a controlling Ministry but also as a promotional Ministry so far as our exports and imports are concerned. There is a Chief Controller of Imports and Exports. I would very much like this office of Chief Controller to function as an office for the promotion of our exports and needed imports. So far as imports are concerned, it is true that we have liberalised imports. But again, for what purpose? Our intentions and objectives are very clear. We would like new science and technology to come into this country and to give that base to the whole industry and agricultural activity of the country. But, so far as the decisions are concerned, they will be taken by the Committee meant for the policy purposes. This question has nothing to do with policy matters.

SHRI SARDAR AMJAD ALI: Sir, this, of course, is a very salutary approach that the hon. Minister has suggested with regard to the activities of the Committee that is set up. But I would like to know from the

hon. Minister as to why, in the matter of exports, quality control is being handed over to the various Ministries. For instance, with regard to the agricultural commodities that are exported, their quality is to be checked by the Agriculture Ministry. In the case of certain other commodities, certain other Ministries do it. Now I would like to know whether the Government is thinking of evolving a particular machinery with regard to the quality control of our exports. This has been the persistent demand, as far as I know, of some of the departments inside. I would like to know whether the Government is thinking in this direction or not.

SHRI MOHAN DHARIA: Sir, the House is well aware that our exports have gone above Rs. 5,000 crores and, even during the past six months, the growth rate of our exports has been of the order of 11 per cent. Now, with such massive exports which involve several articles, it is not possible to have quality control only at one point. To be frank, Sir, the quality control should be at the centre of production itself and there should be proper checking when certain goods are exported outside. Naturally, I am sure the whole House will appreciate that wherever these articles of export are produced, they are, perhaps, the best centres to have quality control. I do share the feelings and concern of the hon. Member and of the House that so far as the quality of our goods is concerned, there should be a new confidence in the world that if they are goods produced in India the reaction should be, "Yes, they are Indian and we can have confidence in them", and it is from that point of view that we are taking several steps.

SHRI SANTOSH KUMAR SAHU: Sir, while we know that this matter has been referred to this Committee for study, we also know that different aspects have been given for study to different sub-committees. But what will be the fate of the Reports of those sub-committees? For example, Sir, the working of the canalisation

system has been given to the Institute of Management by the Commerce Ministry. Then the question of export incentives and tax subsidies is under the study of the Indirect Taxation Inquiry Committee headed by Dr. Jha. I would like to know whether these matters will be actually co-ordinated by this Committee or whether those committees will stop functioning. That is the first question. The second question is: The most important part for consideration is lack of proper market intelligence and information in the different centres of the world so that we can gear up our exports. So, will this Committee also study these points? Then the third question I would like to put to the hon. Minister is....

MR. CHAIRMAN: How Many?

SHRI SANTOSH KUMAR SAHU: I am asking in the order of a, b, c. Allow me please. The inordinate delay in payment of export incentives and subsidies has created a great bottleneck for exports from this country. So, will this Committee study this aspect also?

SHRI MOHAN DHARIA: Sir, I can assure the House that so far as this Committee is concerned, the fate of the Report will not be that of my earlier Report on Essential Commodities and Articles which was presented in 1973. Sir, so far as this Committee is concerned, it is going through various incentives that we have been giving. There are exemptions from duty, there is cast assistance and there are various other facilities also being given. We would very much like that instead of having these 3 or 4 facilities at 3 or 4 places, they could be brought together so that the exporter has not to run from this office to that office and he is in a position to have them at one centre and the procedure also is simplified. Similarly, regarding market intelligences while re-structuring the whole the Committee will naturally go into it. For the information of the House we have already taken a decision that in the case of all our agencies that

are working outside the country, may be the S.T.C., the M.M.T.C., the Coffee Board, the Tea Board, the SAIL and all those organisations having their offices outside for export purposes the working of these organisations will be integrated outside. We should give an image of the country as a new India. So we have taken a decision to integrate their working outside. Of course, they will have their own identity and it should be possible for us through this integrated functioning to have better marketing intelligence as has been insisted upon by the hon. Member. Sir, regarding the canalisation report, it is true that we have asked the Indian Institute of Management at Ahmedabad to study both the working of the S.T.C. and M.M.T.C. and also let us know regarding the decisions that are taken in connection with canalisation of certain items. A preliminary report from the institution has already been received by the Government and it is also being studied of course, the final report will be coming within the next ten months and on the basis of this report, immediate follow up action will be taken. But whenever we take a decision, we cannot forget that it should necessarily be in the interest of the country and in the interest of the people and also that it should help us in expanding the export trade to the extent possible.

SHRI DEVENDRA NATH DWIVEDI: Sir, the hon. Minister has enlightened us that the Alexander Committee will go into the question of procedures and recommend the structure of the Ministry. It is all right; but the main challenge before the Commerce Ministry is how to make the export policy an instrument to achieve a self-reliant growth of the economy. In the past years, we have followed, what has come to be known as growth-led-export which, leading to a logical conclusion, will make our economy subservient to the needs and requirements of the developed countries. So, that is the greatest chal-

lenge today. Unfortunately, what has happened is, if I may elaborate this point, exports have been promoted not so much to finance the import requirements of this country but to merely add to the production capacity. Now, how to make exports a factor in balancing the external accounts of the economy, is the major task and it is a political problem which cannot be decided by Mr. Alexander or anybody else. So, my question is, does the Minister agree with this formulation of mine that export policy needs to be given a completely new shape with a view to making it an instrument of self-reliant economic growth? And if it is so, what are the ideas that he has in mind and which he would like to share with this House as to how to go about it?

SHRI MOHAN DHARIA: Sir, my friend has put a very important question in connection with the policy of our exports. I am very much one with the hon. Member that we are not necessarily interested in the export-led-growth. What is needed for the country is to make it self-reliant. We can take care of several problems including the problem of unemployment in this country. So, when we think of exports, whether they are industries spread all over the country, the decentralised sector where we can give more and more employment to our people and we can also export, whether there should be combination in between the composite sector and also this decentralised sector, it is in this context that I would like to assure this House that this new Cabinet Committee on Exports has started thinking on these lines. Whatever exports are to be made, that will necessarily help in building or expanding this present infrastructure in industrial and agricultural economy which will lead to acquiring self-reliance as the hon. Member has suggested. It is in this context that I am saying to the House that the policy will be necessarily reoriented.

SHRIMATI MARGARET ALVA: On the one hand the Hon. Minister speaks—he said this morning also—about a new direction for the import of technology, and on the other hand he speaks about an independent self-contained economy. I would like to ask the Minister in view of the declared policy of the Janata Government that the emphasis would be on the rural development and village and cottage industries, how the import of technology is consistent with the policy of the Janata Party laying emphasis on the development of rural industries and whether the imported technology will be used to develop even the rural or cottage industries because the accumulated foreign exchange is available.

AN HON. MEMBER: It is a technical question.

SHRI MOHAN DHARIA: I do not think that it is a technical question. Probably, it has arisen out of confusion in the mind of the Hon. Member.

SHRIMATI MARGARET ALVA: Your statements are responsible for creating such a confusion.

SHRI MOHAN DHARIA: Take lightly, Madam. What is needed in the country is transfer of new science and technology in such a way that we are in a position to solve the various problems that are being faced by the country. There is the problem of unemployment. There is the problem of achieving more and more production and productivity. So, in this context, how can we transfer the technology to our country? We cannot forget that on the one hand we want to have new science and technology and there are certain areas like steel, fertilizer or power where heavy investments are necessary and they will be made. At the same time, let us not forget that it is the rural sector, the agricultural sector which

is having a tremendous potential for providing adequate employment to this country, which has remained unexploited and the new science and technology should be transferred for the exploitation of our own natural resources. It is for harnessing of the natural resources and the manpower in this country that this new science and technology should be used, and there is nothing inconsistent. On the contrary, the inconsistencies that were there in the past, are being removed by the Janata Government.

SHRIMATI MARGARET ALVA: Can cottage and village industries be developed through imported technology?

AN. HON. MEMBER. Why not?

SHRI N. G. RANGA: In view of the fact that the quota licence/permit raj has prospered under the Benign patronage of the Government, the past as well as the present, which has been condemned by the late President Radhakrishnan, Rajaji and quite a number of us belonging to different political parties, have the Government taken any steps or do they propose to take any steps either through this Alexander Committee or some other means to devise a method more or less on the lines of establishing a quasi-judicial commission to work in close co-operation with the Commerce Ministry as well as the Finance Ministry to see that the earlier abuses and the possible new abuses also introducing partiality of industrialists against other section of industrialists can be minimised, if not eliminated?

SHRI MOHAN DHARIA: Sir, the reference which I have made to the Cabinet Committee is also an effort for the integration of these various Ministries, Finance, Industries, Steel and Mines, Agriculture including External Affairs. It is an effort to integrate them and will naturally help minimise if not eliminate, minimising the various grievances which have been made by the Hon. Member.

SHRI U. R. KRISHNAN: What is the amount of foreign exchange that we are having now? Has it increased or decreased after the new Government has assumed office?

SHRI MOHAN DHARIA: Roughly it is of the order of Rs. 4,000 crores. It is true that during the past six months, our exports have gone up considerably by about 11 per cent while the imports are of the order of last year. So, naturally, again there is an addition.

SHRI BHUPESH GUPTA: Sir, I was a little surprised; I thought that the Chair had been taken over by somebody else. I could not recognise you. I am sorry that I could not recognise you. Now, I should like to ask him a question. Now that we have got such a big—substantial, I should say—amount of foreign exchange reserves, I should like to know why the Government is not considering the advisability of evolving a policy to so utilise the foreign exchange reserves that it does help development on the lines of self-reliance and in building certain very important, key industries that we need and otherwise also. I should also like to know whether we would have an assurance that the fate of these foreign exchange accumulations would not be the same as happened in the fifties when our sterling reserves were frittered away by importing non-essential things, consumer goods and otherwise. I should like to know what exactly is the policy from the point of view of the development of our economy—especially the important sectors—or with a view to strengthening the economy as a whole. In that context, I should like to know how the Government proposes to use the foreign exchange reserves that we have.

SHRI MOHAN DHARIA: Sir, I entirely share the feelings of the hon. Member. The Government is quite vigilant to ensure that the foreign exchange reserves that we hold today are not frittered away and that they are necessarily to be used for our

development with a view to achieving self-reliance. It is in this context that the Government has already applied its mind. So far as our basic industries are concerned and so far as our requirements are concerned, what are those areas where these investments are very much necessary? It is on these lines that the Finance Ministry and all concerned Ministries are very much engaged in utilising the present favourable position in building up our industrial and agricultural . . .

SHRI BHUPESH GUPTA: Mr. Dharia, that you are engaged, I know. That you are also engaged to each other, I know. But I should like to know whether you are going to involve us in evolving the policy which will represent a national consensus and opinion over this matter, especially in the light of the past and experience with our foreign exchange accumulations, so that we take full advantage of it to gain something from the point of view of importing technological know-how and developing things here, so that we take advantage of the scientific and technological revolution that has taken place in the world today. I mean, there should be an integrated, concerted policy because prices may go up. What would happen in the international market, we do not know. You know the world capitalist economy is in a bad shape. Here is the time for you to go into it with a bang, to go into it with a proper plan to so utilise the reserves that we derive the maximum benefit out of it.

SHRI MOHAN DHARIA: The Prime Minister has already declared that in this process of planning, we would like the whole country to be involved, including the Opposition Parties, and naturally this is one of the sectors where we would like to have their suggestions.

MR. CHAIRMAN: Next question.

मूल्य नियत करने और मूल्य सूचियां प्रदर्शित किए जाने में व्यापारियों द्वारा रुकावट

* 423. श्री कमलनाथ झा :

श्री नागेश्वर प्रसाद शाही :

श्री संयद निजामुद्दीन :

श्री नथी सिंह :

क्या वाणिज्य तथा नागरिक पूर्ति और सहकारिता मंत्री यह बताने की कृपा करेंगे कि :

(क) क्या यह सच है कि व्यापारी विशेषतः स्टेनलेस स्टील के बर्तनों के व्यापारी मूल्यों के नियत किए जाने और वस्तुओं की मूल्य सूचियों के प्रदर्शित किए जाने की सरकार की नीति के अमल में आए जाने में रुकावटें डाल रहे हैं और इस संबंध में कानून की वृत्तियों का लाभ उठा रहे हैं ; और

(ख) यदि हां, तो सरकार इस संबंध में क्या कदम उठाने का विचार रखती है ?

‡ [Obstacles by traders in fixing prices and exhibiting rate lists

* 423. SHRI KAMALNATH JHA:

SHRI NAGESHWAR

PRASAD SHAH.†

SHRI SYED NIZAM-UD-DIN:

SHRI NATHI SINGH:

Will the Minister of COMMERCE AND CIVIL SUPPLIES AND CO-OPERATION be pleased to state:

(a) whether it is a fact that the traders, particularly in stainless steel utensils have been putting hurdles in the way of implementation of Government's policy of fixing prices and exhibiting price lists of commodities and have been taking advantage of the legal lacunae in the matter; and

(b) if so, what steps Government propose to take in this regard.]

‡The question was actually asked on the floor of the House by Shri Nageshwar Prasad Shahi.

‡ [] English translation.