

(No reply)

SHRI BHUPESH GUPTA : I would like to know whether, in dealing with this matter, the Government has taken into account the present policy of the Japanese, of economic expansionism, and whether in this connection, it has been brought to the notice of the Government that some of the countries who have been dealing with Japan, e.g. Thailand, South Korea and Malaysia, are expressing grave apprehensions over the manner in which Japan is conducting its trade relations. In view of Japan's economic expansionism, I should like to know what steps Government has taken to protect our economy in the Asian region so far as market is concerned and to take a stand against the onslaught of very powerful expansionist Japanese economy.

PROF. DEBIPRASAD CHATTOPADHYAYA : We are quite aware of the problems posed by the sort of commercial diplomacy and transactions carried on by Japan. In view of that, we are doing everything possible at our level to bring these different States of this region and sub-regions together to increase their trading opportunities in the Asian continent.

#### PRODUCTION AND IMPORT OF COTTON

\*555. SHRI LOKANATH MISRA : f

SHRI SUNDAR MANI PATEL : Will the Minister of COMMERCE be pleased to state :

(a) whether it is a fact that cotton production during the current year is likely to decline;

(b) if so, to what extent ;

(c) whether there is any proposal to import cotton to make up for the anticipated fall in cotton production; and

(d) if so, from which sources and what is the financial allocation for this purpose?

THE DEPUTY MINISTER OF COMMERCE (SHRI A. C. GEORGE): (a) and (b) The decline in Cotton production

†The Question was actually asked on the floor of the House by Shri Lokanath Misra.

during the current cotton year is very roughly estimated to be of the order of 6%.

(c) and (d) Import of 4 -1 lakh bales costing about Rs. 56 crores and 1 -4 lakh bales costing about Rs. 38 crores from Sudan and ARE respectively has been arranged under Bilateral Trade Agreements with these countries.

SHRI LOKANATH MISRA : May I know the reasons for the decline in cotton production in the country and what are the special steps taken by the Government to boost up the cotton production similar to the steps they have taken in the case of wheat or paddy?

SHRI A. C. GEORGE : In 1971-72 we had a bumper crop of cotton production and the estimated production was about 69 lakh bales and in 1972-73 cotton year the estimated production is to the tune of 62 lakh bales. The shortfall is considered to be due to the drought conditions all over the country, especially in the cotton growing areas. To offset this shortfall in production, there are so many measures envisaged by the Agriculture Ministry. I can enumerate some of the major items.

We have a programme to increase production of cotton through development of indigenous production of extra-long staple varieties like Sujata and Suvina. Then we have a programme to develop long-staple high-yielding varieties like MCU-5. Then evolution of short-duration compact habit strain, development of a new and efficient mixed cropping and inter-cropping system and development of integrated disease and pest control schedule and finally improvement in the post-harvest technology, are some other steps envisaged. Over and above the long-term strategies, we have a programme for intensive cotton development scheme. This is being organised in consultation with the Ministry of Finance because it may cost nearly Rs. 15 crores. This scheme will be spread over 1971-72, 1972-73 and 1973-74. Some of the major items of this programme are as follows:

Six districts have been covered for the intensive development of irrigated areas. In non-irrigated areas, approximately 1-4 lakh hectares will be developed and this will be spread over seven districts. As a result of this, it is expected that during 1971-72, 1972-73 and 1973-74 the increase in production will be to the tune of 3-6 lakhs bales, 3-6 lakh bales and 4-8 lakh bales.

**श्रीमती लक्ष्मी कुमारी चंडावत :** क्या यह ठीक है कि सूत के ऊपर कंट्रोल किये जाने के बाद से सूती धागा बाजार से बिल्कुल गायब हो गया ? क्या यह भी ठीक है कि 1971 के मुकाबले में, 1972 में दस करोड़ किलो ग्राम सूत ज्यादा पैदा हुआ, लेकिन नियंत्रण में आने के बाद से उसको अन्डर-ग्राउन्ड कर दिया गया और छोटे काम करने वालों को आज बाजार में सूती धागा नहीं मिल रहा है ?

SHRI A. C. GEORGE : Sir, it is with a view to alleviating the difficulties of the weavers and the decentralised sector that the measures were announced last week for the 100 per cent procurement of yarn...

(Interruption)

SHRI M. K. MOHTA : Sir, can I also ask questions about yarn ?

MR. CHAIRMAN : Mr. Kapur.

SHRI YASHPAL KAPUR : While talking of decline in the production of cotton, is the Minister aware of the conditions in Punjab where cotton is lying in the open threatened by dust-winds and rain as the Cotton Corporation has been unable to purchase it because of lack of resources? Would the Minister make arrangements so that the Cotton Corporation can purchase all the cotton available there?

SHRI A. C. GEORGE : Last year when there was a difficult situation because of the super bumper crop, the Cotton Corporation of India was geared into the marketing operation and more than 5-1 lakh bales costing about Rs. 58 crores were purchased

through the Cotton Corporation of India. Even this year the Cotton Corporation is ready to purchase and there will not be any dearth of resources. But the fact is that prices are definitely higher than last year because of the short crop.

SHRI CHANDRA SHEKHAR : Mr. Chairman. I rise on a point of order and I shall like your ruling on this question. The honourable lady Member asked a question and you very kindly allowed the Minister to reply to that question. The Minister was replying to that question and he was halfway. At that stage another honourable Member from the other side got up and said whether he could ask a question on yarn. Whether he could ask\* it or not, when the Minister was halfway in his reply, I do not know under what parliamentary rule the Minister can be asked to sit down just because a certain section of the House does not want any question about yarn to be put in this House. Whether the question was relevant or not, when once you allowed the question and the Minister was replying, was it proper for another Member to cut the question halfway or to cut the reply halfway, and, was it proper for you, Mr. Chairman, with due respect, to ask the Minister to sit down while he was halfway in his reply?

SHRI BABUBHAI M. CHINAI : Sir, on a point of order...

SHRI N. K. SHEJWALKAR : Sir, on a point of order.

MR. CHAIRMAN : First let me give my ruling on this point of order. Please sit down. I think...

SHRI N. K. SHEJWALKAR : Sir, before you dispose of that point of order, I want to raise a point of order. My point of order is...

MR. CHAIRMAN : No. first let me dispose of that point of order ....

SHRI N. K. SHEJWALKAR : Just listen to me, Sir. My point of order is related to that...

MR. CHAIRMAN : No, you cannot raise a point of order before I have disposed of the earlier point of order. Please sit down...

SHRI N. K. SHEJWALKAR : Then my point of order will be of no use at all. First please hear me and then dispose of that point of order.

MR. CHAIRMAN : No, first I must dispose of Mr. Chandra Shekhar's point of order. Please sit down.

SHRI N. K. SHEJWALKAR : Then what is the use of my point of order, Sir?

MR. CHAIRMAN : I was right in holding that the question did not arise out of this question. I decided it when an objection was raised. It was not material to me who raised the objection and when.

SHRI CHANDRA SHEKHAR : Sir, at what stage did he object to it? The only point is at what stage it was objected to. If the Question Hour is used for these purposes, then I am very sorry to say that we have to bring about our questions in another way.

MR. CHAIRMAN : I can decide the point of order at any stage.

SHRI N. K. SHEJWALKAR : Sir,...

MR. CHAIRMAN : The matter is over. Why are you taking the time of the House?

SHRI N. K. SHEJWALKAR : My submission is that a point of order can also be raised immediately, not when one question was put...

MR. CHAIRMAN : I have already decided it. Please sit down now. Mr. Chinai.

SHRI BABUBHAI M. CHINAI : When the honourable Minister stated that the production last year was 68 lakh bales, the actual production, according to the figures supplied by the industry and trade is 72 lakh bales. And this does not come to 6 per cent as stated by the honourable Minister. In view of the fact that the production would be 62 lakh bales and the import will be 5-40 lakh bales from Egypt and the Sudan, the balance will be made up and the carry-over is 30000 bales of Russian cotton. Will the honourable

Minister enlighten us whether there is any plan to import Russian cotton to the tune of a lakh or a couple of lakh bales so that the loss in our production can be made up by rupee payment system and the industry will not suffer?

SHRI A. C. GEORGE : Sir, this year there is not going to be any likelihood of the production going down because of the dearth of the raw material which is cotton. The honourable Member at the very outset suggested that though our estimate is 68 lakh bales, the industry has given the figure of 72 lakh bales....

SHRI BABUBHAI M. CHINAI : No,, no. That was last year.

SHRI A. C. GEORGE : This year it is about 68 lakh bales or so. It is between 68 and 72 lakh bales. It so happens that in these things the interested parties will have a sort of margin which may put it slightly on this or that side. If it is estimated to be 68 lakh bales, in a question of purchase of raw material, may be that the trade and industry put up the figure a little higher because that will naturally have the psychological effect of bringing down the prices. Anyway, I am not going into all those details. But, Sir, regarding the carry-over, availability of raw material, indigenous availability, if the honourable Member wants details I can give. There is not going to be any situation which you can call alarming or which might raise some doubts about the availability of the raw material. Actually, this year we may end up with a carry-over of 27-74 lakh bales after meeting the demands of the mills. About the import of Russian cotton, we have not come to any definite conclusion.

MR. CHAIRMAN : Yes, Mr. Kul-karni.

SHRI A. G. KULKARNI : Sir, is the honourable Minister aware that the previous Minister of Foreign Trade has assured in this House that the Russian cotton has been contracted for ?

SHRI BABUBHAI M. CHINAI : That' is what I am asking.

SHRI A. G. KULKARNI : You have contracted for the Russian cotton and you have brought only twenty thousand bales only whereas you have contracted for one lakh bales.

SHRI BABUBHAI M. CHINAI  
Seventy thousand bales have been received - and thirty thousand is the carry-over.

SHRI A. G. KULKARNI : Mr. George, anyway you rectify this mistake in your own Ministry. Now, Sir, is the honourable Minister aware that the Finance Ministry has in the Budget imposed an import duty of thousand rupees or say 40 % of the value on imported cotton and that which is to be paid along with the premium to the Indian Cotton Mill Federation for meeting the loss on export of cloth which means adding too much of burden on the cotton from the Sudan or Egypt? In view of this, there is every likelihood of the exports of cloth made out of this type of cotton suffering. Suffering a handicap. Therefore, I want to know whether the honourable Minister will assure the House that either the premium will be reduced or some arrangements will be made whereby this type of additional burden on the industry which is going to handicap the cotton cloth exports will be offset? May I also know from the honourable Minister whether he is aware that because of the bungling made by the Cotton Corporation of India in having already contracted for the Sudanese cotton, but not having imported it before the Budget, there has been a heavy loss ? What is the reaction of the Government to this news appealing today?

SHRI A. C. GEORGE : Sir, about the earlier question, I would like to correct my reply. Actually, what I got from the question of the honourable Member was that he wanted to know what has been contracted for and over and above that, whether there is any proposal for further import? I am sorry, Sir, I answered it differently because I understood it that way.

MR. CHAIRMAN : Yes, you explain it now.

SHRI A. C. GEORGE : Now, Sir, regarding the other question put by Mr. Kulkarni, I do not agree with him that the Cotton Corporation of India has bungled in any manner. In a long-drawn-out process...

SHRI A. G. KULKARNI : It is in the Press. The loss is about Rs. 10 crores.

SHRI A. C. GEORGE : ...In such matters, it is quite possible that in such commercial transactions over a period some of the commodities which are being imported are in the pipeline. So, it cannot be said that it is because of the bungling of the Cotton Corporation of India.

SHRI A. G. KULKARNI : It is not because of bungling, but because of inefficiency.

SHRI A. C. GEORGE : Anyway, Sir, there are some discrepancies regarding this particular matter and we will definitely look into it and give due consideration to these things. The major point was whether the import duty of 30% on Sudan cotton and the premium to be paid to the Indian Cotton Mills Federation is not going to make the Sudan cotton costly for export of cloth to be made out of this cotton. Is your Ministry going to re-consider this question ? ...

MR. CHAIRMAN : Yes,, that was his question.

SHRI A. C. GEORGE : As I told him in my previous answer, we are considering the matter in all its aspects.

MR. CHAIRMAN : Next question.

\*556. \Transferred to the 27th March 1973]

#### SHORTAGE OF SMALL COINS

\*557. SHRI M. K. MOHTA :†  
SHRI BABUBHAI M. CHINAI :  
SHRI SAWAISINGH SISODIA :  
SHRIMATI LAKSHMI KUMARI  
CHUNDAWAT :

Will the Minister of FINANCE be pleased to state :

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†The question was actually arised on the floor of the House by Shri M. K. Mohta.