

Committee on black money, particularly regarding the harnessing of the agricultural sector to income-tax pool and replacement of the sales tax by additional excise duty; and

(b) if no decisions have so far been taken, the reasons for the delay?

The MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI K. R. GANESH): (a) The recommendations of the Wanchoo Committee on black money are being considered with a comprehensive and integrated approach. Report of the Raj Committee on taxation of agricultural wealth and income has been submitted on 31st October and will also need careful consideration.

(b) As the recommendations of the Wanchoo Committee requiring legislative and other action come to about 400 in number and pertain to important matters with far-reaching consequences they are being examined in depth.

\*58. [Transferred to the 23rd November, 1972.]

#### SILK PRODUCTION

\*59. SHRI SHYAMLAL GUPTA: Will the Minister of FOREIGN TRADE be pleased to state:

(a) whether it is a fact that the production of silk has considerably declined during the last two years;

(b) if so, the comparative figures of the production during the years 1971 and 1972; and

(c) the steps proposed to be taken to increase the production?

THE DEPUTY MINISTER IN THE MINISTRY OF FOREIGN TRADE (SHRI A. C. GEORGE): (a) There has been a marginal fall of 4 per cent in the production of raw silk during 1971 as compared to 1970 production.

(b) The comparative figures of production of raw silk during 1970 and 1971 are given below:—

Year	Production in lakh kg.
1970	28.44
1971	27.20

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(c) A statement is laid on the Table of the House.

#### STATEMENT

The following are the important steps taken for stepping up production of raw silk in the country:—

(i) A Rs. 80 crore crash programme for stepping up production of mulberry silk in Mysore State from the current level of 18 lakh kg. to 35 lakh kg. during the next 10 years has been taken up for implementation by the Government of Mysore.

(ii) Recent research findings at the Central Tasar Research Station Ranchi have indicated possibility of large exploitation of nature grown oak plant found extensively in the Sub-Himalayan regions for production of tasar cocoons.

(iii) The Central Silk Board has formulated a project for production of 5 lakh kg. of tasar silk annually in Mampur State during next five years.

(iv) The new high yielding breeds of silkworms and improved techniques of rearing evolved at the Research Stations at Mysore, Berhampore and Ranchi would be popularised through effective extension work for which specific schemes have already been formulated by the Central Silk Board.

(v) Services of two Japanese sericultural experts are being secured through F. A. O. for advising the Central Silk Board and the State Governments in the implementation of projects for increasing production of bivoltine silk in the country.

#### EXPORT OBLIGATIONS ON INDUSTRIES

\*60. SHRI SURAJ PRASAD:  
SHRI BHOLA PRASAD:  
SHRI YOGENDRA SHARMA.  
SHRI V. R. MOHAN:  
SHRI KOTA PUNNAIAH:  
SHRI K. L. N. PRASAD:

Will the Minister of FOREIGN TRADE be pleased to refer to the reply to Unstarred Question No. 1153

given in the Rajya Sabha on the 21st August, 1972 and state:

(a) what decisions have since been taken on the question of further rationalisation of the policy on export obligation on different types of industries; and

(b) how far the industries have complied with the orders imposing export obligations during the past three years?

THE DEPUTY MINISTER IN THE MINISTRY OF FOREIGN TRADE (SHRI A. C. GEORGE): (a) and (b) A statement is laid on the Table of the House.

#### STATEMENT

The question of further rationalisation of the policy on export obligation on different types of industries is still under consideration. Meanwhile, the Indian Cotton Mills Federation has taken up the implementation of a 15 per cent export obligation on a voluntary basis in respect of composite textile mills affiliated to it.

2. The follow-up action of watching and enforcing export obligations decided upon at the Industrial Licensing Committee, C. G. Committee or the F.I.B. is taken by the "EXPORT OBLIGATION CELL" set up in the Office of the Chief Controller of Imports and Exports with effect from 1-1-1970. Export obligations which form a condition of the capital goods import licensing are primarily watched by the licensing authorities with whom bonds with bank guarantee or legal undertakings are executed by the obligates at the time of the initial import of machinery under the relevant licence. Export Obligation Cell at headquarters co-ordinates the follow-up action taken by the respective port licensing authorities. During the past three years 1970, 1971 and 1972 (up to October), the following cases have been reported to the Export Obligation Cell:—

(i) 228 cases have been reported to this Cell (220 by the C.G. Licensing Section and 8 by the Office of the Textile Commissioner).

(ii) Out of (i) above in 28 cases bonds with Bank Guarantee/Legal Undertakings (in 7 cases Bank Guarantee and in 21 cases Legal Undertaking) have been executed and accepted.

(iii) In the balance 200 cases imports are yet to be made.

3. The Export Obligation Cell at headquarters is responsible to take legal undertakings in respect of export obligations imposed as a condition of industrial licence or approvals to foreign collaboration where no C.G. import licence is involved. During the last three years, the following cases have been reported to this Cell:—

(i) 217 cases (130 Industrial licences and 87 Foreign Collaboration Approvals).

(ii) Out of (i) above in 16 cases Legal Undertakings have been executed (8 cases of Industrial Licences and 8 cases of Foreign Collaboration Approvals).

(iii) A few of these cases are in final stages.

(iv) Majority of the remaining cases are such in which position of imported machinery is not clear and as such are under correspondence with the Ministries concerned.

4. In the case of obligations involving C.G. imports it takes anywhere from one to three years to complete the imports, instal the machinery and commence production. Export obligation fulfilment is to commence thereafter.

5. In the case of export obligations as a condition of the Industrial Licence/Approvals to Foreign Collaboration, where no C.G. imports are involved, the export obligation commences normally 18 months after the commissioning of the plant/commencement of production. As such, exports in these cases are yet to start.

6. In the circumstances, it is too early to have any assessment of the export performance of the industrial units on which export obligations have been imposed.