

श्री सभापति : मैं इस बारे में जो कुछ कर सकता हूँ कर रहा हूँ और उन सबको यहाँ पर लाने की कोशिश करता हूँ।

श्री राजनारायण : गवर्नमेंट का तो बिजनेस यहाँ पर चलता रहता है।

RESOLUTION RE NOTIFICATION INCREASING EXPORT DUTY ON TEA

THE DEPUTY MINISTER IN THE
MINISTRY OF COMMERCE (SHRI
M. SHAFI QURESHI): Sir, I beg to
move:

"In pursuance of sub-section (2) of section 4A of the Indian Tariff Act, 1934 (32 of 1934), this House approves of the Notification of the Government of India in the Ministry of Commerce No. S. O. 3460, dated the 11th November, 1966, increasing the export duty leviable on tea."

The question was proposed.

DR. B. N. ANTANI (Gujarat): Sir, I am sorry I have to rise to oppose this Notification on the ground of policy. I shall be very brief in my observations, Sir. It seems to me that levying of increased duty on tea at this time is the natural consequence of the recent devaluation. On the one hand you ask the people for increasing the quantum of tea that goes abroad that they should eschew the drinking of tea, that a cup of tea less should be taken by each individual per day, in order to export more tea. On the other hand you increase the tariff on tea. This does not seem to be fair or equitable at all. It is not fair or equitable either to the consumers abroad or to the consumers at home. If this is the policy which will be followed in order to overcome the obsta-

cles and difficulties created out of the devaluation policy, then I am afraid we shall be resorting to measures which will result in very serious consequences. For instance at present there is the export of onions which is the cheapest vegetable in India. What is this policy leading us to? What will be the reaction of the local consumer to your increasing the tariff in this way? Has the Government 1 P.M. examined the consequences?

The moment some rise in tariff, even export tariff, is announced equivalently the prices go up in the country also. It is very unfair and I therefore request the Government to consider twice before raising this duty.

श्री आर० पी० खेतान (बिहार) : सभापति जी, यह जो चाय की ड्यूटी बढ़ाने के लिये मंत्री महोदय ने प्रस्ताव रखा है और इसके साथ ही साथ जो नोटिफिकेशन दिया गया है, उसमें उन्होंने यह 4 रु० के ऊपर 80 पैसा किया है और एक पैसे से 50 पैसे के फर्क के ऊपर 10 पैसे कर के बढ़ाया है और इस तरह से जो 2 रु० था उसके बदले में 3 रु० मैक्सिमम किया है। इसका मतलब यह है कि 9 रु० तक की चाय के ऊपर 2 रु० तक ड्यूटी लगेगी और उसके बाद यह ड्यूटी धीरे-धीरे बढ़ कर 3 रु० हो जायेगी। इससे मेरी समझ में एक्सपोर्ट जो हो रहा है उसमें कमी आयेगी। इस लिये मैं मंत्री महोदय, का ध्यान आप के द्वारा इस ओर लाना चाहता हूँ कि एक्सपोर्ट ड्यूटी बढ़ाने में हमें कोई ऐसी जल्दबाजी नहीं करनी चाहिए जिस से एक्सपोर्ट में कमी आये। आप देखेंगे कि यह चाय की ड्यूटी जिस तरह से घटाई गई है, उसी तरह से मैं मंत्री महोदय से निवेदन करूंगा कि जूट सैकिंग की ड्यूटी नहीं घटाई गई है और सैकिंग की ड्यूटी इतनी ज्यादा है कि इसके कारण हमारा सैकिंग का एक्सपोर्ट दिन पर दिन गिर रहा है। पाकिस्तान हमारे बिजनेस को खाता चला जा रहा है। जो 27 हजार टन एक्सपोर्ट होता था, उसके

[श्री आर० पी० खेतान]

बदले में वह अब 13, 14 हजार टन पर आ गया है। अभी जो 600 रु० टन की ड्यूटी है वह इतनी ज्यादा है कि फौरन मार्केट में कहीं हम कम्पीट नहीं कर सकते हैं। मैं मंत्री का ध्यान आप के द्वारा इस पर दिलाऊंगा कि वे इस पर ड्यूटी घटाने का विचार करें जिससे हम लोग फारेन एक्सचेंज ज्यादा पैदा कर सकें। किसी भी चाय पर ड्यूटी बढ़ाने से माल एक्मपोर्ट नहीं होगा, इसके ऊपर ध्यान देना चाहिए। हमें ज्यादा फारेन एक्सचेंज पैदा करना है लेकिन दिन पर दिन हमारा एक्मपोर्ट गिरता जा रहा है। जब डिबै-ल्युएशन हुआ था उस समय हम लोगों को आशा थी कि हमारा एक्सपोर्ट बढ़ेगा, लेकिन हमारा एक्सपोर्ट दिन पर दिन गिरता जा रहा है। इसको मद्देनजर रखते हुए मैं मंत्री महोदय से प्रार्थना करूंगा कि वे यह ड्यूटी दो रुपया से ज्यादा न करें और सैकिंग के ऊपर ड्यूटी घटाने की व्यवस्था करें।

श्री गोडे मुराहरि (उत्तर प्रदेश) : सभापति महोदय, टी के ऊपर जो एक्सपोर्ट ड्यूटी है उसको बढ़ाने का सरकार की ओर से एक प्रस्ताव हमारे सामने है। इससे पहले कि हम कोई इजाजत दें हम को जो चाय के बारे में सरकार की नीति रही है, उस गारी नीति के बारे में सोचना चाहिए। मेरा यह दावा है कि जिस ढंग से टी बोर्ड ने काम किया है पिछले कुछ सालों में उससे टी के एक्सपोर्ट में कोई बढ़ोतरी तो नहीं हो पाई बल्कि दिन पर दिन उसका एक्सपोर्ट घटता गया। खाम कर के पिछली बार जो टी बोर्ड के चेयरमैन थे उनके बारे में और उनका जो रवैया रहा है उसके बारे में भी मैं कुछ कहना चाहूंगा। एक तो सीलोन के गूकाविले में जो हमारा एक्मपोर्ट है वह हर साल घटता आ रहा है। असल में 1963 में हम लोगों का एक्सपोर्ट था 223,542 मिलियन किलोग्राम, 1964 में वह 210,532 मिलियन किलोग्राम हो गया और फिर 1965 में वह घट कर 199,365

मिलियन किलोग्राम पर आ गया। तो हर साल हमारा एक्सपोर्ट घटता गया और सीलोन का उसी के मुकाबले में ज्यादा होता गया।

[THE DEPUTY CHAIRMAN in the Chair.]

एक चीज हमसे यह कही जाती है कि हमने एक्सपोर्ट प्रमोशन स्कीम लागू किया है और उसके अंतर्गत हम एक्सपोर्ट बढ़ाने वाले हैं। कई साल से इस तरह की स्कीम चालू है यूरोप में और पिछले दो साल से इंग्लैंड में भी। डगनैड में 66 लाख पाउंड खर्च कर के एक योजना बनाई गई है एक्सपोर्ट प्रमोशन के लिये यानी 1 करोड़ 26 लाख रु० वहां पर खर्च किया जा रहा है हिन्दुस्तान की टी के एक्मपोर्ट प्रमोशन के लिये। लेकिन यह स्कीम वहां पर लागू करने के बाद भी जो परिस्थिति हमारे सामने है उससे यह साफ है कि इंगलिस्तान में भी हमारा जो एक्सपोर्ट है वह कम होता जा रहा है। तो मुझे कुछ ऐसा लगता है कि जो भी पैसा एक्सपोर्ट प्रमोशन पर खर्च करने के लिये होता है वह शायद टी बोर्ड के बड़े बड़े अफसरों के यातायात पर, जाने आने पर और इस ढंग की चीजों पर ज्यादा खर्च होता है बनिस्बत इसके कि एक्सपोर्ट प्रमोशन के ठोस कार्यक्रमों पर खर्च हो। इस सम्बन्ध में मैं यह कहना चाहूंगा कि जो चेयरमैन टी बोर्ड के थे वे 1965 में तीन महीने के करीब हिन्दुस्तान से बाहर रहे और फिर 1966 में भी तीन महीने के करीब बाहर रहे होंगे, यानी दो साल के अन्दर 6 महीने तो वे बाहर ही रहे, हिन्दुस्तान में तो थे ही नहीं और टी बोर्ड का काम वैसे ही चलता रहा। एक महीने के लिये दूर पर जाते हैं और फिर वहां से एक महीना एक्सटेंड हो जाता है और इस ढंग से चेयरमैन और कुछ अफिसर्स के दूर ही होते हैं लेकिन कोई ठोस कार्यक्रम वहां पर टी बोर्ड का हो रहा हो, ऐसा हम को मालुम नहीं होता है।

साथ ही साथ मैं एक चीज और कहना चाहूंगा कि टी प्लांटेशन फाइनेंस स्कीम जो सरकार की तरफ से चालू हुई और जिस लिये काफी पैसा दिया गया उसको भी हम गलत ढंग से लागू किये हुये हैं और इसके मैं आप को दो तीन इंस्टॉलमेंट देना चाहूंगा जिस से यह साफ हो सके कि गलत ढंग से लोगों को पैसा दिया गया है। सारी चीज आडिट में भी आ गई है। उनकी इंटरनल आडिट की एक रिपोर्ट है जो मैं आपको सुनना चाहूंगा।

"Soraipani Tea Estate—Managing Agent: Williamson Magor & Co.

In this case a sum of Rs. 7,99,940 has been sanctioned for new planting of 108.10 hectares of land.

It occurs from the file that the Mortgage Deed could not be executed in this case, as the Board is not entirely satisfied about the title Deed. According to the scheme only the 1st instalment can be released, pending execution of the mortgage deed, after the documents mentioned in para 7(i) have been obtained. But in this particular case, the following instalments have been released:—

Rs.		
74,851	on	25-7-64
26,299	} on	20-7-65
74,851		
74,000	on	25-3-66
<hr/> 2,50,000		

Plantation Officer in his letter dated 23-3-64 to the party also confirmed that the 2nd and subsequent instalments of the loan can only be released after execution of the Mortgage Deed. In the circumstances, it is not understood why and how the 2nd instalment and subsequent instalments have been released though no Mortgage Deed has since been executed.

It appears that no Bank Guarantee was obtained before payment of the 1st instalment. The reason may please be stated.

As regards the valuation of the Estate, it is observed that the valuation has been made by a broker, M/S J. Thomas & Co. to the tune of Rs. 17 to 18 lakhs and on this basis, the case has been recommended for sanction. As per rule, the fixed assets of the estate is required to be valued by an independent valuer to be approved by the Board. The order under which the broker has been accepted as an independent valuer may please be submitted.

Again, according to the broker the marketable value of the Estate is Rs. 17 to 18 lakhs. Does this amount represent the value of fixed assets only? Has the broker taken into account the liabilities of the Estate while determining the marketable value of the estate?"

तो यह सारी कार्यावाही जो है कुछ वहां के टी बोर्ड के लोगों के सम्बन्ध की वजह से हुई है। वैसे ही हनुमान बाग टी एसटेट के मैनेजिंग एजेंट हैं सेपाया टी कम्पनी लिमिटेड। उनके कैसे में भी इंटरनल आडिट का यह अब्रवर्षेशन है :—

"In this case a sum of Rs. 2,57,520 has been sanctioned originally for planting 34.80 hectares of land. The party has not submitted any balance sheet in respect of Hanumanbag Tea Estate and it appears from notes that the valuation has been taken as per party's letter. For obvious reason, we cannot go by the valuation of assets as given by the Company inasmuch as this valuation is the determining factor regarding the quantum of loan admissible.

The circumstances under which we could not and did not consult an independent valuer before sanction of loan may please be stated.

[श्री गोडे मुराहरि]

It appears from the file that Mortgage Deed has not been executed in respect of that Company though 2nd and subsequent instalments have already been released. The circumstances under which such instalments have been released in contravention of the rule of the scheme may please be stated.

It is observed that an additional sum of Rs. 1,59,100 has also been sanctioned for new planting of 21.50 hectares of land. We do not find any specific rule under which an additional loan may be sanctioned on the basis of increased value of assets acquired out of Board's loan. In this connection, it may please be stated whether the party submitted any fresh loan application for additional loan. It is also observed that the additional loan of Rs. 1,59,100 has been sanctioned on the basis of the statement of the party that a sum of Rs. 1,37,700 has been spent for development of tea plantation. This statement has been submitted by one of the Directors. Evidently the party is interested in the loan and their certificate is hardly acceptable.

It is further observed that the Manager, Madoorie Tea Estate has certified that replanting/replacement/extension of 34.80 hectares has been carried out. The authority under which his certificate has been accepted may please be stated."

इससे साफ होता है कि कम्पनी ने जो कुछ इनफार्मेशन दी उसी के आधार पर साग लोन दिया गया और कोई अथॉरिटी नहीं थी जो सर्टिफाई कर सके कि सब बात सही है। इसी तरह बोरमहाजन टी एस्टेट के केस में भी—

"In this case a sum of Rs. 5,10,600 has been sanctioned for carrying out extension of 69 hectares of land.

In the balance sheet the value of land and development was shown as Rs. 6,03,725. Normally this leasehold land should not be taken as fixed assets of the Company unless it is for a very long period. It is observed from letter at pp. 97/ Cor. that the lease was up to 31-2-63. It is not known whether the lease has been renewed or not. The position may please be stated.

It is observed from pp. 59/Cor. that the Bank Guarantee expired on 20-3-64. It may please be stated whether the Bank Guarantee has since been renewed or not.

It is observed that a sum of Rs. 3,95,040 has been released to Bormahjan Tea Estate. From the amount so far released, it seems that we have released more than one instalment though no Mortgage Deed has so far been executed by the Estate."

इसी तरह के कई इन्स्टेंसेज हैं जिनसे यह यह साफ होता है कि इस ढंग के जो लोन दिए गए हैं इन लोगों को उनमें कोई रूल या बोर्ड के अन्तर्गत जो लोन देने की स्कीम है उसके रूल को फुलफिल किया गया हो. टी प्लांटेशन फाइनैन्स स्कीम के अन्तर्गत उसके रूल के अनुसार ये बड़ी बड़ी रकमें दी गई हैं ऐसा मानूँ नहीं होता। साफ है कि गलत ढंग से इन लोगों को दिया गया है। इसी तरह एक कम्पनी विनिया मसन मेगोर एंड कम्पनी के जो डाइरेक्टर हैं ई० एच० होल वे टी बोर्ड के भी मेम्बर हैं। जो हनुमान बाग और बोर महाजन टी स्टेट के डाइरेक्टर हैं वे भी टी बोर्ड के मेम्बर हैं। टी बोर्ड के जो मेम्बर हैं उन्होंने अपनी कम्पनियों को बड़ी बड़ी रकमें इस स्कीम के अन्तर्गत दिलवाई हैं। यह सारी गलत चीज है। इसके बारे में तहकीकात होनी चाहिए और मैं

चाहता हूँ कि सरकार इसके बारे में तहकीकात करे। एक कम्पनी एवनबरो टो एस्टेट जिसके मेनेजिंग एजेंट मूलजी सिक्का हैं के बारे में भी पब्लिक एकाउन्ट्स कमेटी ने एक रिमार्क दिया है—इसमें 1,70,000 रुपए सरकार का नुकसान हुआ है। उसके बारे में भी हम लोगों को देखना पड़ेगा। यह पांच करोड़ रुपया जो टी स्टाल प्लान्टेशन फाइनेन्स स्कीम के लिए दिया गया था वह पांच करोड़ रुपया किस तरह से खर्च किया गया है इसके बारे में हम लोगों को तहकीकात करनी पड़ेगी तभी जाकर चाय का जो उद्योग है चाय का जो एक्सपोर्ट है—इन सब मामलों में ठीक रास्ता देख पायेंगे।

एक तरफ तो एक्सपोर्ट घटता जाता है कम्पीशन बढ़ता जा रहा है दूसरी तरफ हमारी तरफ से कोई ऐसा कदम नहीं उठा है कि हम सीलोन के या जो अफ्रीका अन्य देश हैं केनिया, उगान्डा वगैरह वे भी आजकल चाय के उद्योगों में बहुत आगे बढ़े हैं और उनके भी एक्सपोर्ट होते हैं, काली उनका कम्पीशन सामने आया। इसके बारे में सरकार को सोचना चाहिए। अफसोस है कि एक तरफ तो बड़े बड़े अफसर अपना खर्च बढ़ाते हैं—मुझे मालूम है कि 1 मितम्बर 1966 को एक दिन का टेलीफोन का ट्रंक काल का बिल आया था 1040 रुपए टी बोर्ड के चेयरमेन का, इस ढंग से खर्च किया जाय सरकार का पैसा और दूसरी तरफ हमारे एक्सपोर्ट घटते जाय यह ठीक नहीं लगता और मैं चाहता हूँ कि सरकार को खयाल करके टी बोर्ड के जो पिछले चेयरमेन थे मिस्टर बाम, जिनका नाम हम लोगों को तब मालूम हुआ जब अमीचन्द प्यारे लाल का मामला आया, के कार्य देखने चाहिए। अमीचन्द प्यारे लाल के कांड में वही थे स्टील कन्ट्रोलर। उनकी टी बोर्ड की चेयरमेनी में यह सारा काम हुआ है। अब वे गए हैं, इंडियन एयर लाइन्स का उद्धार करने। वे क्या उद्धार करेंगे। साफ हो जाता है इससे

कि सरकार इस सारी चीज के बारे में कोई इन्क्वायरी करे। अगर ये चेयरमेन या ग्रीर कोई अफसर इसके दोषी पाए जाय तो उनके ऊपर कड़ी कार्यवाही हो। उसके बाद हम उस कदम उठाते हैं इंग्लैंड में या योरप में टी प्रमोशन का तो फिर टी एक्सपोर्ट बढ़ पायेंगे वरना ऐसा होने वाला नहीं है। टी बोर्ड के कर्मचारियों का दमन तो करते हैं, उनकी जो यूनियन वनी टी बोर्ड एम्पलाईज यूनियन, उसके खिलाफ कार्यवाही की गई थी, तब भी यही चेयरमेन थे। इन सब चीजों के खर्च के बारे में देखा जाय। योरप जाते हैं तो तीन-तीन महीने रह कर एक्सपोर्ट प्रमोशन का पैसा अपने ऊपर खर्च करके आते हैं। इस ढंग की चीज अच्छी नहीं लगती है और सरकार को भी शोभा नहीं देती है।

SHRI NIREN GHOSH (West Bengal): Madam, I think the duty that is levied should have covered the entire devaluation, namely, 57.5 per cent. That should have been the percentage of export duty levied. Exports are falling not because of the high cost of tea. Indian tea plantation labour is the cheapest in the world and this market is almost a monopoly market. A few houses control the London auction and mainly they are foreigners. Only high quality tea is exported, not the tea that we consume here in India, the tea dust. They deliberately sell tea at such price as to make the maximum amount of profit and not in order to maximise sales, but in order to earn more foreign exchange. That is the whole point. So, if you levy duty which is less than that which covers the entire devaluation, what they will do is, they will have an internal arrangement amongst them. They will make sales at their own rate and the balance they will pocket. They will not show it. It is under-invoicing and underhand business and the amount of export will not increase. So, this is a self-defeating Notification. Its purpose

[Shri Niren Ghosh]

will not be served. It could have any meaning only if the entire export trade in tea is taken over by the Government. That will give you Rs. 20 to Rs. 30 crores more of foreign exchange. We should have earned that by selling tea in the London and other European markets, mainly in the London market. But it seems that by the balance of the cess that has not been levied so many crores of rupees had been made a free gift to them. The exports will not pick up. They will pocket it. They will not show it in the account books but do it in the form of under-invoicing etc. They will cheat the Government so many crores of foreign exchange. I am not prepared to agree that this free gift should be made to the foreign tea companies in this way. I should say that Government should consider that in the case of tea there is no reason whatsoever to levy a duty less than that which would cover the entire amount as a result of devaluation. That is all the point I want to say.

SHRI M. V. BHADRAM (Andhra Pradesh): Madam Deputy Chairman, after devaluation the tea plantation exporters have got the benefit of 37·5 per cent. Now according to the increase proposed by the Government it is only 50 per cent increase, and a balance of 7·5 per cent is left to the people who have already been exploiting the country and the labour to a very large extent.

The tea export, particularly the international market, is controlled by a few houses in England, and they always try to manipulate the price of tea to bring pressure on India or other countries. In this connection I would like to make a suggestion to the Government to make common cause with other erstwhile colonial countries like Pakistan, Ceylon and Kenya who export mainly tea to the international market, to have some understanding with all these countries, so that the

price of tea is more favourable to the exporter than to the people who control the market.

In this connection I would like to mention a fact. Some time back in the Consultative Committee the Labour Minister has stated the policy of the Government that whatever the benefit that accrued due to devaluation, a part of it should go to the labour. In this connection the levy is proposed to be increased by the Government by nearly 50 per cent. Out of 57·5 per cent 50 per cent is being taken away by the Government. It is only 7·5 per cent that is left out. To keep pace with the decision or the policy of the Government, the Ministry should take it up with the industry that a part of this benefit should also go to the labour. In this connection I would like to mention one or two facts which may go a long way to tell a sorry tale about these plantation workers. According to the survey conducted by the Labour Bureau of the Government of India on the working class family budgets, in Darjeeling area the family monthly income was Rs. 95·26; the expenditure side was Rs. 99·79. In Coonoor the monthly income of the family was Rs. 98·29 and expenditure Rs. 131·25. This is a sample survey conducted by the Labour Bureau of the Government of India. The Wage Board constituted by the Government of India has recommended Rs. 1·75 to the man labour in Darjeeling area where the tea is considered to be the best that is produced. There the workers get only Rs. 1·75. In some of the places the maximum that was recommended by the Wage Board was Rs. 2·25 only. The woman labour gets only 75 per cent of this. In view of these things the benefit of devaluation should not mainly go to the Government and part of it to the employer, but a certain part, a considerable part of it should also go to the labour. The Government should in consultation with the Ministry of Labour devise means so that a part should also be given to the labour. Thank you.

SHRI LOKANATH MISRA (Orissa): Madam Deputy Chairman, the Chairman of the Tea Board has printed his own card in sandalwood. That was what was shown to the hon. Deputy Minister. It smells even now. Even now I do not know when it was printed. Having increased the duty on a kg. from Rs. 2 to Rs. 3, money is going this way.

SHRI CHITTA BASU (West Bengal): How have you got it?

THE DEPUTY CHAIRMAN: How did you get it? He called on you?

SHRI LOKANATH MISRA: He called on a friend of mine who has passed it on to me.

(Interruption)

The point is this. There is one discrepancy, a serious discrepancy. I wanted a little time from you because I wanted to bring this particular discrepancy into the record of the Rajya Sabha. Mr. Manubhai Shah, the Minister gives us to understand that certain kg. costing Rs. 124.92 thousand—or what it is, so many thousand rupees—that was the cost of tea that was exported in the year 1962. Here is a chart, Madam, showing the figures of export of tea from different producing countries of the world. These are the statistics published by the International Tea Committee, London, which says for the same year the figure is 211.8 lakhs kg. The difficulty here, Madam, is that the Minister gives the figures in the shape of money value. The statistics produced by the London International Tea Committee is in kg. The Minister chose to give it in rupees because he did not want himself to be caught. Mr. Bam who was the Chairman of the Tea Board had definitely submitted that particular figure to the Minister who in turn came and gave us the figures. In kg. the figure given to us would come to 3 million kg. less ...

SHRI G. MURAHARI: Less or more?

SHRI LOKANATH MISRA: In kg. this is less. In money value it is 3 million kg. more. In actual kg. value it is 3 million kg. less than the statistics given by the London Committee. The discrepancy is to the tune of 3 million kg. They wanted to show here that the export has gone up, maybe to justify that after the devaluation the export would go up. That was the intention of the Government and probably they wanted to justify it by showing a larger amount of export. But they could not do it in kg. because they would be caught. In kg. it differs from the figure given by the London Committee. That is why they thought that the wiser way would be to give us in figures in money value—a completely wrong statement—so that they would not be caught. Now, who is responsible for this wrong figure? Who submitted this wrong figure? Maybe, because of this wrong figure given—since the money value was shown—at a particular limit they wanted to show that the exports had gone up; otherwise, they would not be keeping up with the previous records. In the subsequent years, it might have fallen down so far as the export records are concerned. Therefore, this additional one rupee has been levied as the tariff rate. I do not really understand it because I have not gone into it at all. It was just now handed over to me. Since there is such a terrible discrepancy in it this must somehow be brought to the notice of the House and I do not know whether the hon. Minister can give us some explanation at this stage immediately. But if he cannot give any explanation immediately, he should come forward with a statement before the House adjourns about the real state of affairs. We cannot be in the midst of a mist all the time. Do not try to do it. Many of the Members cannot have the time. They do not have the time to go into these colossal figures. Nor do they know the actual working of it. But apparently it seems that there was a lot of discrepancy between the two figures. That is why I wanted to bring it to your notice.

[Shri Lokanath Misra.]

Now, coming to the sandalwood business, how much money is given to this particular gentleman who is called the Chairman of the Tea Board for contingency expenses? I do not know whether a lakh or two lakhs are placed at his disposal because he has to deal with also the foreign dignitaries, foreigners, who would be coming to meet him in connection with trade and business. But if this particular sandalwood personal card has been printed on sandalwood and if the cost has been met from the Contingency Fund or from the public exchequer, I do not see any reason why these Ministers should be allowed to stay there.

DR. B. N. ANTANI: Do not be jealous. You can have half a dozen cards.

SHRI LOKANATH MISRA: I do not have even a normal printed card for myself all these years. If I am not recognised without card, I do not exist at all. If it is through the cards only that I have to exist, I do not want any.

SHRI G. MURAHARI: It costs Rs. 75 to print one card.

SHRI LOKANATH MISRA: I hope that the hon. Minister will also explain to us what the sandalwood means, wherefrom his sandalwood comes, whether it is purchased or whether it is a gift to him or not. If it is not a gift to him, how much does it cost? Let me also know whether it is met from the Contingency Fund or not and whether he has taken any specific approval of the Ministry for printing this particular type of card which costs Rs. 75.

SHRI J. VENKATAPPA (Mysore): Do not be jealous of Mysore because we also want market for sandalwood.

SHRI LOKANATH MISRA: I do not know if Mr. Venkatappa has made a gift of it to him.

SHRI M. SHAFI QURESHI. Madam, many interesting points have been raised by some hon. Members. But I want to clear one impression from the minds of hon. Members that there has been no increase in the export duty on tea. In fact, immediately after the devaluation, a flat duty at the rate of Rs. 2 per kilogram was levied on tea of all kinds. Now, after seeing the workability of this new export policy, we found that the low-priced teas were being affected because this flat rate of Rs. 2 on all types of tea affected greatly those low-priced tea, while it did not affect the high-priced tea. So, after taking into account all the conditions prevailing in the industry at that time and consulting the Tea Board, the producers, the growers and the exporters, the Government came to the conclusion that some relief has to be given to the producers of low priced tea. And it was on this basis that this flat duty was changed to a sort of combined *ad valorem* and slab system. Hon. Members would be pleased to know that previously even the tea which was selling at Rs. 4 or 5 per kilogram was levied an export duty of Rs. 2. But now with this new system, teas to the value of Rs. 4 and below are taxed at the rate of 80 paise. So, it has actually been a decrease so far as the low-priced teas are concerned. If there has been any increase, very little, that will affect those teas which are sold between Rs. 9 and Rs. 12 per kilogram and that should not in any way bother Mr. Niren Ghosh because we are trying to mop up the extra money which will come to the exporters with an edge of 57.5 per cent. after export. So, that money, it can go to the importer at the other end. Then what would happen is that the unit value of the tea would go down. That would kill the very purpose of devaluation. What we want is that 57½ per cent should be utilised within the country and it was decided that the Government will mop up this extra money that will be coming to the producers so that the unit value of the tea is not lost and there is no decrease in the

earnings in our foreign exchange. So, this impression that we have in any way increased the duty or that it is a sort of profit-motivated step that the Government is taking, is absolutely erroneous. In fact, this new system of duty which we have now introduced is to give more facilities to the exporters of tea and we are quite hopeful that both in volume and in value our exports will go up with this new system.

The other points of interest which have been raised by some Members refer to the functioning of the Tea Board. Before I revert to that, I would like to emphasise the fact on the hon. Members of this House that our exports are greatly linked up with production. If we have more production, then we will have more exportable surplus in our hands to be exported. A certain comparison has been made between Ceylon and India. While it is a fact that in Ceylon the internal consumption has gone up by only seven per cent, in India it has gone up by 41 per cent. So, whereas we go on increasing our production also, the internal consumption also goes on increasing. So, unless we have a better crop, we cannot have better prospects of exports. This is very clear. Unfortunately, in 1965, we had a period of unprecedented drought. That resulted in a shortfall in the crop of the North Indian tea. But there was a little bit of compensation because we had a better crop in the South, and the result is that when there is a lesser crop in the country, we have a lesser surplus for export and naturally when there is a lesser surplus for export, we shall have lesser earnings. But if we look at the figures for the last four or five years, if we take the figures from 1963 onwards, the hon. Members will be pleased to see that the production of tea and the export have been gradually increasing and there is every hope that with a better climatic condition prevailing, we shall have more surplus of this tea production and more for exports.

So far as the other point which has been raised about the functioning of the Tea Board is concerned, I have to inform the hon. Members here that the Tea Board consists of distinguished Members of Parliament of both the Houses, representatives from the community of the growers, the labour and the exporters. And these are the people who are there to see that the Tea Board functions properly. Of course, there is a Chairman of the Tea Board. But the Tea Board does not function separately; it functions as a whole, as a Board, and the Chairman has no arbitrary powers.

SHRI G. MURAHARI: How many times do they meet in a year?

SHRI M. SHAFI QURESHI: It depends. They meet four or five times a year. There is no binding on them. Any time, when any problem arises, the Tea Board meets. Immediately after the devaluation it met possibly because certain problems cropped up so far as the export of tea. So they convened a meeting of the Tea Board; a meeting was called. There is no statutory binding that the Tea Board should meet three or four times or so. Any number of occasions it may meet. If ten or fifteen members wish or if the Government or the Chairman so feels, the Board can meet. I have got nothing but praise for the Tea Board which has done a very good job in promoting the exports of tea to foreign countries. After all, export trade is a constant struggle. We cannot sit here in India and think that everything which is purchased by importers from India will continue to be purchased because it is produced here. We are existing in a wide world and we have to face severe competition in the world. New countries in Africa are growing up and they are taking to export. Ceylon is coming up in the open. Pakistan is coming up in a big way and also other countries are opening their doors to China to have tea trade with them. So we have to

[Shri M. Shafi Qureshi.]

keep a constant, vigilant watch over the movement of our trade in foreign countries. And I can very well say, and with confidence, that the Tea Board, whatever its composition has been, has done a wonderful work as a whole.

In the promotional field we have seen positive results. New markets have opened up because we have to move out of the traditional markets. We cannot go on depending entirely on the traditional markets for the sale of our tea. Because of the working of the Tea Board we have been able to find out new markets like the Irish Republic, the U.S.S.R., the U.A.R., Iran and West Germany and other countries.

SHRI G. MURAHARI: Have we not been losing our old markets?

SHRI M. SHAFI QURESHI: The question is not of losing old markets, but the question is of gaining new markets. Certain markets you might lose. They may not be profitable to us because of the distance and because of certain interests. There, through constant vigilance, we have to explore new markets. These are some of the points which were raised. As regards the sandalwood cards, I do not know why my friend, Mr. Lokanath Misra, should be allergic to such a good smell. Well, I do not know whose name this card really bears.

SHRI LOKANATH MISRA: I will pass on the cards to him . . .

THE DEPUTY CHAIRMAN: That is all right. You continue.

SHRI M. SHAFI QURESHI: It is not a matter of such great importance. After all, if something is done in a decent way by our officers, we should appreciate it.

SHRI LOKANATH MISRA: Not at our cost.

SHRI M. SHAFI QURESHI: No. not at our cost. I can assure the hon. friend that this card which he has shown me here is much cheaper than if it were printed on a nice paper. It is our indigenous product. It will also increase the sale of our sandalwood products outside. Sandalwood oil is in great demand. So these are some minor points.

SHRI LOKANATH MISRA: You will now appreciate, Madam, in whose hands our commerce lies.

SHRI M. SHAFI QURESHI: With these words, Madam, I request that..

SHRI LOKANATH MISRA: What about the charges regarding the discrepancies in the figures?

SHRI M. SHAFI QURESHI: Madam, I have to make one submission here with humility to my friend. These charges can be levelled against anybody, any person, at any time, at any place. But, Madam, merely saying certain things here does not mean that the person is guilty. I did not want to say this because there are some senior colleagues sitting on the other side.

SHRI G. MURAHARI: They are published documents.

SHRI M. SHAFI QURESHI: That is true. It is very easy to go on sling- ing mud on the face of other people but whether it sticks or not depends on the proof that my friend on that side will give. If they have any concrete complaints against any officer in the Tea Board, let them submit it in writing to the Ministry and the Ministry will definitely look into it.

SHRI LOKANATH MISRA: Madam, do I serve under him? Why should I submit anything to the Deputy Minister? I can place it here. Madam, I would like to know from you whether I have no right to submit anything on the floor of this House. Why should I go to the Deputy Minister? I have some papers that definitely show discrepancy in the figures. I assert that

discrepancy exists. Now it is for the Deputy Minister to refute it if he is capable of refuting it.

THE DEPUTY CHAIRMAN: As you read the figures, the Minister cannot reply. Send those figures on to him and then he will reply.

SHRI LOKANATH MISRA: Why should I submit to him? Who is he?

SHRI M. SHAFI QURESHI: My friend should not become so allergic. If I asked him, I asked him not as a Minister, but as a colleague of his. If he has got any grievance he can come to me and tell me. Perhaps he is allergic because I am a Deputy Minister and he is not. But being in the Government it is my job to look into his grievances. Because of the party to which he belongs he must have some respect for higher-ups.

SHRI LOKANATH MISRA: I am not allergic even to his Minister, what to talk of him.

SHRI M. SHAFI QURESHI: Because he talked about discrepancies in the figures, my Minister and myself have given figures in this House. They are absolutely correct. There is no discrepancy. If my friend wants the latest figures about our export performance, about the quantity we have exported, I am prepared to give it.

SHRI LOKANATH MISRA: Figures for 1962.

SHRI M. SHAFI QURESHI: These will be looked into and if there is any discrepancy between the figures which my friend has sorted out from some papers . . .

THE DEPUTY CHAIRMAN: You may not have them now.

SHRI M. SHAFI QURESHI: I do not have them now. It will be looked into.

THE DEPUTY CHAIRMAN: He has the latest figures. If you want it, he is willing to give.

SHRI M. SHAFI QURESHI: I do not think if there is any other point which remains to be replied.

THE DEPUTY CHAIRMAN: The question is:

"In pursuance of sub-section (2) of section 4A of the Indian Tariff Act, 1934 (32 of 1934), this House approves of the notification of the Government of India in the Ministry of Commerce No. S.O. 3460, dated the 11th November, 1966, increasing the export duty leviable on tea."

The motion was adopted.

SHRI LOKANATH MISRA: No lunch?

THE DEPUTY CHAIRMAN: We shall sit through the lunch hour.

THE INDIAN TARIFF (SECOND AMENDMENT) BILL, 1966

THE DEPUTY MINISTER IN THE MINISTRY OF COMMERCE (SHRI M. SHAFI QURESHI): Madam, on behalf of Shri Manubhai Shah, I beg to move:

"That the Bill further to amend the Indian Tariff Act, 1934, as passed by the Lok Sabha, be taken into consideration."

Madam, this Bill mainly seeks to amend the First Schedule to the Indian Tariff Act, 1934, in order to give effect to Government's decisions on certain recommendations of the Tariff Commission. Honourable Members will have observed from the Statement of Objects and Reasons attached to the Bill that the Bill seeks to:

- (a) continue protection beyond 31st December, 1966 in the case of sericulture Industry, and
- (b) discontinue protection with effect from the 1st January 1967 to (i) Antimony, (ii) A.C.S.R.