

RELIEF TO BLEEDING MADRAS FABRICS

326. SHRI M. C. SHAH †

SHRI BABUBHAI M. CHINAI

Will the Minister of COMMERCE be pleased to state :

(a) whether the Government of Madras have approached the Government of India for relief to be provided to weavers and traders of Bleeding Madras fabrics, because of huge accumulations;

(b) whether it is a fact that Bleeding Madras fabrics are facing competition in U.S. Markets; and

(c) if the answers to parts (a) and (b) above be in the affirmative, what action Government have taken in the matter

THE DEPUTY MINISTER IN THE MINISTRY OF COMMERCE (SHRI M. SHAFI QURESHI) : (a) No, Sir. Representations were, however, received from manufacturers of Bleeding Madras and associations of weavers about accumulation of stock with them.

(b) Yes, Sir, from imitation fabrics.

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

STATEMENT

The following steps have been taken to reduce the stock of Bleeding Madras held by weavers and traders :—

(i) The H.H.E.C. entered the market immediately and started purchases of Bleeding Madras cloth. The Corporation has already purchased 49 lakh yards of this cloth.

(ii) In addition, the H.H.E.C. has announced a "Special Marketing Scheme" for purchase of standard varieties of Bleeding Madras from Weavers' Organisations, both co-operative and Masterweavers.

(iii) An increase in the cash incentive from 2.5 per cent. to 12.5 per cent. of the F.O.B. value has been announced for Bleeding Madras fabrics produced on more than 5 shuttles.

2. With a view to protect the growing export of "Madras" fabrics from India from competition from American manu-

facturers, the term 'Madras' was registered as a trade mark in U.S.A. in 1960. Our Embassy in Washington is also taking up with the U.S. Federal Trade Commission the question of the misuse of the name 'Madras' by manufacturers of the imitation fabrics.

SHRI M. C. SHAH. While welcoming the steps taken to reduce the stocks held by the weavers and the traders, may I know what the production of this Bleeding Madras was and also the sale, indigenous and export, during the last three years?

SHRI MANUBHAI SHAH. Sir, the exports of Bleeding Madras started with 19 million yards in 1961 and they rose to 23 million yards last year. There has been a slump in the trade in the United States with imitation fabrics competing there with the original Bleeding Madras. Also design-wise and colour-wise, there is a new taste and, therefore, we are changing the colours and the designs. In the current year, the sales, I think, are about 15 million yards.

SHRI M. C. SHAH. From paragraph 2 of the statement it appears that Government had taken steps to register the term 'Madras' in 1960 in the United States. Even then the US Federal Trade Commission is misusing this term and it has given the name 'Madras' to the manufacturers of imitation fabrics. Government have taken step but may I know whether any result has been achieved now?

SHRI MANUBHAI SHAH. In the three cases that we had filed before the Federal Court of the United States, we won in every case. But the trouble is that they always devise new methods to bring in the words 'Bleeding Madras' in different manners according to the legal advice that they receive. It is a continuing struggle. Ultimately, it is not merely fighting in their market but keeping the designs to the changing taste that will keep us in that market.

SHRI M. C. SHAH. This is a prestige commodity and, therefore, instead of dumping this commodity there, if it is in short supply, its prestige will go up. Will that not help us?

SHRI MANUBHAI SHAH. That is a very correct situation and a correct analysis. That is what we are doing now

† The question was actually asked on the floor of the House by Shri M. C. Shah

SHRI BABUBHAI M. CHINAI : In the statement which has been handed to us, it has been mentioned that the H.H.E.C. has entered the market. May I know what the situation of the market is after the H.H.E.C. entered the market and whether the market has stabilised?

SHRI MANUBHAI SHAH : Well, Sir, as my hon. colleague has already mentioned, we have purchased five lakh yards for the special marketing scheme. This has stabilised the price and the flow of the goods to the godowns. And on the whole, the weavers are feeling great relief. We have also issued pamphlets in Telugu and Tamil requesting the weavers not to produce the traditional Bleeding Madras but to go to the 6, 8 and 9-suttle, to what they call the blue tone and jewel tone designs, which are now popular in the United States.

SHRI BABUBHAI M. CHINAI : May I know whether it is a fact that Japan has entered the United States market with the the Bleeding Madras quality, that they are competing with us and that the result is that our export has gone down considerably? What remedial measures have Government taken to see that we are in a position to compete along with Japan?

SHRI MANUBHAI SHAH : Japanese exports of this fabric, of this particular type are marginal. Therefore, I would not subscribe to the theory that they pose a very serious threat. At the same time, it is certain that the same people who use the same type of design for long years do not like the old design, they want a change. So, the present thing is that we have engaged marketing specialists to carry out a market survey about the change in the taste of the people so that we can be better informed to change the designs.

श्री देवकीनन्दन नारयण : क्या मंत्री महोदय यह बतलाने की कृपा करेंगे कि यह "ब्लीडिंग मद्रास" जो कपड़ा है, वह मद्रास राज्य में बनता है और कोआपरेटिव सोसाइटीज़ में ही ज्यादा इकट्ठा हो गया है और बाहर न जाने के कारण इसके स्टॉक कोआपरेटिव सोसाइटीज़ के पास बढ़ रहे हैं, उनका रुपया इसमें रुक गया है, उनका काम भी बहुत कुछ ठप्प हो गया है, बहुत से लूम भी बन्द

हो गए हैं, तो मैं यह जानना चाहूंगा कि इस मामले में कोआपरेटिव सोसाइटीज़ की मदद करने के लिये सरकार क्या कदम उठा रही है?

श्री मनुभाई शाह : इतने सारे प्रश्न माननीय सदस्य ने अपने बयान में मिला दिये हैं। पहली बात तो यह है कि ज्यादा जो माल है वह खाली कोआपरेटिव के पास नहीं है, जो प्राइवेट इंडिविजुअली ओन्ड हैंडलूम्स हैं, उनमें भी है। दूसरे हमारा एलान हमेशा यह रहा है कि जब आर्डर मिले उसके बाद उत्पादन किया जाय और यह नहीं हो कि मनमाने, बिना डिज़ाइन के, माल पैदा किया जाय। मैं तो चाहूंगा कि माननीय सदस्य जो इसमें इतना इंटेस्ट लेते हैं उनको भी कोआपरेटिव सोसाइटीज़ को हिदायत देना चाहिये कि जब आर्डर मिले, उसके बाद वे उत्पादन करें, नहीं तो माल जमा हो जायेगा और उनको घाटा पड़ जायेगा। फिर भी हमारी यह सोशल ड्यूटी है और हमने उनको बर्न किया है कि जो पसन्द का माल न हो, जिसका सेम्पल उनके पास न आया हो उसको बनाने से वे रुक जायें। और जो कपड़ा जमा हो गया है उसमें से ज्यादा हमने ले लिया है?

SHRI M. RUTHNASWAMY : Is it a fact that the recent steep rise in the price of Bleeding Madras in the U.S.A. markets is largely responsible for the slump in the sale of Bleeding Madras in the United States, because the U.S.A. is one of the biggest buyers of Madras Bleeding?

SHRI MANUBHAI SHAH : Price has no relationship because the local price is about 52 to 55 cents per yard and the retail market-up price is about 95 to 110 cents. The real problem is we have to keep on moving with the change in taste and change our designs. The earlier glamour will wear out unless we do that. This is the direction in which we are working. In the U.S.A. there is a 25 per cent. tariff duty also which adds about 10 to 15 cent. All these things are properly being taken into account.