

## RAJYA SABHA

Thursday, 28th April 1955

The House met at eleven of the clock, MR. CHAIRMAN in the Chair.

### ORAL ANSWERS TO QUESTIONS

#### CLOSURE OF CASHEW-NUT FACTORY

•819. SHRI M. VALIULLA: Will the Minister for COMMERCE AND INDUSTRY be pleased to state:

(a) the number of cashew-nut factories closed in each year from 1948 onwards;

(b) what are the reasons for the closure of those factories; and

(c) what assistance was rendered by Government to rehabilitate them or to promote them so far in the Plan period?

THE DEPUTY MINISTER FOR COMMERCE AND INDUSTRY (SHRI N. KANUNGO): (a) A statement on the basis of information available with Government is placed on the Table of the House.

(b) The high price of the raw cashew-nut and the fall in the price of processed cashew kernel in the U.S.A., the main consuming country, are the main reasons.

(c) In order to enable the processing factories to import raw cashew-nuts at the most favourable terms, actual-users licences are given to them. This to some extent, has reduced the dependence on the established importers. Formation of an Export Promotion Council for pepper and cashew-nuts is under consideration.

In order to increase the production of raw cashew-nuts in India, it is understood that the development schemes received from the Governments of Bombay and Madhya Bharat have been sanctioned by the Governing Body of the Indian Council of

Agricultural Research for a period of five years at a total cost of Rs. 1,74,180 and Rs. 61,670, respectively.

STATEMENT			
Number of Cashew-nut factories closed			
Year	Bombay	Madras	Travancore-Cochin
1948	N.A.	N.A.	22
1949	"	5	7
1950	"	2	N.A.
1951	"	N.A.	159
1952	"	1	162
1953	"	5	117
1954	"	17	117
1955	"	3	N.A.

N.A.=Information not available.

SHRI M. VALIULLA: In the statement, the number of cashew-nut factories closed is given yearwise, and the number of factories closed in 1951 is 159 and those in 1952 is 162. Can we take it that there has been some addition?

SHRI N. KANUNGO: Yes, Sir.

SHRI M. VALIULLA: May I know the number of persons displaced from the work?

SHRI N. KANUNGO: That is not possible to say because most of the factories are not factories under the Factories Act and statistics are not available.

SHRI M. VALIULLA: May I know the reason why these factories do not come under the Factories Act?

SHRI N. KANUNGO: The factories employ a smaller number of people and they do not work the factories for the whole year.

SHRI M. VALIULLA: The Government said that there is a scheme under consideration. May I know when it will be put into operation?

SHRI N. KANUNGO: The possibility of setting up an Export Promotion Council is being discussed and possibly it will take shape in the course of this year.

SHRI M. VALIULLA: When hundreds and thousands of people are thrown out of employment, what is the alternative arrangement that the Government makes in such cases? What is the assistance that they give in such cases?

SHRI N. KANUNGO: They are taking steps. As I said, we are allowing the actual users licences to import raw materials, that is, raw cashew-nut from other countries. We are also trying to find out other sources of supply like Indonesia and Brazil. We are also trying to have a diversified market. Today, most of the stuff is exported to the U.S.A. Government is trying through the trade agents, to find markets for this commodity in other countries.

SHRIMATI VIOLET ALVA: May I know whether cashew-nuts are exported for processing outside India?

SHRI N. KANUNGO: Not at all; it is imported and processed here in India.

SHRI V. G. GOPAL: Are there any attempts to re-engage the displaced men in other industries in that locality?

SHRI N. KANUNGO: The State Governments must be doing that.

SHRI T. V. KAMALASWAMY: Is it not a fact that the major import last year was from East Africa?

SHRI N. KANUNGO: Yes, a major part of the imports is from East Africa.

SHRI N. C. SEKHAR: May I know whether Government have received any representation recently from the cashew-nut factories from Travancore-Cochin?

SHRI N. KANUNGO: Government is in constant consultation with them.

SHRI N. C. SEKHAR: May I know whether the Minister is posted with, the fact that the factories working in Travancore-Cochin are not seasonal factories but are perennial factories?

SHRI N. KANUNGO: The fact that has come out of the discussion is that factories cannot run continually because of lack of raw materials.

MR. CHAIRMAN: Dr. Dube.

SHRI M. VALIULLA: One more question, Sir.

MR. CHAIRMAN: You have already put half a dozen questions.

SHRI M. VALIULLA: This is my last question, Sir.

I want to know whether, as a result of the efforts made by Government, there is any increase in the plantation of cashewnuts in this country.

SHRI N. KANUNGO: It is too early to say that because the schemes have been implemented only in Bombay and Madhya Bharat.

#### UTILISATION OF GRANTS SANCTIONED FOR COTTAGE INDUSTRIES

\*820. DR. R. P. DUBE: Will the Minister for COMMERCE AND INDUSTRY be pleased to refer to the audit remarks on page 218 of the Appropriation Accounts (Civil) for 1950-51 relating to the grants for the development of cottage and small-scale industries, and state the number of parties from whom certificates that the grants had been utilised for the purpose for which they were sanctioned were awaited in each year since 1950-51?

THE DEPUTY MINISTER FOR COMMERCE AND INDUSTRY (SHRI N. KANUNGO): The information is being collected from the various boards under the administrative control of the Ministry of Commerce and Industry, some of whom receive the progress reports and certificates of