Oral Answers

STATE TRADING CORPORATION

- *543. DR. RANEN SEN: Will the Minister of COMMERCE be pleased to state:
- (a) whether it is a fact that the State Trading Corporation is planning to enter into the field of production of exportable goods; and
- (b) if so, the main features of the scheme? THE DEPUTY MINISTER IN THE MINISTRY OF COMMERCE (SHRI MOHD. SHAFI QURESHI): (a) Yes, Sir.
- (b) State Trading Corporation is already engaged in the production of wigs, wiglets and falls made of human hair. The STC is also planning to set up a factory for machine made footwear for the export market.
- DR. RANEN SEN: The Chairman of the STC reported to the press sometime back that besides these two items mentioned by the minister, STC is contemplating to expand its activity in the production of goods that are exported. If that is so, actually is there any programme to expand the activities of STC in this regard?

SHRI MOHD. SHAFI QURESHI: As and when STC feels the necessity of entering into the export market for the benefit of the export trade of the country, definitely it will do so.

DR. RAMEN SEN: That was not the question. It was reported in new papers that the S. T. C. Chairman gave some information to the press that besides the two items which the minister stated, STC is trying to expand its activity for the production of certain goods meant for export.

\$HRI MOHD. SHAFI QURESHI: There is no such programme under contemplation now.

DR. RANEN SEN: It has been reported earlier in this House that machine tools and certain other goods exported particularly to the East European countries have been sent back to India by these Governments because they were below the normal standard. The PAC also had recommended that such things should not occur and STC should go into the quality of those goods which are to be exported. Inview of this, may I know whether STC thinks it necessary to enter into the production of such commodities which are exported?

SHRI MOHD. SHAFI QURESHI: As I have already stated, STC is already engaged in the production of wigs, wiglets and shoes. The target fixed for production of shoes is about 10 million pairs, out of which STC has set up a factory in which 1 million pairs will be produced in a year. 9 million pairs will be produced by the private sector and other agencies. It is with a view to maintain quality and competitiveness of our commodities that STC has taken these steps.

SHRI KRISHNA KUMAR CHATTER-II: In view of the fact that many of the private exporters have been indulging in malpractices in export trade, the idea of taking over the trade and nationalising it was in the air. Will the minister give a categorical answer whether he is prepared to explore the possibilities of nationalisation of the entire export trade in view of past experience, and for that purpose productive effort should also be taken over by the public sector?

SHRI MOHD. SHAFI QURESHI: I have already said that there is no proposal to nationalise the entire export trade now.

SHRI N. K. SOMANI: According to the articles of association, the STC is supposed to indulge in trading and not in manufacturing activities. Of late there have been serious complaints from Razno exports of Soviet Russia, which has been rejecting footwear imported from India on a large scale. Therefore, instead of trying to enter into the manufacturing field, why does the STC not provide technical assistance, packing and finance for small-scale manufacturers of Agra, Meerut and other parts of UP instead of going into the manufacturing field, which is completely against the whole concept and definition of trade?

THE DEPUTY PRIME MINISTER AND MINISTER OF FINANCE (SHRI MORARJI DESAI : There is nothing

wrong in that conception. If the manufacturers can indulge in trading, why not traders indulge in manufacturing? I cannot understand anything wrong there. They are not debarred from doing it. In order to see that the goods are made better by those who are manufacturing them, if they are not doing it properly—by giving them more help they do not do it better—it is only by setting an example that can be done, and that is what is being done.

श्री श्रो० प्र० स्थागी: अध्यक्ष महोदय, इस समाचार में कहां तक सत्यता है कि एस॰ टी॰ सी॰ फारेन कन्ट्रीज के कैपिटल में सेलिंग सेंटर्स बना रही है? क्या इसके द्वारा जो एक्सपोर्ट यहां के प्राइवेट लोग कर रहे हैं उससे इस को हानि नहीं पहुंचेगी?

श्री मुहम्मद शकी कुरेशी: जो सेंटर बाहर एस० टी० सी० ने कायम किए हैं उससे काफी मदद हमारे एक्सपोर्ट ट्रेड को मिलेगी।

SHRI P. VENKATASUBBIAH: May I know whether the government is considering the desirability of setting up a wig factory at Tirupathi, which is considered to be the largest centre where human hair is available?

SHRI MOHD. SHAFI QURESHI: We have already set up a wig factory at Madras, There is no proposal to set up a factory at Tirupathi at this stage.

SHRI P. VENKATASUBIAH: Why not?

SHRI RANGA: They do not want to be polluted by STC.

SHRI S. M. BANERJEE: I want to know whether it is a fact that STC is importing nylon and nylon yarn and then exporting it? If so, what is the difference between the import price and export price?

SHRI MOHD. SHAFI QURESHI: Both import and export of nylon is channelised through the STC, there is no much difference so far as the price at which nylon is purchased by STC is concerned.

SHRI S. M. BANERJEE: I want to know the price at which they are importing and exporting nylon, because I am told there is a scandal about the difference in price.

SHRI MOHD. SHAFI QURESHI: There are different varieties of nylon: not just one variety. There are different counts. So far as the price is concerned, I require notice.

श्री जार्ज फर्नेन्डीख: अध्यक्ष महोदय, एस० टी० सी० के कारखाने बगैरह बनाने का काम शुरू करने के पहले जो आयात निर्यात का इसका व्यापार होता है उस के लिए जो गोदामों की आवश्यकता है क्या वह गोदाम बन चके हैं क्या? क्योंकि अभी अभी जब सल्फर विदेश से लाया गया बम्बई में तो उसके लिये गोदाम ढंढने के लिए जब एस० टी० सी० के डाइरेक्टर बम्बई गए तो एक एयर कंडीशंड टैक्सी में उन्होंने पूरे दिन भर कहर का भ्रमण किया जिसमें 600 रुपया सिर्फ गोदाम ढंढने का टैक्सी का खर्च किया। मामली टैक्सी लेकर उन के प्रतिनिधि जब उन के पास आये तो वह बोले कि मैं एस० टी० सी० का डाइरेक्टर हूं, मेरे लिए आर्डिनरी टैक्सी? मेरे लिए एयर कंडीशड टैक्सी लाओ। इस प्रकार 600 रूपये उस पर खर्च किए। तो मेरा प्रश्न है कि बम्बई या दूसरे बन्दरगाहों पर जहां माल आता है, वहां गोदाम बनाने की कोई व्यवस्था आप के पास है या नहीं? और जो बम्बई में सल्फर के मामले में डाइ-रेक्टर ने एक दिन में एक टैक्सी पर 600 रुपया खर्च किया उस डाइरेक्टर को जांच कर के सजादेने का काम करेंगे क्या?

श्री मृहस्मद शक्ती कुरेशी: जहां तक सल्फर का ताल्लुक है यह सवाल भाई मधु लिमये जी ने बहुत दफे यहां पर उठाया है.....

श्री मधु लिमये: यह गोदामों के बारे में है।

श्री मृहस्मद शक्री कुरेशी: जहां तक 600 रुपये खर्च हुआ है वह मामला जेरे तहकीकात है। उस पर में कुछ कहना नहीं चाहता। लेकिन जहां तक गोदामों की सह- लियत का ताल्लुक है मैं माननीय सदस्य को यकीन दिलाता हूं कि उस का पूरा पूरा इन्तजाम किया गया है।

क्षे जीजं फर्नेन्डीज : गोदामों का वह बोलते हैं कि पूरा इन्तजाम किया गया है तो जब इन्तजाम किया है तो 600 रुपया एक दिन में क्यों खर्चा?

MR. SPEAKER: He does not know. He said that he will enquire into it.

SHRI HEM BARUA: Sir, just now the Deputy Prime Minister said that the STC wants to show by example that our manufacture can be improved. In that context, may I draw the attention of the Government to the fact that some time back 50,000 pairs of shoes were exported to Soviet Russia by STC and all of them were found below standard. In view of this, may I know whether Government have tried to evolve any measure to check quality control so far as STC is concerned?

SHRI MOHD. SHAFI QURESHI: Exports were canalised through STC to Soviet Union and other countries. STC was itself not manufacturing shoes. When we got complaints that the shoes were not of the quality and standard required by the buyer, keeping that in view, STC decided to manufacture shoes so as to set up an example for other manufacturers who are exporting.

SHRI RANGA: Sir, he has not answered the question. What about the 50,000 pairs that were rejected.

MR. SPEAKER: Let Shri Hem Barua repeat his question.

SHRI HEM BARUA: The hon. Deputy Prime Minister just now said that the STC by manufacturing things wants to set up an example for other manufacturers how things could be improved. In that context I just wanted to know from Government if Government are aware of the fact that some time back 50,000 pairs of shoes were exported to Soviet Russia by the STC and the shoes were returned because they were below standard. If so, may I know whether Government have evolved any measures to control the quality of manufactured goods by STC?

SHRI MOHD. SHAFI QURESHI: There is a quality control system employed by STC and STC is looking at every pair to see that the shoes are according to the quality required and according to the contract.

SHRI RANGA: What about the 50,000 shoes that were rejected?

SHRI MOHD. SHAFI QURESHI: I agree that there has been some rejection.

र्श्व मती लक्ष्मीकान्तम्मा: भारत के विग्स की विदेशों में बहुत मांग है। तो इसका दाम बढ़ाने की कुछ कोशिश करेंगे और इस से कितना हम को फारेन एक्सचेंज मिल रहा है?

श्री महम्मद शाफ़ी कुरेशी: जी हां। विग्स का जहां तक ताल्लुक है एक किलो विग्स का दाम उतना ही हमें मिलता है जितना एक किलो चांदी का है। हमारी इस वक्त जो विग्स की फैक्ट्री है उस का आर्डर 17 करोड़ रुपए का है। उसमें से 60 लाख रुपये का विग्स हमने एक्सपोर्ट किया है।

श्री शिव चरण लाल: क्या मंत्री महोदय बतलाने की कृपा करेंगे कि आप ने बालों का जो व्यापार शुरू किया है बड़े बड़े बाल काट कर विदेश भेजते हैं उस में कितना फायदा हुआ है?

भी मुहस्मद शक्ते कुरेशी: उस में तकरीवन 1 करोड़ 17 लाख रुपये के ब्रार्डस बुक किए हैं भीर इस वक्त तक जो हम ने माल मेजा है वह तकरीबन 60 लाख रुपये का है।

श्री शिव चरण लाल : मुनाफाा कितना है ?

श्री मुहम्मद शक्री कुरेशी: इस में हमें काफी मुनाफा है। Sir, I wish to be excused. This is a trade secret and I cannot disclose the profits.

श्री मधु लिनये : प्रघ्यक्ष महोदय, मैं मंत्री महोदय से यह जानना चाहता हूं कि स्टेट ट्रेंडिंग कारपोरेशन के द्वारा सूती कपड़ा तथा जूट का जो निर्यात होता है क्या उस में जिस को स्विच ट्रेड कहा जाता है वह हो रहा है? श्रीर अगर हो रहा है पूर्वी योरप के देशों द्वारा तो इस को रोकने के लिए सरकार ने क्या कदम उठाए हैं?

र्था मुहम्मद शक्ती कुरेशी: बच्चा जूट का कोई निर्यात एस० टी० सी० के जरिए नहीं होता।

थी मधु लिमये : स्विच ट्रेड ? सूती कपड़े के बारे में ग्रौर जूट के बारे में स्विच ट्रेड ?

भी मुहम्मद शक्री कुरेशी: एस० टी० सी० न सूती कपड़ा बाहर भेजता है ग्रीर न जूट भेजता है।

श्री मधु लिमये : स्विच ट्रेड का जवाब ही नहीं दे रहे हैं।

SHRI MOHD. SHAFI QURESHI: This switch-trade is linked up, because there is an allegation that switch-trade is going on in East-European countries, STC is not exporting jute nor cotton textiles, so the question of switch-trade does not arise.

NON-BANKING COMPANIES

*544: SHRI GEORGE FERNANDES: With the Minister of INDUSTRIAL DEVE-COPMENT AND COMPANY AFFAIRS be pleased to state:

- (a) the total number of non-banking industrial and commercial companies that have been permitted to accept short and long term deposits to meet their financial needs;
- (b) the total amount deposited with such firms as on the 31st March, 1967 and the interest rates offered on these amounts;
- (c) whether any of the firms which were allowed to accept such deposits have gone into liquidation;
- (d) whether complaints have been received about non-receipt of interest and capital from some of these firms on the due dates; and
- (e) if so, whether Government contemplate to take effective measures to safeguard the interests of the depositors with such firms?

THE MINISTER OF STATE IN THE MINISTRY OF INDUSTRIAL DEVELOPMENT AND COMPANY AFFAIRS (SHRI RAGHUNATH REDDI):
(a) The non-banking companies do not require prior permission to accept deposits from the public.

- (b) According to returns received by the Reserve Bank of India from the non-banking non-financial companies, 1569 companies held deposits aggregating Rs. 160-23 crores at the end of March, 1965. Information for later periods can be available only when the Reserve Bank receives and compiles the returns. The rate of interest varied between 5 and 12 per cent per annum.
- (c) According to present information available with the Department, three such companies have gone into liquidation.
 - (d) Yes, Sir.
- (e) A statement is laid on the Table of the House. [Placed in Library. See No. LT-1915/67].

की जार्ज फर्नेन्द्रीख: जब मुल्क में बैकिन का व्यापार करने वाली काफ़ी संस्थायें हैं, सरकार का स्टेट बैंक घाफ़ इण्डिया भी है धीर इस वक्त जब कि बैंकिंग के सम्बन्ध में कभी राष्ट्रीयकरण, कभी सामाजिक नियन्त्रण— इस किस्म की वातें चलती हैं—तो फिर इन 50—60 कम्पनियों को 150 करोड़ रुपया 5 फीसदी से 12 फीसदी व्याज पर जमा करने की इजाजत क्यों दी जाती है धीर सरकार इस फैसले पर क्यों नहीं धा रही है कि जो घसल में बैंकिंग का व्यापार करने वाली कम्पनियां नहीं हैं, उन को इस ढंग से पैसा जमा करने की इजाजत न दी जाय?

बोकोगिक विकास तथा समबाय कार्य मंत्री (श्री फखरहीन असी अहमद): मैं तो यह समझता हूं कि खास कर ऐसे कार्मों में जैसे हायर परचेज सिस्टम के लिये अगर दूसरी इंस्टीचूशन्त्र से रुपया मिलने में दिक्कत ही तो कोई एतराज होना न चाहिए।

श्री आर्ज फर्नेन्डीख: मैंने हायर परचेंज
 की बात नहीं कही है। जैसे इण्डियन एक्स-