

**Purchase of Machinery for BIC**

[Translation]

\*190. SHRI JAGAT VIR SINGH DRONA : Will the Minister of TEXTILES be pleased to state:

(a) whether lakhs of rupees were accorded to various firms in 1987 for the purchase of machinery for BIC mills (Kanpur) but no machinery was supplied as per demand nor the money was returned;

(b) if so, the details thereof and the reasons therefor; and

(c) the steps being taken by the Union Government for smooth running of BIC mills?

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI KAMAL NATH) : (a) and (b) : The British India Corporation had placed orders for machinery in 1986 - 87 against which they received machines worth about Rs. 24 crores. The Company was not able to take delivery of some remaining machines worth about Rs. 1 crore due to paucity of funds. Against these orders advance of around Rs. 12 lakhs is lying with the parties.

(c). The BIC has been ordered to be wound up by the BIFR against which it has made an appeal which is pending before the AAIFR. Pending a final decision by the AAIFR. Government is releasing funds for payment of wages/ salaries and bonus. In addition; funds have been provided for partially meeting the working capital requirements of the BIC.

**Bonus to NTC Workers**

\*191. SHRI RAM NAIK : Will the Minister of TEXTILES be pleased to state :

(a) whether Diwali bonus could not be paid to NTC mill workers before Diwali;

(b) if so; the reasons therefore; and

(c) the action taken by the Government against those who are responsible for the same?

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI KAMAL NATH): (a) The bonus for the year 1994-95 was paid to the NTC workers/ employees within the prescribed period.

(b) and (c) : Do not arise.

**Utilisation of Foreign Assistance**

\*192. SHRI KHELAN RAM JANGDE :  
SHRI KUNJEE LAL:

Will the Minister of FINANCE be pleased to state:

(a) whether the foreign financial assistance is not put to optimum use in the country;

(b) if so; the quantum of financial assistance received from all the external sources during the years 1993, 1994, and 1995;

(c) the quantum of funds lying unutilised out of the amount received during the above period; and

(d) the percentage of unused amount allocated to the projects related to power, irrigation, road construction, railway, coal, steel, and industrial research?.

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (DR. DEBI PROSAD PAL): (a) and (b). The financial assistance received by the Government from all external sources and utilised during the year 1992-93. 1993-94 and 1994-95 are as follows:

<i>(Rs. Crore)</i>	
<i>Year</i>	<i>Amount</i>
1992-93	9875.05
1993-94	10115.52
1994-95	9529.74

(c) and (d). Since external assistance is released by donors on reimbursible basis against actual utilisation; the question of funds lying unutilised out of the amount received during the above period does not arise. However; foreign assistance is largely project tied and, therefore, the utilisation of sanctioned aid for any project is spread over the project implementation period. As a result; there would be undrawn aid balances at any point of time reflecting aid in pipeline which will be absorbed as project implementation takes place. As on 1.4.95, the undrawn balances for the following sectors are:

(Rs. Crore)

S.No.	Sector	Undrawn Balance ( as on 1.4.1995 )
1	2	3
1.	Power	16893.20 )
2.	Irrigation	2090.65
3.	Roads	2526.85
4.	Railways	1035.21
5.	Coal	244.43
6.	Industry (including Steel & Industrial Research)	1815.44

*[English]***Supply of Cotton Yarn to Handloom Weavers**

\*193. SHRI SHIVRAJ SINGH CHAUHAN: Will the Minister of TEXTILES be pleased to state:

(a) the rate at which the cotton yarn has been supplied or is being supplied to the handloom weavers in the country particularly to the weavers of Madhya Pradesh during the years 1993-94; 1994-95 and 1995-96 upto October; 1995;

(b) the reasons for the increase in its prices;

(c) the problems being faced by the weavers due to increase in the prices of cotton yarn;

(d) whether the Union Government proposed to provide yarn to the weavers at reduced prices;

(e) if so: the details thereof; and

(f) if not: the reasons therefor?

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI KAMAL NATH): (a) A statement indicating the weighted average prices prevailing in the country, including in Madhya Pradesh during 1993-94; 1994-95 and 1995-96 upto October; 1995 is enclosed.

(b) The reasons for increase in the prices of cotton hank yarn have been mainly due to increase in the prices of raw-cotton, damage to cotton crop due to crop disease in Haryana, Punjab, floods in Maharashtra, Madhya Pradesh and Gujarat and cyclone in Andhra Pradesh, shortage of cotton in the international market.

(c) The rise in prices of cotton hank yarn may affect production and marketing of handloom products etc. The Government of India, however, have been taking timely measures for making yarn available at reasonable prices to the handloom weavers through Hank Yarn Price Subsidy Scheme, Mill Gate Price Scheme etc.

(d) Yes, Sir.

(e) During the year 1994-95 the Government of India announced the Hank Yarn Price Subsidy Scheme for supply of 20 million kgs. of cotton hank yarn to the handloom weavers at a subsidy of Rs. 15/-per kg. The scheme has been extended for the year 1995-96 also with a target of 20 million kgs with an enhanced subsidy rate of Rs. 20/-per kg. Under the Mill Gate Price Scheme the Government of India makes available hank yarn to the handloom weavers through the National Handloom Development Corporation ( NHDC ) at Mill rate prices. This scheme has also been extended for the year 1995-96 with a target of 20 million kgs.

(f) Does not arise.