

World Bank "State Sector Adjustment Loans"

504. SHRI AMAR PAL SINGH: Will the Minister of FINANCE be pleased to state:

(a) whether the World Bank has offered to provide "State sector adjustment loans" to various State Governments in India for undertaking "up front reforms".

(b) if so, the details thereof;

(c) whether the Government propose to constitute an apex agency to monitor/supervise the proposed "State sector adjustment loans" received by the States from the World Bank; and

(d) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.V CHANDRASHEKHARA MURTHY): (a) to (d) There have been some preliminary discussions with the Bank regarding possible structural adjustment loans to State Governments. These loans are intended to be non-project tied and to provide quick disbursing resources to State Governments in support of state level reforms. The loans would be made by the World Bank to Government of India and they would then be passed on to the states as 100% additionality in the form of additional central assistance.

[Translation]

Production of Janata Cloth in Maharashtra

505. SHRI DATTA MEGHE: Will the Minister of TEXTILES be pleased to state:

(a) the names of the mills in Maharashtra which are producing Janata Cloth;

(b) the target fixed for producing Janata Cloth in the State during the year 1993-94 and the target achieved in this regard; and

(c) the target fixed for the year 1994-95?

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI G. VENKAT SWAMY): (a) No mills are authorised to produce janata cloth. However, in Maharashtra the following agencies are producing janata cloth;

- (1) Maharashtra State Handloom Corporation Ltd., Nagpur
- (2) Vidarbha weavers Central Co. op. Society Ltd., Nagpur
- (3) Western Maharashtra Weavers Central Co. op. Association Ltd., Solapur

(b) As against a target of 28.00 million sq. mtrs. fixed for Maharashtra for 1993-94, 20.25 Million sq. Mtrs. cloth was produced.

(c) 24.00 million sq. mtrs.

[English]

Impact on India's Export and Import under GATT

506. DR. LAXMINARAYAN PANDEYA: Will the Minister of COMMERCE be pleased to state:

(a) whether the balance of payments (BOP) cover available to India under Article XVIII 12 (b) of GATT in respect of import control regime, quantitative restrictions,

import licensing and negative list relating to consumer goods is being reviewed by the World Trade Organisation;

(b) if so, the details thereof; and

(c) the likely impact on India's export/import trade and consumers goods manufacture sector?

THE MINISTER OF COMMERCE (SHRI PRANAB MUKHERJEE): (a) and (b) The GATT Committee on BOP Restrictions held simplified consultations with India under Article XVIII 12 (b) of the GATT on 15 November 1994. The Committee has decided to hold full consultations late next year. The balance of payments cover is still available to India.

(c) Does not arise.

[Translation]

Production of Cloth

507. SHRI CHINMAYANAND SWAMI: Will the Minister of TEXTILES be pleased to state:

(a) whether the production of cloth is less in the country in comparison to Western countries;

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

(c) the steps taken or proposed to be taken to increase production of cloth in the country?

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI G. VENKAT SWAMY): (a) and (b) No comparison of cloth production between our country and Western countries has been made as the cloth production figures of Western Countries is not maintained by this Ministry.

(c) The steps taken by the Govt. to increase production of cloth in the country are as under:

1. Removal of restriction on creation and expansion of capacity subject to locational Guidelines.
2. Doing away with requirement of licensing except in cases of 100% export oriented units and units set up within 25 Kms. from a city of more than 1 million population as per 1991 census and if it is not situated in an area declared by the State Govt. as industrial area before 24.4.94.
3. Measures to ensure availability of raw material to the industry through policy intervention whenever necessary.
4. Permitting import of Textile machinery under OGL and reduction in duty on such machinery imports.