

(c) Basmati Rice was exported from Punjab, Haryana and Uttar Pradesh. Rice other than Basmati is exported from Central Stocks, Andhra Pradesh and Tamil Nadu.

Export of Jaggery

893. SHRI P. RAJAGOPAL NAIDU: Will the MINISTER OF COMMERCE, CIVIL SUPPLIES AND COOPERATION be pleased to state:

(a) whether Jaggery is being exported to other countries;

(b) if so, to which countries; and

(c) the quantity exported this year?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE, CIVIL SUPPLIES AND COOPERATION (SHRI ARIF BAIG): (a) Yes, Sir.

(b) Cane jaggery was exported chiefly to Ethiopia, Hongkong, Malaysia, Nepal, Singapore, U.K., Yemen Arab Republic during April-September, 1978.

(c) The quantity of jaggery exported during April-September, 1978 was 1200 tonnes. Export figures for the full year have not yet been compiled.

Exports of Sugar

894. SHRI P. RAJAGOPAL NAIDU: Will the Minister of COMMERCE, CIVIL SUPPLIES AND COOPERATION be pleased to state:

(a) whether Government have exported sugar to other countries this year;

(b) if so, how much; and

(c) at what rates it sold sugar to these countries?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE, CIVIL SUPPLIES AND COOPERATION (SHRI ARIF BAIG): (a) Yes, Sir.

(b) 4,58,500 tonnes (upto 3-7-79).

(c) The rates have been settled on the basis of average London Daily Price.

Restrictions placed by Reserve Bank in giving loans by Nationalised Banks to Small Scale Industries

895. SHRI P. RAJAGOPAL NAIDU: Will the DEPUTY PRIME MINISTER AND MINISTER OF FINANCE be pleased to state:

(a) whether the Reserve Bank have placed restrictions in giving loans by

nationalised banks to small scale industries this year; and

(b) if so, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI ZULFIQUARULLAH): (a) No, Sir.

(b) Does not arise.

Suggestions made by Swarnakar Sangh regarding Gold Policy

896. SHRI S. S. SOMANI: Will the DEPUTY PRIME MINISTER AND MINISTER OF FINANCE be pleased to state:

(a) whether any deputation of Swarnakar Sangh have recently met him regarding the Gold Policy Committee and financial matter in view of the failure of the gold auction policy and made certain suggestions; and

(b) if so, details regarding the suggestions and the reaction of Government thereto?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SATISH AGARWAL): (a) Yes, Sir. Representatives of Akhil Bharatiya Swarnakar Sangh, Delhi recently met the Deputy Prime Minister (Finance).

(b) The Swarnakar Sangh in its Memorandum submitted to the Deputy Prime Minister and Finance Minister have *inter alia* made the following suggestions with regard to the Gold Policy of the Government:

(1) Ornament industry be recognised as a cottage industry;

(2) Export of gold ornaments may be made through a Government agency set up on the lines of the Handicraft Board;

(3) The foreign exchange earned from the export of ornaments may be utilized for importation of gold which may be distributed through the State Bank of India to certify goldsmiths at fixed prices.

(4) The institution of dealers may be abolished.

(5) Certified goldsmiths may be given the sole right to manufacture ornaments.

(6) A certified goldsmith may be permitted to employ another certified goldsmith.

The gold policy is being reviewed by a Committee under the Chairmanship of the Governor Reserve Bank of India. The Committee heard the representatives of the Swarnakar Sangh when they made similar suggestions. The Committee is expected to submit its report shortly. Government will await the report of the Committee before deciding further course of action.

Reported non fulfilment of contractual obligations for Export of Steel Products to Saudi Arabia

897. SHRI S. S. SOMANI:
SHRI SUDHIR GHOSAL:

Will the Minister of COMMERCE, CIVIL SUPPLIES AND COOPERATION be pleased to state:

(a) whether it is a fact that refusal to fulfil contractual commitments by a number of Indian firms for the export of various steel products and building materials to Saudi Arabia against letters of credit already opened threatens to disrupt commercial relations between India and Saudi Arabia; and

(b) the details in this regard and the reaction of Government?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE, CIVIL SUPPLIES AND COOPERATION (SHRI ARIF BEIG): (a) and (b). A few complaints have been received from some Saudi Arabian parties regarding non fulfilment of contractual obligations concerning supply of steel products. On receipt of these complaints, the Engineering Export Promotion Council has been advised by the Government to initiate immediately necessary action against the defaulting Indian firms. The Government has also advised the Council to impress upon its members that the Government feels most strongly about the non-fulfilment of contractual obligations by Indian exporters of engineering goods.

Such disputes are not uncommon in international trade. It is not expected that such individual disputes will have any adverse effects on India's overall trade with Saudi Arabia.

Dominant Control of Multinationals

898. SHRI V. ARUNACHALAM:
SHRI A. BALAJANOR:

Will the DEPUTY PRIME MINISTER AND MINISTER OF FINANCE be pleased to state:

(a) whether despite dilution of shareholdings by multinational concerns,

the multinationals are in dominant control of the concerns due to dispersion of shareholdings by individual Indian Shareholders;

(b) whether it is also a fact that the multinationals continue to extort from Government a variety of concessions at cost of national interest; and

(c) if so, the steps proposed to make such concerns responsive fully to national needs?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SATISH AGARWAL): (a) Control of companies under the Companies Act is primarily determined by the voting power flowing from the extent of equity holding in the company. In companies where foreign shareholding is reduced to 74% or 51% the control will be with the foreign shareholders. In cases where foreign shareholding is reduced to 40%, the control will be dependent on the actual distribution of the remaining shares in the Indian hands. If this share is widely distributed among shareholders who cannot combine, the effective control may remain in the hands of foreign shareholders.

(b) No, Sir.

(c) Government's policy with regard to participation of foreign investment and foreign companies in the country's industrial development is set out in paras 23 to 26 of the Statement on Industrial Policy presented to Parliament on 23rd December, 1977. So far as existing foreign companies are concerned, the provisions of the Foreign Exchange Regulation Act are being strictly enforced. So far as new foreign investment is concerned, it is permitted only in sophisticated technology or export-oriented areas on such terms as are determined by the Government to be in national interest.

Income tax and Wealth tax arrears against match manufacturers of Sivakasi

899. SHRI K. RAMAMURTHY: Will the DEPUTY PRIME MINISTER AND MINISTER OF FINANCE be pleased to state:

(a) the amount of wealth tax and income tax respectively paid by the 17 families of match manufacturers of Sivakasi during the past five years;

(b) whether there are any income tax and wealth tax arrears to be recovered from these 17 families during the past five years and if so, the amount of arrears; and