

Demand of Stainless Steel

782. SHRI AHMED M. PATEL: Will the Minister of STEEL AND MINES be pleased to state:

(a) what is the total demand of stainless steel in the country annually;

(b) the total production in private and public sectors annually; and

(c) if the production is less than the demand the measures taken by Government to meet the demand?

THE MINISTER OF COMMERCE AND STEEL AND MINES (SHRI PRANAB MUKERJEE): (a) to (c). The working group on Alloy and Special Steels set up by the Department of Steel in its report dated February 15, 1979, projected estimated demand of 49,000 tonnes for 1980-81 as against estimated production of 25,000 tonnes during the year. Precise estimate of the production by the re-rollers, most of whom are in the small scale sector, are however not available. The import policy provides for import of stainless steel by the canalising agencies, namely SAIL and MMTC, and also by the Actual Users engaged in production of stainless steel razor blades.

Withholding of Stocks of Imported Rubber by STC and Proper Distribution of Rubber

783. SHRI M. RAMGOPAL REDDY: Will the Minister of COMMERCE be pleased to state:

(a) whether it is a fact that All India Rubber Industries Association had blamed the S.T.C. for withholding stocks of imported rubber and mismanagement of the distribution of rubber; and

(b) if so, what are the details thereof?

THE MINISTER OF COMMERCE AND STEEL AND MINES (SHRI PRANAB MUKERJEE): (a) and (b).

No, Sir. The Association had, however, *inter-alia* represented about the timing of imports by STC, shortages in weight, inadequate facilities at the distribution point and high carrying and other incidental costs charged by S.T.C.

Discontentment among Senior Operational Staff of I.A.

784. SHRIMATI PRAMILA DANDAVATE: Will the Minister of TOURISM AND CIVIL AVIATION be pleased to state:

(a) whether it is a fact that there is a serious discontentment among the senior operational staff of the Indian Airlines;

(b) whether there have been a number of reversions of senior staff; and

(c) what are the reasons for reversion and supersession?

THE MINISTER OF STATE IN THE MINISTRY OF TOURISM AND CIVIL AVIATION (SHRI CHANDULAL CHANDRAKAR): (a) No, Sir.

(b) and (c). There has been only one case where the probation of a senior officer was terminated and he was reverted to his substantive position due to unsatisfactory performance during his period of probation in Indian Airlines.

Committee for Reappraisal of Public Distribution System

785. SHRIMATI PRAMILA DANDAVATE: Will the Minister of CIVIL SUPPLIES be pleased to state:

(a) whether there is any proposal to appoint a Committee for the reappraisal of the public distribution system;

(b) whether the cooperation of the Cooperatives, Women's Organisations and others has been sought; and

(c) if not, what other steps have been taken to streamline the public distribution system?

THE MINISTER OF CIVIL SUPPLIES (SHRI V. C. SHUKLA): (a) No, Sir.

(b) The cooperatives are extensively used for the public distribution system. The State Governments have been advised to set up Advisory Committees at various levels associating representatives of consumer and women's organisations to supervise the public distribution system.

(c) The public distribution system in the country is under constant review in consultation with the State Governments and the concerned Departments and agencies of the Central Government. As a result of these reviews, considerable improvement has been effected in the supply of essential commodities to the States. The State Governments have also taken necessary steps to strengthen the infrastructure to expand and revitalise the public distribution system.

Tightening of Credit Squeeze to Check Inflation

786. **SHRI S. M. KRISHNA:** Will the Minister of FINANCE be pleased to state :

(a) the various measures taken by his Ministry and the other monetary authorities like the Reserve Bank of India to tighten the credit squeeze to check the present inflationary trends;

(b) how far these measures have resulted in fighting the inflation; and

(c) what other measures Government have in view to arrest these inflationary trends?

THE DEPUTY MINISTER IN THE MINISTRY OF FINANCE (SHRI MAGANBHAI BAROT): (a) to (c) The Reserve Bank of India has been taking such credit control measures which aim at restraining inflationary

pressures in the economy, without in any way affecting the level of production. These measures include the use of Statutory Liquidity Ratio (SLR), Cash Reserve Ratio, incremental credit-deposit ratio, refinance accommodation, selective credit controls, interest rates and optimal management of funds. It has also curtailed the effective drawing powers of large borrowers under cash-credit and inland bills account, effective control on non-food credit expansion of scheduled commercial banks. The Participation Certificates have also been brought within the purview of the SLR and Cash Reserve Ratio requirements. As a result of all these measures, the increase in money supply was lower at Rs. 2265 crores (10.3 per cent) during 1979-80 (upto March 26, 1980) compared to an increase of Rs. 3437 crores (18.7 per cent) during 1978-79. Similarly, the rate of growth in scheduled bank credit (Gross) to commercial sector has been restrained in 1979-80 at 17.7 per cent compared with 19.7 per cent in the previous year. The detailed measures taken to contain the credit expansion in the face of inflationary potential have been outlined in the Economic Survey 1979-80, which is being presented to the Parliament today. The position is being kept under careful watch and further measures will be undertaken in the light of the emerging situation.

Commercial and Economic Cooperation between India and European Economic Community

787. **SHRI S. M. KRISHNA:** Will the Minister of COMMERCE be pleased to state:

(a) whether during his recent visit to the capital, Mr. Roy Jenkins, President of European Economic Community held talks on commercial and economic co-operation between India and the European Economic Community;

(b) has any agreement been reached; if so, the salient features