

Statement

Number of persons convicted by the courts of law under the Customs Act, 1962 in each of the quarters during the last three years i. e. from July, 1977 to June, 1980.

Period	No. of persons convicted under Customs Act, 1962
July 1977 to September, 1977	270
October 1977 to December 1977	222
January 1978 to March 1978	212
April 1978 to June 1978	221
July 1978 to September 1978	352
October 1978 to December 1978	220
January 1979 to March 1979	261
April 1979 to June 1979	336
July 1979 to September 1979	298
October 1979 to December 1979	191
January 1980 to March 1980	249
April 1980 to June 1980	158*

*This figure is provisional.

Reduction in share holdings of Hindustan Lever Ltd. under FERA

5586. SHRI R. L. BHATIA: Will the Minister of FINANCE be pleased to state:

(a) whether the Hindustan Lever Limited have reduced their share-holding to 40 per cent as per requirements of the Foreign Exchange Regulations Act (FERA);

(b) if so, since when and if not, the reasons therefor; and

(c) the action which Government propose to take in the matter to ensure compliance with the provisions of FERA?

THE DEPUTY MINISTER IN THE MINISTRY OF FINANCE (SHRI MAGANBHAI BAROT): (a) to (c) The Reserve Bank of India had issued a final directive to M/s. Hindustan Lever Ltd. requiring the company to reduce the non-resident interest to 40 per cent in two stages, the first stage to be effected by end of December, 1979 to 51 per cent; and the second stage of reduction to 40 per cent by 30th June 1980. The company has already taken action to reduce the non-resident equity to 51 per cent by the due date. However, in regard to further dilution, the company has submitted a representation making certain claims regarding their eligibility to retain non-resident equity at 51 per cent as provided by the FERA guidelines in certain circumstances. The tenability of these claims is under examination in consultation with the concerned Ministries.

Setting up Composite Textile Mills

5587. SHRI S. M. KRISHNA: Will the Minister of COMMERCE be pleased to state:

(a) whether it is a fact that All-India Exporters' Chamber (AIEC) has proposed the setting up of five composite textile mills to give a boost to exports;

(b) if so, the broad details of the proposal; and

(c) Government's reaction thereto?

THE MINISTER OF COMMERCE AND STEEL AND MINES (SHRI PRANAB MUKHEREE): (a) to (c) In a Memorandum, All India Exporters' Chamber have drawn attention to the need for setting up more capacity for catering to export requirements. The Chamber has proposed setting up of 5 units of 2500 looms and 1 lakh spindles together with supporting and finishing machinery for this purpose. Current policy of Government does not permit expansion of weaving capacity in the organised sector. These and other

aspects of Textile policy are under review.

Diamond Trade

5588. SHRI S. M. KRISHNA: Will the Minister of COMMERCE be pleased to state:

(a) whether it is a fact that diamond trade is in jitters following report that as many as nine Japanese firms dealing in gems have suddenly collapsed and have been declared insolvent by the courts in that country; and

(b) the steps which Government propose to take to explore other alternative markets and buyers to obviate loss of precious foreign exchange?

THE MINISTER OF COMMERCE AND STEEL AND MINES (SHRI PRANAB MUKHERJEE): (a) and (b) There are reports that nine Japanese firms, dealing in gems have been declared insolvent. This has, however, not affected Indian diamond trade to any appreciable extent so far.

Visit of an Indian trade team to USSR

5589. SHRI S. M. KRISHNA:
SHRI MADHAVRAO SCINDIA:

Will the Minister of COMMERCE be pleased to state:

(a) whether an Indian trade team visited USSR early this month; if so, its composition;

(b) whether during this visit they drew up any long-term trade agreement between the two countries for 1981—85;

(c) if so, the broad details of the agreement drawn up;

(d) whether these agreements also covered commodity plans for these five years; and

(e) if so, the broad outlines thereof?

THE MINISTER OF COMMERCE AND STEEL AND MINES (SHRI PRANAB MUKHERJEE): (a) Yes, Sir.

The composition of the delegation was as follows:—

1. Shri A. K. Mukherjee, Joint Secretary, Ministry of Commerce—Leader.
2. Shri D. K. Chatterjee, Joint Secretary, Ministry of Finance (Department of Economic Affairs).
3. Shri S. Katharaman, Managing Director, Marketing Division, Indian Oil Corporation Ltd., Bombay.
4. Shri C. I. Sivasubramanian, Deputy Secretary, Ministry of Commerce.

(b) to (e) The delegation visited the USSR in the first week of July for discussion relating to the finalisation of the Trade Agreement and the Trade Protocol for the years 1981—85. There are many matters which still remain to be discussed. The Agreement and the connected documents are expected to be signed at Ministerial level later this year.

Since the negotiations are still continuing, it is not possible to give the details thereof until the agreement has been signed.