

(c) whether Government will institute a high-powered inquiry in the matter for finding out the real reasons for such imports and punish the guilty decision makers whose activities are causing such serious problems for poor producers and the State Government agencies ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI-MATI RAM DULARI SINHA) : (a) Yes, Sir.

(b) A representation was received last year that raw wool imports under Open General Licence had adversely affected the off-take of indigenously produced wool.

(c) In order to enable domestic wool-combers to utilise their capacity better, Government have decided to waive excise duty on indigenous wool tops supplied for export production. The quantity of raw wool allowed for import, free of customs duty, for manufacture of wool tops for export production, has also been raised from 1.08 kgs. to 1.11 Kgs., against one Kg. of wool tops.

A Study Group was set up last year to study the problems of wool and woollen industry and to suggest programme for development of this sector during the next ten years period. The Study Group has submitted its Report recently, which is under examination.

In view of the above, the institution of a high-powered inquiry as indicated, is not considered necessary.

Functioning of I. R. C. I.

1072. SHRI SUSHIL BHATTAACHARY :

SHRI SATYAGOPAL MISRA :

SHRI KRISHNA CHANDRA HALDER :

PROF. RUPCHAND PAL :

SHRI SOMNATH CHATTERJEE :

SHRI SAMAR MUKHERJEE :

SHRI SUBODH SEN : Will the Minister of FINANCE be pleased to state :

(a) whether Government are aware that Industrial Reconstruction Corporation of India (IRCI) in the name of an organisation for nursing a sick unit back to health by providing cash support only for the payment of wages, has ignored working capital requirements for productive purposes ;

(b) whether Government are also aware that this policy of the IRCI was mainly responsible for the continuous erosion of institutional funds on the sick units ;

(c) whether Government are going for a thorough probe into the functioning of the IRCI ;

(d) if so, details thereof ; and

(e) if not, the reasons thereof ?

THE DEPUTY MINISTER IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (e) The Industrial Reconstruction Corporation of India (IRCI) extends financial assistance to various sick industrial units for purposes such as capital expenditure, margin for working capital, payment to pressing creditors, meeting the resources gap, etc. Normally, the working capital requirements of the industrial units are to be met by the banks. However, in a few extremely pressing and critical cases where the assisted units have been unable to get any working capital assistance from their own bankers, IRCI has been providing bridging/contract finance loans as a very special case for meeting working capital requirements pending release of working capital by the concerned banks. IRCI is laying more emphasis on aspects such as renovation/modernisation and updating of technology which really serves the rehabilitation of sick units instead of only meeting cash losses, working capital requirements, etc. Since IRCI functions within the parameters laid down by the Government, it is not considered necessary to institute any probe into the functioning of IRCI.

Demands of Central Government

Employees

1073. SHRI AJOY BISWAS : Will the Minister of FINANCE be pleased to state :

(a) Whether Government had agreed in JCM that some demands of the Central Government employees would be settled before 31st March, 1983 but instead of that Government has announced the 4th Pay Commission ;

(b) if so, whether it is a fact that the Central Government are not interested in fulfilling their commitment ;

(c) whether Government will concede and implement the demands which Government had assured to do that ; and

(d) if not, the reasons thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PATTABHI RAMA RAO) : (a) to (d) In a meeting of the Standing Committee of the National Council (Joint Consultative Machinery) on 15.2.82 the official Side had stated that major demands having sizeable financial implications might be processed so that it was possible to take a final view in March, 1983. Some of the major demands on which decision has recently been taken are as follows :

- (i) Grant of Interim Relief
- (ii) Grant of Stagnation increment.

While some of the other major demands such as revision of HRA/CCA, wage parity with public sector Undertakings, etc. will be referred to the Pay Commission, the other demands will be considered in the National Council (JCM).

Decrease in Production of Rubber Tea and Coffee due to Drought in States

1074: SHRI G. Y. KRISHNAN : Will the Minister of COMMERCE be pleased to state :

(a) whether it is a fact that prolonged drought in some States in South have affected the production of rubber, tea and coffee ;

(b) if so, the names of such States and the extent of reduction in production assessed during the last two years ;

(c) the loss, if any put of foreign exchange to Government and revenue to the States ; and

(d) the steps taken to put the industry on an even keel ?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRIMATI RAM DULARI SHNHA) : (a) Yes. Sir, However, the effect of drought on rubber and tea has been marginal.

(b) The drought affected States are Kerala, Karnataka and, Tamil Nadu Coffee production during 1981-82 season was 1,52,000 tonnes, the highest on record, exceeding the targetted production by about 16,000 tonnes. During 1982-83 season, the production is estimated at 1,30,000 tonnes, against a targetted production of 1,43,250 tonnes.

(c) Foreign Exchange earnings would depend on various factors like international price, competition etc. The effect of drought on foreign earnings cannot be assessed easily. The loss of revenue to States cannot be assessed at this stage.

(d) With a view to help the growers to meet the situation, the Commodity Boards dealing with tea, coffee and rubber are vigorously implementing various developmental schemes which provide for loans, subsidies, technical assistance, extension advisory services, etc.

Take over of the Management of Units of Swadeshi Cotton Mills

1075. SHRI VIJAY KUMAR YADAV : Will the Minister of COMMERCE be pleased to state :

(a) Whether it is a fact that management of six units of Swadeshi Cotton Mills was taken over by Government in April, 1978 for five years ;