

- ii. DOT has released a part of the outstanding dues.
- iii. IFCL has reduced the margin money requirement for their loan to HCL from 30 % to 10 %.

iv. Financial assistance under NRF is being given for implementation of VRS and reduction of fixed cost.

(e) The order book position of HCL during each of the last 3 years and till 31st October, 1996 is as under :

	1993-94 (Rs. in crore)	1994-95	1995-96	1996-97 (Upto Oct. 1996)
Opening order	244	66	110	255
Order received during the year	308	609	477	119
Orders executed during the year	486	565	332	208
Orders carried over	66	110	255	166

(f) To boost fresh orders DOT has been requested to earmark 30% of its annual requirement of telecom cables for procurement from HCL and also give 50% advance to HCL alongwith purchase orders

Loss Suffered by MMTC due to Irregularities

404. SHRI T. GOPAL KRISHNA :
SHRI K.S. RAYADU :

Will the Minister of COMMERCE be pleased to state :

(a) whether Minerals and Metals Trading Corporation of India Ltd. has incurred losses due to irregularities recently;

(b) if so, the details thereof; and

(c) the steps taken to set right the working of the MMTC?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI BOLLA BULLI RAMAIAH) : (a) No, Sir.

(b) and (c). Do not arise.

Removal of Quantitative Restrictions on All Imports

405. DR T. SUBBARAMI REDDY : Will the Minister of COMMERCE be pleased to state :

(a) whether India's commitment to World Trade Organisation's provisions has prompted the Government to seek Industry's views on opening of the consumer goods industry and eliminate quantitative restrictions on their imports;

(b) if so, the reasons for such commitment;

(c) whether his Ministry has discussed this issue with all the organisations and industrialists;

(d) if so, the details thereof; and

(e) the time by which a final decision is likely to be taken in this regard?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI BOLLA BULLI RAMAIAH) : (a) to (e). Article XI of the General Agreement on Tariffs and Trade, 1994 requires that no prohibitions or restrictions other than duties, taxes or other charges, whether made effective through quotas, import or export licences or other measures shall be maintained by any members of the World Trade Organization (WTO). However, keeping in view the difficult balance of payments situation, India has been maintaining import restrictions since 1948 under Article XII, and since 1950 under Article XVIII.

During the last B.O.P. Committee consultations held in December, 1995 with India, many members of the WTO Committee on Balance-of-Payments-Restrictions stated that India's balance-of-payments position was comfortable, that India did not currently face the threat of a serious decline in foreign exchange resources as set out in Article XVIII and that, therefore, continued recourse to import restrictions for balance-of-payments reasons by India could not be justified. Many members requested India to present a time-table for phasing out the restrictions. In its conclusion, the Committee welcomed India's readiness to resume the consultations in October, 1996 and to notify to be WTO all remaining restrictions maintained for balance-of-payments purposes soon after the announcement of the 1996-97 Export-Import Policy. Accordingly, a notification regarding the quantitative restrictions was made to the WTO in July, 1996.

The time-table for removal of quantitative restrictions maintained on import of products, including the consumer goods, will be known only after the resumed consultations with India in the WTO Committee on Balance-of-Payments-Restrictions, which have now been postponed to January, 1997.

There is no requirement to consult the industry in the removal of QRs. However, industry's views on major