

LOK SABHA DEBATES

LOK SABHA

Friday, December 6, 1991/ Agrahayana
15, 1913 (Saka)

The Lok Sabha met at Eleven of the Clock

[MR. SPEAKER *in the Chair*]

WELCOME TO THE JORDANIAN PARLIAMENTARY DELEGATION

MR. SPEAKER: Hon'ble Members, at the outset, I have to make an announcement.

On my own behalf and on behalf of the Hon'ble Members of the House, I have great pleasure in welcoming Dr. Sa'ad Botross Haddadin, MP and the Hon'ble Members of the Jordanian Parliamentary Delegation who are on a visit to India as our honour guests.

The other Hon'ble Members of the delegation are:-

1. Mr. Mansour Saïfeddin Murad,
2. Mr. Ahmad Kfaween
3. Dr. Daud Thaiso Quoqaj
4. Mr. Jamal Riad Hadad

The delegation arrived Delhi on 5 December, 1991 morning. They are now seated in the special box. We wish them a happy and fruitful stay in our country. Through them we convey our greetings and best wishes to

the King, Prime Minister, the Parliament, the Government and the friendly people of the Hashemite Kingdom of Jordan.

11.02 hrs.

ORAL ANSWER TO QUESTIONS

[English]

Production of Cloth

*222. SHRIMATI VASUNDHARA RAJE:
Will the Minister of TEXTILES be pleased to state:

(a) Whether the production of cloth in the powerloom, handloom and mill sectors has declined in 1990-91 as compared in 1989-90;

(b) if so, the details thereof and the reasons therefor;

(c) the steps taken by the Government to increase the production of cloth in these sectors; and

(d) the prospects of total cloth production in 1991-92.

[Translation]

THE MINISTER OF STATE IN THE
MINISTRY OF TEXTILES (ASHOK
GEHLOT): (a) to (d). A Statement is laid on
the Table of the House.

STATEMENT

(a) and (b). The production of cloth in the powerloom, handloom and mill sectors

during the years 1989-90 and 1990-91 was as follows:

| <i>(in million sq. mts)</i> | | |
|-----------------------------|---------|---------|
| Sector | 1989-90 | 1990-91 |
| 1. Powerloom | 9788 | 10988 |
| 2. Handloom | 4537 | 4888 |
| 3. Mill | 2781 | 2720 |
| | 17106 | 18596 |

There was a marginal decline in the production by mill sector mainly due to sickness and closure of mills, competition from decentralised sectors, lack of modernisation etc.

(c) Governments policy of liberalisation and modernisation of Industry, including handloom sector and powerloom sector is expected to give further fillip to the production of cloth in future.

(d) The total cloth production during 1991-92 is targeted at 21990 ml. sq. mts.

[English]

SHRIMATI VASUNDHARA RAJE: Sir, the Indian mill sector cloth has great demand in the international market and hence there is a vast scope for an increase in the export of mill sector cloth. Does the Government have a modernisation programme? If so, what is it? Will the Government expeditiously and within a stipulated time frame implement such a programme?

Are you considering, within this programme, NRI involvement? If so, please give me the details. Will the Government come up with the composite policy in order to balance the powerloom, handloom and composite mill sector?

[Translation]

SHRI ASHOK GEHLOT: Mr. Speaker,

Sir, according to the information with the Government there is a great demand of Indian cloth in the international market. At one time Indian cloth had a great name and fame in the international market. But gradually the situation became adverse and this industry started running in loss and some of the mills became sick. Keeping this fact in view during the regime of Prime Minister, Rajivji, Textile policy was made in 1985 and efforts were made under this policy to revive and develop the industry to the extent that in the international market we are able to make our place by making the cotton our base. Keeping that thing in mind it has been the endeavour of the Government that all the three sectors whether it is mill, powerloom or handloom should make such a progress that our textile industry may have some reputation in the international market.

As far as the hon. Member has asked about the scheme, I would like to tell her that in 1985 the textile modernization fund was set up with an amount of 7 crores. That is why the number of mills which were running in loss and were almost closed has now come down from 142 to 105. Thirty seven mills have been recommissioned and the Government has made programmes for their modernisation and chalked out scheme to induct high technology in them. The industry has made progress in the area of man-made fibre and it has reduced the dependence on import. Besides, the efforts are going on through the model agencies to chalk out package programme for the sick mills so that these could be recommissioned and are not closed down. In the same way it is in the knowledge of the Government that the condition of the handloom sector is also grave. The condition of the weavers is also not good. The Government is trying how this sector can be taken to the high cost value so that these people can make a progress...(Interruptions)

SHRIMATI VASUNDHARA RAJE: Sir, the hon. Ministry is delivering a speech, he is not giving reply. (Interruptions)

SHRI ASHOK GEHLOT: When one talks

about the weavers, you do not like to listen but you like to listen about the mills... (*Inter-ruptions*)

Mr. Speaker Sir, in this away the Government is trying that both the sectors should progress.

[*English*]

SHRIMATI VASUNDHARA RAJE: The Minister has been very kind enough to read out whatever he is doing in the whole Ministry. I asked very simple question and I would like a very very simple answer. I asked him about a modernisation programme. He told me about a programme sanctioned in 1985. I asked him whether there is going to be NRI involvement. He has not to reply to that. I also asked him whether he is going to come up with a composite policy to balance the powerloom, the handloom and the composite mill sector. He tells me that the handloom people are having a very terrible problem. We knew that but he is not telling me whether he is going to come up with a composite policy to mitigate the problem. Apart from that, I would like very much to know whether the Government had set up some committee in the past to examine some individual cases. Some of these cases are hanging fire for over 10 to 15 years. I am sure, the Ministry must have informed him about that.

Will the Ministry consider setting up a committee comprising of the representatives of the Ministry of Textiles, Department of Banking and other concerned officials to clear such matters within a time frame of three to six months? There is no point letting them hung fire like this. I would like a direct and brief answer so that I may be able to understand it myself. Maybe I am not being able to communicate with him.

[*Translation*]

SHRI ASHOK GEHLOT: Mr. Speaker, Sir, the suggestion of hon. Member is good. There is no proposed to set up such a committee. But her suggestion would be considered sympathetically.

[*English*]

SHRI C. K. KUPPUSWAMY: If the Minister's reply is that the marginal decline in the production by mill sector is mainly due to sickness and closure of mills, then why action could not be taken in Coimbatore where so many textile mills have been closed down due to losses or sickness thereby throwing out of jobs thousands of workers? Will Government take steps to reopen these mills and increase the production of cloth?

[*Translation*]

SHRI ASHOK GEHLOT: Mr. Speaker Sir, the situation of Coimbatore may be different. I do not know, why the mills are lying closed there since it has got a separate system, for it one is supposed to go to the B.F.I.R and it does not have any direct connection with the Ministry. Even then, if the hon. Member gives a suggestion, we will go in to it so that the problem may be resolved.

SHRIDAU DAYAL JOSHI: Mr. Speaker, Sir, I want to know if the handloom industry is lagging behind due to the powerloom industry. Men get direct work through the handloom industry. So, would the hon. Minister clarify whether the handloom industry would be encouraged in preference to the powerloom industry, if so, Government's scheme in this regard?

SHRI ASHOK GEHLOT: Mr. Speaker, Sir, I have already said that the handloom industry is not lagging behind. It is not lagging behind due to the powerlooms. The handloom industry may have its own problems and we are making efforts to remove them so that the handloom weavers may get full wages. The Government is finding out ways, to modernise their looms and to supply them yarn in time and to provide them assistance from financial institutions. We can not ignore powerloom sector as it has stabilised. But we will not let the handloom sector face any danger due to the powerloom sector.

SHRI AYUB KHAN: Mr. Speaker, Sir,

as a poor has to struggle for earning his living in the same way the cheap clothes are out of his reach. May I ask the hon. Ministry that it was there in the manifesto of the Congress Party that if it comes in poor then it would make *Janta Sari* and *Janta Dhoti* available at the rates of 1990. My question is that keeping that in mind how much subsidy our Government has provided for *Janta Sari* and *Janta Dhoti*?

SHRI ASHOK GEHLOT: Mr. Speaker, Sir, it is right it was there in the manifesto of the Congress Party. But the price of *Dhoti* increased by 96 paisa and the price of *Sari* had gone up by Rs. 1.12 paisa as compared to the prices prevailing in July, 1990. The Government has released Rs. 7 crores as subsidy. The sub-committee of the Cabinet had decided it and the direction were given accordingly. Now the prices are to be rolled back. Keeping that in mind we have tried to reduce the price of *Sari* by Rs. 1.12 per metre and the price of *Dhoti* by 0.96 paisa per metre. Today the N.T.C. has started selling *Sari* and *dhoti* at a low price on that basis.

[English]

SHRI G.M.C. BALAYOGI: Sir, there were starvation deaths in the weaving community in Andhra Pradesh. In addition, in the recent floods and rains, this community has lost their everything. I would like to know from the hon. Minister, through you, as to what are the steps the Government is going to take to help the weaving community in Andhra Pradesh?

[Translation]

SHRI ASHOK GEHLOT: Mr. Speaker, Sir, only day before yesterday there was a calling attention in the Rajya Sabha. The condition of the weavers is really very miserable. Their condition has worsened due to the recent floods. For that, we have given full packages to them under which about 35,000 weavers will be benefited. There are separate schemes through which they will get employment. The Government has tried to bring the co-operative weavers into the public

sector so that they are also benefited by that. Alongwith it, the provision of insurance has also been made and the Government has held talks with the Chief Minister for their rehabilitation also so that the local schemes could also be run.

(Interruptions)

[English]

MR. SPEAKER: This is not going on record.

Schemes for NRI Deposits in Banks

*223. **SHRI MUKUL BALKRISHNA WASNIK:** Will the Minister of FINANCE be pleased to state:

(a) whether the ANZ Grindlays Bank has launched a currency swap scheme to attract Non-resident Indians deposits in India at a higher rate of interest than permissible under the Foreign Currency Non-Resident Scheme of the Reserve Bank of India;

(b) if so, the action taken by the Government in this regard;

(c) whether the RBI propose to permit the public sector banks also to introduce similar schemes to attract NRI deposits;

(d) if so, the details thereof; and

(e) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI DALBIR SINGH): (a) to (e). A statement is laid on the table of the House.

STATEMENT

Reserve Bank of India (RBI) have reported that ANZ Grindlays Bank pay interest on FCNR deposits held in their Indian branches as per the rates of interest prescribed by the RBI. However, branches of the bank outside India accept deposits in various foreign currencies and convert them