

questions. So, I would like to answer the last question first, and then the first one.

There is no such glut that the Government of India has to intervene for purchases of carpets in Kashmir. No doubt, about four years back some arrangements were made to buy carpets in Kashmir when there was glut. At that time also fortunately I was looking after the Commerce Ministry and I had done this.

SHRI P. NAMGYAL : There is no buyer at the moment.

SHRI KHURSHID ALAM KHAN : Actually, if you look at the figures of the exports, you will find that exports for 1983-84 were Rs. 147.70 crores. In 1985-86 it has increased to Rs. 159.92 crores. So, it does not indicate that there are no exports. No doubt there is keen competition from Pakistan, China and Iran.

As regards the designs and other things, we have always been giving assistance. There are 75 training centres and quite a few are advanced training centres in Kashmir which provide necessary assistance to the weavers, to the producers, and we also sent experts from our technical Institute at Banaras for giving the advice.

SHRI P. KOLANDAIVELU : Sir, with regard to the carpet technology, it has to be developed in a big manner. India has enough potential for it in order to develop carpet technology.

Sir, our Indian carpet is one of the best and even the workmanship is the best in the whole world. Such is the case. You have stated in your reply that a separate Export Promotion Council has been set up. Even the Export Promotion Council are not doing their job actually according to norms prescribed by the Export Promotion Council. I have drawn the attention of the Minister to this by a mention under Rule 377. But the Minister has not replied to me so far for the last three months. Any how, I am drawing the attention of the Minister now in this House to the fact that in Tamil Nadu Bhavani is a famous area for carpet technology. I want to know from the hon. Minister whether this Export Promotion Council has anything to do with Tamil Nadu,

whether they have got a scheme in order to develop Bhavani as the most important area for carpet technology, at least whether you would open a training centre at Bhavani.

SHRI KHURSHID ALAM KHAN : As regards the activities of the Promotion Council, it is naturally for promotion of exports.

As regards the particular place mentioned by the hon. Member, certainly we will look into it and if there is any justification and potential available, we will certainly do something about it.

PROF. N. G. RANGA : What about his 377, Sir ?

(Interruptions)

Export of Engineering Products

*125. SHRIMATI GEETA MUKHERJEE : Will the Minister of COMMERCE be pleased to state :

(a) whether it is a fact that the top thirteen engineering companies with a total turnover of rupees three thousand crores export only rupees thirty crores worth of their products as has been revealed by a recent World Bank study; and

(b) if so, the specific steps being taken to overcome various problems coming in the way of raising the export of engineering goods ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI BRAHMA DUTT) : (a) Government are not aware of such a recent study of the World Bank.

(b) A statement is given below.

Statement

Government has taken a series of measures for promotion of exports which, *inter alia*, include—

(i) changes, in the area of industrial licensing policies and procedures including broad banding of industries, simplification of collaboration procedures, expansion of list of Appendix-I industries open for investment to MRTP/FERA companies etc.

(ii) Import-Export Policy has been announced, last year, for a period of three years to give a consistent long term policy framework.

(iii) To provide duty free easy access to imported raw materials, Import Export Pass Book scheme has been introduced with effect from 1-1-1986 for manufacturer exporters to obtain their requirements of imported raw materials.

(iv) The International Price Reimbursement Scheme for Steel has been extended to cover all varieties of steel including alloy steels. Procedural changes have also been incorporated to facilitate quicker payments.

(v) The new scheme for CCS has been announced with effect from 1st July, 1986 for a period of three years.

(vi) To promote project exports, project assistance at the rate of 10% has been introduced on the service part of the project.

(vii) Scheme for support to infructuous bids by project exporters has been announced.

SHRIMATI GEETA MUKHERJEE : I request the Minister to be a little more clarificatory. Any way, the Minister has stated that they are not aware of any World Bank study.

I would like to know whether it is a fact that the top 13 engineering companies with a total turnover of Rs. 3000 crores export only Rs. 30 crores worth of their products and quite a number of leading engineering companies do not export at all. I would also like to know whether it is also true that for the last 7 or 8 years there has been no increase in the export of engineering goods and in the first 10 months of the last financial year the export of capital goods had declined by 6.5 per cent, steel and pig iron base items by 5.3 per cent, non-ferrous products by 9.5% and consumer durables by 9.6%. If so, what are the reasons?

PROF. MADHU DANDAVATE : Can you reproduce the question?

SHRI BRAHMA DUTT : It is a fact that a number of major engineering com-

panies are not exporting even to the extent of general norms of the engineering industry as a whole.

SHRIMATI GEETA MUKHERJEE : Are these facts or not? That must be stated.

SHRI BRAHMA DUTT : The facts are available with me. I can give the facts that are available with me and I can give the facts about each manufacturing company.

SHRIMATI GEETA MUKHERJEE : I have asked the hon. Minister whether what has been stated by me is a fact or not. Though there is a turnover of Rs. 3000 crores in this industry, they are exporting only Rs. 30 crores worth of products. Is that true or not? Let him state first and then give the reasons.

SHRI BRAHMA DUTT : The question the hon. Member asked is that the top 13 engineering companies total turn over was Rs. 3000 crores but they are exporting only Rs. 30 crores, worth of their products. That has been calculated. It is very dismal. Only 3 companies out of the 13 companies are exporting something. If you allow me, I can read out the figures. *(Interruptions).*

MR. SPEAKER : He has already said that it is very dismal. So, it corroborates with what Mrs. Geeta has said now.

SHRI S. JAIPAL REDDY : In the answer, they said, they are not aware of the World Bank study report. Are they aware of their own figures? He said, it is dismal. Does it convey anything?

MR. SPEAKER : What more is clear than dismal?

SHRIMATI GEETA MUKHERJEE : I want to draw your attention that their Department telephoned me and I informed them wherefrom this World Bank report had come. So, they knew about these things earlier. They could have said, whether these are facts or not. They could have checked them up.

THE MINISTER OF EXTERNAL AFFAIRS AND MINISTER OF COMMERCE (SHRI P. SHIV SHANKER) :

The question that the hon. Member has raised is from the Editorial that has come in the *Business Standard*. But we are differing from that. That is exactly what he was trying to explain. The editorial on the World Bank Study Report does not appear to be correct.

SHRIMATI GEETA MUKHERJEE : What is correct ?

SHRI P. SHIV SHANKER : That is what he is trying to explain. Will you kindly listen to him ?

PROF. MADHU DANDAVATE : He meant that. But he did not say so.

SHRI BRAHMA DUTT : I have the export figures of each of 13 top companies. I am ready that I can supply to the Member, or I can place them on the Table, or I can read them out.

MR. SPEAKER : You may please put it on the Table. (*Interruptions*)

MR. SPEAKER : If he reads them, again it will take a lot of time. We can get them laid on the Table of the House.

SHRIMATI GEETA MUKHERJEE : How can we put our supplementaries without knowing the details.

MR. SPEAKER : There are other possibilities also. Then again, we can take it up. What is binding us ?

(*Interruptions*)

MR. SPEAKER : If you like, if the House so desires, let him read. You read all the figures.

SHRI BRAHMA DUTT : I am reading with your permission.

SHRI A. CHARLES : Sir, it will affect the subsequent questions. (*Interruptions*)

MR. SPEAKER : Order. Let us see.

SHRI BRAHMA DUTT : Sir, first, in the Steel Authority of India Limited, the total sales turnover is Rs. 3141 crores and the export is Rs. 5,24 crores. The percentage

comes to 0.17. (2) Bharat Heavy Electricals Ltd. Rs. 1340 crores is the sales turnover. Export is Rs. 14.08 crores *i.e.* 1.05%. (3) Tata Iron and Steel Company Ltd. Total sales turnover is Rs. 871 crores; export is Rs. 1.13 crores, *i.e.* 0.13%. (4) Tata Engineering and Locomotive Company Ltd. The sales turnover is Rs. 835 crores; export is Rs. 31.31 crores and the export percentage is 3.75. (5) Bharat Earth Movers Ltd. Sales turnover is Rs. 385 crores; export is Rs. 11.25 crores and percentage is 2.92. (6) In Larsen and Toubro Ltd., the sales turnover is Rs. 360 crores.

PROF. N.G. RANGA : Are you going to have all the 13 companies ? Why can't they be placed on the Table of the House ?

SHRI BRAHMA DUTT : If the hon. Member insists, what can I do, Sir ?

SHRI P. SHIV SHANKER : The question is asked by the hon. Member and we would like to answer. Unless the hon. Member would not like the answer, we are obliged to....

MR. SPEAKER : If the hon. Member persists, what can I do about it ? I know that this is going to be like this. I warned before it. But if they still persist and say, I am withholding the information, what can I do ? The hon. Member must know. It is all right now. Are you satisfied ?

SHRI BRAHMA DUTT : The turnover is Rs. 360 crores. Export Rs. 4.73 crores. Percentage 1.3.

I have given the broad outline. I can go on reading.

SHRI S. JAIPAL REDDY : More than satisfied.

MR. SPEAKER : Ask the second question.

SHRIMATI GEETA MUKHERJEE : If this is the situation with regard to calculation in the Commerce Ministry, then things must be very bad. In any case, the total calculation even with the help of a calculator can easily be done. Even my little knowledge can tell me.

Now the question is that in reply to the other part of the question, what measures have been taken up. Here again in a long statement, the Minister made a general statement about export promotion measures for the whole of the industry. No specific study about the engineering industry and the specific measures have been mentioned. I would like to know whether specifically engineering industry is being studied and what specific measures have been taken of late which would make a departure from the past six or seven years.

SHRI P. SHIV SHANKER : I would like to correct the hon. Member. The question was with reference to the 13 industries. It is not that only 13 industries are the large industries. That is why, my hon. colleague was trying to give the figures.

SHRIMATI GEETA MUKHERJEE : The question is not that. Kindly read the question.

SHRI P. SHIV SHANKER : When you pose the question, I am saying it, by way of supplementary.

SHRIMATI GEETA MUKHERJEE : My main question referred to that and your statement is with regard to the main question on which I have now put the supplementary.

SHRI P. SHIV SHANKER : I would request the hon. Member to bear with me and know the substance of the answer instead of being technical about the number and so on. The point that he was trying to make was what exactly is the figure of exports with reference to certain of the companies where the studies were made. Those are the details which were given. I concede the point that the export performance of the large industries is not happy at all and we are taking different steps. In fact, I am in dialogue with these industries that they must improve their export and, in fact, we are also considering that when they come forth for the expansion of their capacities, should we not impose the export obligation when they are also coming for the fresh licence? All that also we are considering. In fact, the Prime Minister directed that we must see that a condition is imposed for the purpose of exports as

well. These are the different measures that we are taking.

But the question that has been posed by the hon. Member is with reference to the measures that are being taken for encouraging the exports with reference to the engineering goods. There the answer is specifically with reference to this industry we had been giving liberal industrial licence, policy streamlinings and licensing procedures, broad-banding of industries to allow for expansion and simplification of collaboration procedures. 13 engineering industries have been exempted from the MRTP for the purpose of encouraging them not only to increase the production but also to increase their exports. I need not go into the details of all the 13 industries.

Then the List of Appendix I Industries open for investment by MRTP and FERA Companies in respect of 22, out of 27 industries exempted under Section 22A.

These are the different measures Interest payable on non-convertible debenture of non-MRTP and FERA companies has been raised from 1.35% to 15%. To promote the growth of small-scale sector, the ceiling on investment in plan and machinery has been increased from Rs. 20 lakhs to Rs. 35 lakhs. And for ancillary industries from Rs. 25 lakhs to Rs. 45 lakhs. This is all with reference to engineering. Raising of limits in the case of MRTP units from Rs. 20 crores to Rs. 100 crores, expanding and diversifying exports by way of automatic expansion of capacity for export production, setting up of from trade zones which allow a number of concessions to industries set up in these zones, special facilities for setting up 100% export-oriented units. Then 65 industries which include electronics and automobile sectors and the engineering industry has been selected for capacity expansion and so on. There is quite a lot of measures and if I go on reading them, it will be too detailed, I have illustratively mentioned certain of the measures. The details I will place on the Table of the House.

MR. SPEAKER : There is a vast potential for exports.

SHRIMATI GEETA MUKHERJEE :
Are you sure that these measures are all right and that will change the situation ?

Problems of Handloom Industry

*127. **SHRI AMARSINH RATHAWA :**
Will the Minister of TEXTILES be pleased to state :

(a) whether Government are aware that the handloom industry in the country is facing serious problem;

(b) the main problems and the steps being taken to solve them;

(c) whether it is a fact that the demand of handloom products is decreasing year after year within the country and abroad;

(d) if so, whether any survey has been conducted to know the causes; if so, the details thereof; and

(e) the steps being taken or proposed to be taken to save this industry and the weavers from being ruined ?

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI KHURSHID ALAM KHAN) : (a) to (c). A statement is given below.

Statement

(a) No such problems have been brought to the notice of Government of India.

(b) Does not arise.

(c) The production of handloom fabrics has been going up steadily over the years. The exports, however, have been fluctuating mainly due to external factors relating to policies of importing countries. The figures of production and

exports for the past few years are given in the annexure.

(d) Does not arise.

(e) Government of India have been implementing the following schemes for the development of the handloom sector :

(i) Loan assistance to handloom weavers for share capital contribution to primary cooperative societies;

(ii) Share capital assistance to primary cooperative societies and State handloom development corporations;

(iii) Managerial subsidy to primary handloom cooperative societies;

(iv) Modernisation assistance for handloom cooperative societies and State handloom development corporations;

(v) Assistance for setting up pre-loom and post-loom processing facilities;

(vi) Janata cloth scheme;

(vii) Special rebate scheme;

(viii) Financial assistance for setting up spinning mills in the handloom weavers cooperative sector;

(ix) Special hill area development projects;

(x) Thrift Fund Scheme; and

(xi) Workshed-cum-Housing Scheme.