

[English]

**SHRI JANARDHANA POOJARY :** We have reduced the duty and because of the reduction in duty, the consumers were benefited. For the benefit of the hon. Members, I can say how the prices of polyester filament cloth have come down.

The rate for polyester filament yarn 76-denier was earlier Rs. 166.67 per kg. and after the removal of the duty, it has come down to Rs. 157 per kg. For POY 115-denier, earlier the price was Rs. 160 per kg., now it has come down to Rs. 142 per kg. I have got all these details. The consumers were benefitted because of the removal of this duty.

#### ACCI Suggestions for Bifurcation of FERA

\*164. **SHRI KRISHNA SINGH :** Will the Minister of FINANCE be pleased to state :

(a) whether Government's attention has been drawn to the suggestion reportedly made by the Association of Chambers of Commerce and Industry of India for bifurcation of contents of the Foreign Exchange Regulation Act into two separate pieces of legislation, one dealing with the currency movements and the other dealing with foreign investments in India and technology imports etc. ; and

(b) if so, the Government's reaction thereto ?

**THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) :** (a) Yes, Sir.

(b) The proposal has been received very recently. It is too early to offer any comments thereon.

**SHRI KRISHNA SINGH :** May I know in this context what are the main objects which according to the ACCI would be achieved by the bifurcation of the FERA ; whether this is in any way aimed at preventing the leakage of foreign exchange under the provisions of the Act : if so, what specific provisions are sought to be modified by the ACCI in this regard ?

**SHRI JANARDHANA POOJARY :** Sir, we have received proposals from the Asso-

ciation of Chambers of Commerce and Industry, FICCI and also other organisations. A lot of suggestions have been made for the amendment of the Act. They also say that there should be two separate Acts. We are examining all these aspects. Some time will have to be given for examining all these and then we will come forward with concrete solutions.

**SHRI KRISHNA SINGH :** Now that the Government are reviewing the Foreign Exchange Regulations Act in the context of the ACCI proposals, may I know whether Government would take up a thorough revision of the Act, to modify all the provisions which are often misused by unscrupulous elements to deprive the Government of its legitimate share of foreign exchange or to drain out the exchange reserves of the country ; if so, what steps are being taken in that direction ?

**SHRI JANARDHANA POOJARY :** Suggestions have been made to remove hurdles. If we take into consideration all the suggestions that have been made, then that will amount to scrapping of the FERA Act. So, Government should be more responsible. Wherever it is possible to find some solutions and wherever it is required in the interest of the nation, we are definitely considering that. That is why, I request that some time may be given because we are examining all the aspects in detail.

#### Modernisation of Textile Mills

\*166. \***DR. DATTA SAMANT :**

**SHRI G.S. BASAVARAJU :** Will the Minister of TEXTILES be pleased to state :

(a) whether Government have taken a decision to identify hundred textile mills for modernisation and for boosting textile production;

(b) the names of the mills selected; and

(c) the criteria for selecting these mills ?

**THE DEPUTY MINISTER IN THE MINISTRY OF TEXTILES (SHRI S. KRISHNA KUMAR) :** (a) No, Sir.

(b) and (c) Do not arise in view of (a) above.