

**Accumulation of Iron Ore**

\*403. **SHRIMATI JAYANTI PATNAIK** : Will the Minister of **COMMERCE** be pleased to state :

- (a) whether Government are aware of the fact that due to inadequate export of iron ore by MMTC from Paradip Port there is heavy accumulation of iron ore at pitheads and at the port forcing a large number of iron ore mines to close down in Orissa, rendering thousands of workers jobless ; and
- (b) if so, what remedial steps are being taken to tide over the crisis ?

**THE MINISTER OF COMMERCE AND STEEL AND MINES (SHRI PRANAB MUKHERJEE)** : (a) and (b). Exports of iron ore from Paradip Port during the last three years have remained around the same level. In fact, the exports in 1980-81 were higher than in the previous two years. According to information available with Government only three such mines in Orissa are known to have discontinued production since January, 1981 because of labour trouble or unfavourable market conditions for low grade ores. This does not seem to have materially affected employment position in mining sector in Orissa.

**Export Promotion of Indian Garments**

\*404. **DR. SUBRAMANIAM SWAMY** : Will the Minister of **COMMERCE** be pleased to state:

- (a) what steps have been taken by Government to promote Indian garments abroad ; and
- (b) if so, the details thereof ?

**THE MINISTER OF COMMERCE AND STEEL AND MINES (SHRI PRANAB MUKHERJEE)** : (a) and (b). Some of the important

steps taken by the Government to promote exports of readymade garments from India are indicated below:—

- (i) A separate Export Promotion Council viz., the Apparels Export Promotion Council has been set up by the Government to give specialised attention to promotional measures for increasing exports of garments from India ;
- (ii) The Government encourages and sponsors promotional activities such as market studies, Buyer-seller meets, and participation in trade fairs with a view to getting relevant feedback from overseas markets. A number of such studies have been conducted and meets organised ;
- (iii) Cash Compensatory Support is given on export of certain categories of garments ;
- (iv) The garment export quota policy is being framed with the triple objective of (a) fuller utilisation of quotas ; (b) increased unit value realisation and (c) orderly development of the trade. Various provisions of the policy are flexible enough to be modified according to the demands of trade and patterns of consumers preferences.
- (v) The Import Policy for 1981-82 contains many features to provide greater impetus to exports of textiles and clothing. A range of garment manufacturing machinery has been allowed import under Open General Licence. Entitlements under REP Licences for Import of textile inputs have been liberalised. Certain inputs for the garment industry like blended/mixed fabrics, cotton denims and corduroy fabrics have been permitted under the Advance Licencing Scheme for exports;

(vi) Government had introduced a Scheme for setting up of 100% Export Oriented Units. This Scheme is designed so that a single point clearance with regard to industrial licensing, foreign collaboration, import of capital goods and raw material etc., is given by a Board of new units. The list of products covered under the scheme includes readymade garments.

### **Convertible Debentures of Public Limited Companies**

\*405. SHRI R. P. GAEKWAD : Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that stock markets in recent months were flooded with issues of Convertible Debentures of Public Limited Companies ;

(b) whether it is also a fact that some of these Debentures were oversubscribed to the extent of ten to twelve times ;

(c) the number of Companies which were given permission to issue Convertible Debentures during the last three months, giving the total value of the same ;

(d) whether the response it got from the general public shows that there is a good scope for mobilisation of surplus money in the hands of the people ;

(e) if so, whether Government propose to utilise this favourable market condition by offering attractive savings schemes for resource mobilisation ; and

(f) if so, details thereof ?

THE MINISTER OF FINANCE  
(SHRI R. VENKATARAMAN):  
(a) and (b). It is true that in recent months a number of public limited

companies have made public offers through prospectus of convertible debentures or of debentures with a right to subscribe to equity shares. During the period 1-4-81 to 31-10-81, eight companies offered to the public such debentures of the aggregate value of Rs. 33.07 crores. Out of these, two were oversubscribed more than 10 times, four more than five times and the remaining two more than once but less than five times. ■

(c) 19 companies were given permission under the Capital Issues Control Act, 1947 to issue convertible debentures for a total amount of Rs. 130.37 crores during the last three months ended on the 30th November, 1981.

(d), (e) and (f). the favourable public response to these debentures appears to indicate the possibility of mobilising resources from the public. For such mobilisation Government have made available several instruments of investments like National Savings Certificates, bank deposits, fixed deposits with companies, Units of the Unit Trust of India, etc. Government have already issued with effect from the 1st May, 1981 two new series of National Savings Certificates viz. (i) 6-Year National Savings Certificates (VI Issue) carrying interest of 12 per cent per year compounded half-yearly to be paid on maturity, and (ii) 6-Year National Savings Certificates (VII Issue) carrying interest of 12 per cent per year payable half-yearly. The rate of interest payable by banks on fixed deposits of maturities of 1 year and above and upto and inclusive of 5 years have also been raised with effect from the 2nd March, 1981. Besides, commercial banks have evolved a number of attractive deposit schemes to suit the different types of investors. All these measures are being reviewed by Government from time to time and necessary modifications in the existing schemes and/or introduction of new schemes are made with a view to mobilising the savings of the people.