

(b) The improvement plan will be formulated at the appropriate time.

Sharing of Vayudoot losses by A.I. I.A.

*386. SHRI PIUS TIRKEY:
SHRI G. NARASIMHA
REDDY:

Will the Minister of CIVIL AVIATION be pleased to state:

(a) whether it is a fact that "Vayudoot" is incurring heavy loss in its operation;

(b) if yes, what are the details of the loss, month-wise;

(c) is it a fact that Indian Airlines and Air India are sharing the losses incurred by "Vayudoot"; and

(d) what action is being contemplated to check the loss of Vayudoot?

THE MINISTER OF STATE OF THE MINISTRIES OF CIVIL AVIATION AND CIVIL SUPPLIES (SHRI BHAGWAT JHA AZAD): (a) Yes, Sir. Vayudoot has incurred a total loss of about Rs. 98 lakhs upto 31-8-1982.

(b) In the current financial year Vayudoot is incurring a loss of Rs. 6.5 lakhs approximately per month.

(c) Vayudoot is a Company incorporated under the Companies Act. Its losses so far have not been reflected in the accounts of Indian Airlines and Air India.

(d) The following steps are being taken to make Vayudoot service economically viable:

(i) Vayudoot is renegotiating the lease terms of the aircraft taken on lease from Indian Airlines;

(ii) The selection of a safe and economically viable aircraft is under consideration of the Government;

(iii) Greater orientation for air travel in the areas where the service has been recently introduced, will increase the load factor.

Fall in Export of Jute Bags

*387. SHRI B. V. DESAI: Will the Minister of COMMERCE be pleased to state:

(a) whether perturbed over the fall in the export of jute bags, the Commerce Ministry has formed a consortium of exporting mills and the State Trading Corporation to make joint bids for securing international tenders;

(b) if so, whether the loss suffered in export deals will be shared between STC and jute mills only in cases of discount bids to meet fierce competition from the neighbouring countries;

(c) what are the efforts made by the Ministry to bag more export orders; and

(d) what are the main reasons for drastic decline in exports?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI SHIVRAJ V. PATIL): (a) to (d). The Jute bags exports in 1981-82 was 53.85 per cent higher than the exports in 1980-81 in Metric tonnage. However, in the first four months of 1982-83-i.e., till the end of July, 1982, a tendency of the volume of jute bags exports to fall has been observed.

2. The State Trading Corporation is playing an important role to help the industry in moving sacking/hessian items by way of exports through participating in international trade and global tenders and has formed a consortium with public sector and private sector exporters. As per the arrangement existing between State Trading Corporation and these exporters, losses will be shared between State Trading Corporation and

the Consortium members on a mutually agreed basis in case of discounted sales to meet the fierce competition from neighbouring countries.

3. The main reason for the fall in the India's Jute hag export is the mounting competition from neighbouring countries as well as the increased cost of money as reflected in high interest rates in the consuming countries which is forcing the consumers to limit their purchases to the barest minimum level. Besides these factors, there is also a trend in the developed countries to attain self sufficiency in packaging material by the encouragement of locally produced synthetic substitutes.

4. Government have taken various measures for stepping up export of jute goods which include:—

(i) Continuation of cash compensatory support on almost all exportable items of jute goods and cash subsidy on export of sacking against bulk tenders for sales through STC.

(ii) Greater involvement of the STC to capture markets for traditional items.

(iii) Diversification of product range through research and development efforts.

(iv) International level consultations are held under the auspices of UNCTAD, ESCAP, FAO, etc., aimed at joint action programme to stabilise prices of jute products *visa-a-vis* synthetics. Regional level consultations at Government level amongst Jute Producing Countries to promote a joint marketing strategy is also being pursued at the periodic ESAC sponsored discussions.

(v) Participation in Trade Fairs/Exhibitions abroad and sponsoring of market oriented delegations to selected countries abroad.

Export of Powerloom Fabrics as Handloom Goods

*388. SHRI JAGDISH TYTLER: Will the Minister of COMMERCE be pleased to state:

(a) what steps are being considered by Government to eliminate the problem of unscrupulous exporters who were exporting powerloom fabrics as handloom goods;

(b) what action is being proposed to be taken against such exporters; and

(c) how Government propose to take steps to eradicate this image tarnishing by such unscrupulous exporters?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI SHIVRAJ V. PATIL): (a) Whenever specific instances of malpractices come to light, appropriate action under the law is taken. Apart from action under the relevant provisions of Import and Export, (Control) Act-1947 and Orders thereunder, (as amended from time to time) such action may also include criminal proceedings depending upon the facts and nature of each case. The Textiles Committee has been instructed to carry out inspection according to rules and regulations laying down objective and verifiable criteria.

(b) Action has already been initiated against certain exporters and officials of the Textiles Committee in specific cases relating to Benelux and U.K. where non-handloom items had been exported certified as handloom items.

(c) Prompt action under law against delinquent exporters and officials as well as tightening of certification system are expected to minimise recurrence of such malpractices. Preventive vigilance in the Textiles Committee has also been intensified.