

down. Now the hon. Minister admits that in certain varieties like the coarse and medium varieties, cloth prices will be 17 per cent above the August 1959 level and in other cases it will be 20 per cent. These are the main varieties which are used by the poor people.

**Mr. Speaker:** If he had said this as soon as the statement was made by the Minister, I would have considered it, I myself was considering then whether I may not allow a discussion. But a discussion has already been allowed now. The hon. Member has said more than what he would have said if a discussion is allowed. He may put one more question.

**Shri Braj Raj Singh:** May I know whether any date-line has been fixed for the report of the Tariff Commission about the fixation of cloth prices and whether after the report is received Government will look into all the circumstances—the price of cotton, etc,—while accepting the report?

**Shri Lal Bahadur Shastri:** No date-line has been prescribed, so far as my information goes. Generally it is not done.

श्री विभूति मिश्र : मेरी बात का जवाब नहीं दिया गया है ।

अध्यक्ष महोदय : उस का जवाब नहीं दिया जा सकता ।

**Shri Yadhav Narayan Jadhav (Malegaon):** There is a Press report to the effect that there is a large stock lying in the textile mill sector. The hon. Minister has said the textile mills will be allowed to have more production in some varieties. Does it mean that the targets fixed for the textile mill sector for the Third Five Year Plan will be reached within the next year?

**Shri Lal Bahadur Shastri:** The targets for the Third Five Year Plan is going to be much higher. So far as the present accumulation is concerned, I hope it will be cleared very soon in the light of the steps that we now propose to take. As I said, the trade was almost non-co-operating and they

were not lifting the cloth. They were if not actually non-co-operating, were very indifferent. Now the cloth will be lifted and I hope there will be no accumulation in the mills in the course of the next few months. (Interruption).

**Raja Mahendra Pratap (Mathura):** Are not the lives of people more valuable than the prices of cloth? People are dying in Punjab.

**Shri Tyagi (Dehra Dun):** He deserves congratulations for his achievement; he has done it single-handedly without any help from any foreign experts.

12-28 hrs.

#### MARKING OF HEAVY PACKAGES (AMENDMENT) BILL

**The Minister of State in the Ministry of Transport and Communications (Shri Raj Bahadur):** I beg to move for leave to introduce a Bill to amend the Marking of Heavy Packages Act, 1951.

**Mr. Speaker:** The question is:

"That leave be granted to introduce a Bill to amend the Marking of Heavy Packages Act, 1951."

*The motion was adopted.*

**Shri Raj Bahadur:** I introduce the Bill.

12-29 hrs.

#### RE: BUSINESS OF THE HOUSE

**Shri Khadilkar (Ahmednagar):** May I seek a clarification? May I know when item No. 9 on the agenda paper will be taken up?

**Mr. Speaker:** At 5 o'clock.

**Shri Braj Raj Singh (Ferozabad):** There are two half-an-hour discussions also.

**Mr. Speaker:** The motion of Shri Vittal Rao will be taken up at 3 o'clock. Shri Khadilkar's motion will be taken up at 5 o'clock for an hour, or even earlier, if the first motion is finished earlier. After the first motion, this will be taken up as the next item.

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12.30 hrs.

#### INDUSTRIAL FINANCE CORPORATION (AMENDMENT) BILL

**The Deputy Minister of Finance (Shrimati Tarkeshwari Sinha):** Sir, I beg to move:

"That the Bill further to amend the Industrial Finance Corporation Act, 1948, be taken into consideration."

As the House is aware, the Industrial Finance Corporation Act was passed in 1948 to set up an institution for providing medium and long term credit to industrial concerns in India. The Act was amended in 1949, 1952, 1955 and 1957. The amendments effected on the last occasion, it will be recalled, were mainly to authorize the Corporation to guarantee deferred payments in respect of import of capital goods from abroad and to enhance the Corporation's borrowing powers.

The House may have already noticed the significant improvement during the last year in the overall business of the Corporation, as revealed in its Annual Report for the year ended 30th June 1960, which was laid on the Table of the House a few weeks ago. I would like particularly to invite the attention of the House to the record total of loans approved by the Corporation amounting to Rs. 17.92 crores, the previous highest figure having been Rs. 15.13 crores in 1955-56. The profits of the Corporation during the last year have also recorded a substantial

increase over that of the previous year. The Corporation has been able to augment its reserves appreciably. During the last three years the Corporation has paid back to the Central Government over Rs. 25 lakhs on account of the subvention received by it in earlier years for the discharge of its liability to pay a guaranteed dividend. The House may also be aware that, for the first time since its inception, the Corporation has secured a foreign exchange line of credit of \$10 million from the Development Loan Fund of the U.S. Government for sub-lending to industrial concerns in India. This will further increase the usefulness of the Corporation.

In view of the progress already achieved by the Corporation and the role it is expected to play in the coming Third Plan period, it is necessary to equip the organisation with the necessary tools to serve industry in a wider field. This Bill is largely intended to serve that purpose as is explained in the Statement of Objects and Reasons attached to the Bill.

I now turn to explain briefly some of the amendments before the House. It is proposed to amend section 23 of the Act to widen the scope of the business which the Corporation may transact. Under the existing statute, the Corporation is authorised to grant loans floated by industrial concerns in the public market, but not loans raised by such concerns from banks. It may sometimes happen that a concern which has already mortgaged its assets to the Corporation is unable to offer suitable securities for getting necessary accommodation from a bank. It seems but proper that facilities should be provided in suitable cases for industrial concerns to secure bank accommodation on the guarantee of the Corporation. Again, the Corporation has now power to guarantee deferred payments for import of capital goods from outside India but it cannot guarantee deferred payments in respect of capital goods manufactured inside the country. It seems desirable to include the purchase of indigenous capital goods also