

are given assistance by the LIC so that these State Financial Corporations may give assistance to various small-scale industries, rural industries, etc. LIC subscribes for the shares issued by the State Financial Corporations and also give loans for setting up industrial estates. If the LIC is asked to take the role of developing various programmes in the States, I am afraid, their function will get distorted and it may not be possible for them to function as LIC. They have a limited scope where they have got some moneys to invest, they invest in safe investments rather than take risks.

SARDAR SWARAN SINGH SOKHI: In the statement the Minister has given figures of LIC's total investments as on 31-3-1974 and for the period from 1-4-1974 to 31-12-1974. The figure in respect of Shares of State Financial Corporations as on 31-3-1974 was Rs. 169.69 lakhs, and it has fallen to Rs. 0.42 lakh during the period 1-4-74 to 31-12-1974. I want to know from the hon. Minister the reason why it has fallen.

SHRIMATI SUSHILA ROHATGI: At the very beginning, the hon. Member had said that he would be asking a pertinent question. I am happy about it. But the answer to this should come from the State Governments concerned.

SHRI B. S. BHAURA: LIC is giving loans to State Financial Corporations. In some of the States there are some corporations like Scheduled Castes Financial Corporations, but they cannot help the poor people due to shortage of funds. I would like to know whether Government will take some steps to instruct the LIC to help the Scheduled Caste people through these Financial Corporations. I want to know whether Government will instruct the LIC to set apart some of the amounts for this purpose out of the loans given to other Corporations.

SHRIMATI SUSHILA ROHATGI: I do not know how this can be connected to this Question. LIC does not

go by castes; it goes according to the investment pattern and the quantum involved—according to the safety and security of the returns.

SHRI J. MATHA GOWDER: Could you give State-wise break-up of the figures, more particularly for Tamil Nadu?

MR. SPEAKER: It is just a suggestion for action.

Export of Unsold Chemicals by S.T.C.

*166. SHRI INDRAJIT GUPTA:

SHRI DHAMANKAR:

Will the Minister of COMMERCE be pleased to state:

(a) whether the State Trading Corporation is contemplating exports of unsold chemicals imported by it;

(b) if so, which are the important items among them; and

(c) the loss expected to be incurred by such a step?

THE DEPUTY MINISTER IN THE MINISTRY OF COMMERCE (SHRI VISHWANATH PRATAP SINGH):

(a) No, Sir.

(b) and (c). Do not arise.

SHRI INDRAJIT GUPTA: I presume that the reply 'No, Sir.' refers to the question of export of unsold chemicals. But I would like to know whether it is a fact or not that huge stocks worth about Rs. 15 crores or so of imported chemicals have accumulated with the STC because the dealers or the industrial concerns which had been given the release orders or permits have refused to lift this material after they were imported and if that is so, although he says that there is no contemplation to re-export them, I would like to know what the STC propose to do with these huge stocks and how they propose to dispose of them and if so, at what loss.

SHRI VISHWANATH PRATAP SINGH: About chemicals there has been a little accumulation of stocks, but this was mainly due to credit restrictions, partial utilisation of industrial capacities and cheaper indigenous material available. The accumulated stocks in chemicals as on 31-1-1975 are worth about Rs. 1162 crores. The steps that are being taken to dispose of those stocks are

(1) STC is making facilities of a Bill Marketing Scheme, a scheme in which against bills in which the time of payment is mutually agreed, but not more than 90 days, stocks may be released.

(2) Reallocation of the allocated stocks is being made. That is against parties who are not lifting it, we are trying to reallocate it to the actual users who would utilise it.

(3) It is also being considered that some stocks may be sold at a discount.

SHRI INDRAJIT GUPTA: I would like to know whether there is any truth in the reported allegation made by these holders of release orders to the effect that the prices charged by the STC for these chemicals are considerably higher than the rates prevailing in the market and, therefore, they are not prepared to lift them. Or is it that some of these people at least to whom release orders have been given—I do not know whether they are dealers or industrial concerns themselves on whose insistence and request this material was imported—are now refusing to lift it and if so, will these firms be black-listed?

PROF. MADHU DANDAVATE: State secrets cannot be divulged.

SHRI VISHWANATH PRATAP SINGH: International market prices may fluctuate and it happens that a purchase is made in the international market and thereafter, the market may go down and there may be a discrepancy between the price of purchase and the price sometime later . . .

SHRI INDRAJIT GUPTA: I wanted to know whether there is any such discrepancy.

SHRI VISHWANATH PRATAP SINGH: I have already mentioned that international prices have gone down recently after the purchase. That is not in our control.

SHRI INDRAJIT GUPTA: That means that stocks can be disposed of only at a big loss to the STC

SHRI VISHWANATH PRATAP SINGH: Unless the stocks are disposed of, the losses cannot be worked out.

SHRI INDRAJIT GUPTA: What about blacklisting?

SHRI VISHWANATH PRATAP SINGH: That will be done according to the law.

SHRI DHAMANKAR: The hon. Minister has just now said in his reply that the chemicals are not being lifted for two reasons (1) credit squeeze and (2) availability of cheap indigenous chemicals. I understand that import licences are given only if the material is not indigenously available. If so, how is it that these chemicals are imported when already such chemicals are being manufactured in the country and are available at cheaper rates?

Secondly, I want to know whether it is the industrial concerns and units or whether it is the dealers who import those and sell them. I would like to know both those things from the hon. Minister.

SHRI VISHWANATH PRATAP SINGH: It is a question of clubbing of time, today it may be, we may not have the capacity to produce certain material but it may be possible some time later that we could produce the same. There are certain material which we could produce now which we could not produce sometime back. Regarding his second question, if he clarifies it I will answer.

SHRI DHAMANKAR: Imports have been done by the dealers. Are the imports done by the industrial units, actual consumers or dealers, who are importing for sale in the market?

SHRI VISHWANATH PRATAP SINGH: These are STC imports, so there is no such question.

SHRI DHAMANKAR: It is channelised through the STC. Licences are issued to industrial units and dealers also.

MR SPEAKER: The original question was about accumulated stocks and the question was asked whether they are going to be sent back, whether they are going to be reexported and he replied to that and after that all these questions are coming up which are completely going out of the scope of the original question. You should put it in a relevant form.

SHRI DHAMANKAR: I wanted to know whether these chemicals which are imported, which are not being lifted, are imported by the industrial units or importers. Although it is channelised through the STC these industrial units and dealers are also there.

SHRI INDRAJIT GUPTA: Who are the holders of these release orders?

SHRI VISHWANATH PRATAP SINGH: Actual users and also firms are allowed to import through STC.

SHRI SHYAMNANDAN MISHRA: How long have these stocks been lying with STC? What are the factors and considerations which determine quantum of import?

SHRI VISHWANATH PRATAP SINGH: A Group was set up by the Petroleum and Chemical Ministry to go into the problem as to how much stocks could be held and this Group

has concluded that about 25 per cent of the total turn over could be held. STC has a turnover of about Rs. 775 crores and this comes to about Rs. 37.22 crores and this works out to only about 5 per cent.

SHRI SHYAMNANDAN MISHRA: How long have these stocks been lying? He has not answered.

MR. SPEAKER: Please resume your seat. I have to make an announcement.

WELCOME TO SIR JOHN KERR GOVERNOR-GENERAL OF AUSTRALIA

MR. SPEAKER: Hon. Members, I have to make an announcement

On my own behalf and on behalf of the Hon'ble Members of the House, I have great pleasure in welcoming His Excellency the Honourable Sir John Kerr, the Governor General of Australia who is on a visit to India as our honoured guest. He is now seated in the Special Box. We wish him a happy and a fruitful stay in our country. Through him we convey our greetings and best wishes to the Parliament, Government and the people of Australia.

SHRI S. M. BANERJEE (Kanpur): May I request you to kindly request the Leader of the Delegation to send Sir Don Bradman? We would like to see him once.

ORAL ANSWERS TO QUESTIONS— Contd.

MR. SPEAKER: What was your question, Mr. Mishra?

SHRI SHYAMNANDAN MISHRA: Sir, I asked, how long have these stocks been lying with the STC.

SHRI VISHWANATH PRATAP SINGH: Since these imports came about on a particular date, I could not tell you.