

SHRI RAJDEO SINGH: I want to know what were the procedural difficulties and whether this arises because of the reason that India which has an import quota into U.K. of 200 million sq. yards yearly, only 5 million sq. yards have been ordered in the first six months of the year?

SHRI VISHWANATH PRATAP SINGH: Procedural difficulties were like this that the Bank of England with the permission of the U.K. Government issued a circular to its banks that letters of credit should be opened only when import licences have been issued. Now this created special problem for the handloom products because an import licence in U.K. is given only after the Textile Committee in India has issued a certificate. And this certificate is issued after inspection of the goods which is done just very near when the shipment is to be made. This creates a bottleneck. Recently an official delegation had a meeting with their U.K. counterparts and they have agreed that licences will be issued against the contracts made. And we hope that an official decision will be announced shortly by the U.K. Government and that this would solve the problem. As regards the quantum of exports, I suppose that the non-fulfilment of quota cannot be a reason for imposing more restrictions. In fact, there were large imports from other countries also; and this prompted the U.K. Government to take some defensive action in which also, the procedure hit India.

SHRI RAJDEO SINGH: Was there an agitation by the British textile producers against imports; and, as a result of the delay in exports from this country, did they get an excuse to pacify the agitators and control imports?

SHRI VISHWANATH PRATAP SINGH: Yes; there was domestic pressure in U.K. but the pressure was there not because of less of exports from

other countries. Various countries were exporting more and, therefore, the domestic industry was being hurt. As far as this is concerned, may I correct some of the notions of the hon. Members? Perhaps he is labouring under the impression that we have not completed our quotas.

MR. SPEAKER: I think you need not go into details. He had asked about procedures and you have answered him.

Decision to enhance the Price of Standard Cloth

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*66. **SHRI SARJOO PANDEY:**

SHRI A. K. GOPALAN:

Will the Minister of COMMERCE be pleased to state:

(a) whether Government have taken a decision to enhance the price of standard cloth and suspend the production of cheap cloth; and

(b) if so, the reasons therefor?

THE DEPUTY MINISTER IN THE MINISTRY OF COMMERCE (SHRI VISHWANATH PRATAP SINGH): (a) and (b). No enhancement of price of standard cloth has been decided. The production of the controlled cloth has been suspended in proved case of weak mills on account of the accumulation of cloth with them and consequent impact on their operational economies.

श्री सरजू पांडे : अध्यक्ष जी, अभी मंत्री जी ने यह कहा है कि स्टैंडर्ड कपड़े के दाम बढ़ाने का अभी कोई विचार नहीं है। दूसरी बात उन्होंने यह कही कि सस्ते कपड़े और कन्ट्रोल क्लॉथ का बहुत ज्यादा एकमुश्तान हो गया है, इस लिये इस के बजाने पर अभी रोक लगाई गई है। लेकिन, अध्यक्ष जी, अभी भी हम देखते हैं कि चारों तरफ बहुत सारे गांवों में सस्ता कपड़ा नहीं मिल रहा है। कम से कम उत्तर प्रदेश में तो हर जगह इस बात की शिकायत है। दूसरी तरफ मिल-

मालिक कह रहे हैं कि हमारे पास कपड़ा जमा हो गया है। मैं सरकार से पूछना चाहता हूँ कि ऐसा क्यों हो रहा है, घ्राप सस्ते कपड़े को गांवों में क्यों नहीं भंज रहे हैं? मिल-मालिक तो ऐसा इसलिये कह रहे हैं कि उन को इस कपड़े पर मुनाफ़ा कम हो रहा है, इस लिये वे सरकार पर दबाव डालना चाहते हैं।

SHRI VISHWANATH PRATAP SINGH: All efforts are being made to increase the number of outlets. So far as the quantum of outlets in the rural and other areas are concerned, there has been an increase; and as a result of Government's efforts, the outlets have increased from 15420 in rural areas and 3549 in urban areas as at the end of June 1974, to 21,654 and 6,214 respectively as at the end of March 1975.

श्री सरजू पांडे : क्या यह बात सही है कि मिल वाले झूठा बहाना बना कर—सस्ता कपड़ा हमारे पास बहुत ज्यादा हो गया है—सरकार से इस पर रोक लगवा रहे हैं ?

SHRI VISHWANATH PRATAP SINGH: No. Sir. As I have stated earlier, Government have not suspended the production of controlled cloth as such; and the industry is still under obligation to produce controlled cloth. It is only the weaker mills and the NTC mills, because of their special financial condition, that have been temporarily allowed to suspend production of controlled cloth.

SHRIMATI ROZA DESHPANDE: Is it a fact that the cheap cloth produced is such that people decline to buy it, and is Government thinking of giving the people better cloth at a cheaper rate which they would buy, so that there would not be stockpiling, especially with the NTC?

SHRI VISHWANATH PRATAP SINGH: There were complaints about the quality of controlled cloth before March, 1975 and after that, action was taken and the quality standard was made more stringent. After the improvement in quality, the stock position has come down. Stock of controlled cloth in April, 1975, which stood at 153.5 million square metres has come down in September to 116.87 million square metres. That shows that with the improvement of the quality, the product has become acceptable to the consumer. So far as the price of controlled cloth and making it available at cheaper prices to the consumer are concerned, the Marathe Committee has been set up and it is going into it. We have asked the Committee to submit its report soon.

श्री राम सिंह भाई : क्या मंत्री जी के ध्यान में यह बात आयी है कि जो घ्राप ने स्टैंडर्ड क्लाय 40 रीड और 40 पीक का ठहराया है वैसे न बन कर 36 रीड और 36 पीक का बनता है जिस की वजह से वह नहीं खरीदा जाता है और इसलिये स्टॉक जमा हो रहा है ?

SHRI VISHWANATH PRATAP SINGH: I have already answered the question by saying that with the improvement of the quality, the cloth is more acceptable to the consumer now.

SHRI P. M. MEHTA: What was the monthly target of production fixed for coarse and cheap cloth and what is the production after the decision to give concession to the weak mills and the mills run by the NTC?

SHRI VISHWANATH PRATAP SINGH: The target for the production of controlled cloth was fixed on 1st April, 1974, at eight million square metres. As for the present production, I do not have the recent figures with me. On getting the information, I can pass it on to the Member.

श्री गेंडा सिंह : क्या सरकार के ध्यान में यह बात है कि जो लोग कंट्रोल का कपड़ा खरीद सकते हैं उन को कंट्रोल का कपड़ा खराब क्वालिटी होने के बाद भी नहीं मिलता है और वह कपड़ा ब्लैक मार्केट में जाता है। क्या सरकार अपने प्रबन्ध को ठीक करेगी जिस से कंट्रोल का कपड़ा जिनको मिलना चाहिए उनको पहुंचाया जा सके, उन को मालूम हो सके कि यह कपड़ा उन के लिये है। आज जाड़े का मौसम है, लाखों आदमी कपड़े के लिये तरसते हैं और कपड़ा उन को मिलता नहीं है। यहां दिल्ली में बैठ कर हम लोग बात करते हैं लेकिन जब गांव में पहुंचते हैं तो जो मंत्री जी जबाब दे रहे हैं उस में और वास्तविकता में जमीन आसमान का अन्तर पाते हैं। माननीय मंत्री जी का गांव से सम्बन्ध है, मैंने कई बार उन से कहा है कि आप जरा जा कर के देखें कि स्टेट गवर्नमेंट और सेन्ट्रल गवर्नमेंट के प्रबन्ध में कितना फर्क है जिस की वजह से सारा इंतजाम गड़बड़ हो रहा है। क्या इस को ठीक करने के लिये सरकार कोई प्रबन्ध करेगी? क्या केन्द्रीय सरकार खुद गांव तक कपड़ा पहुंचाने का प्रबन्ध करेगी?

श्री विश्वनाथ प्रताप सिंह : मान्यवर, कंट्रोल के कपड़े के वितरण के सम्बन्ध में राज्य सरकारों को कुछ गाइड लाइन्स केन्द्रीय सरकार ने दिये हैं और उन्हीं गाइड लाइन्स में यह निश्चित करने के लिये कि गरीब तबके के लोग कपड़ा पायें, जैसा कि माननीय सदस्य चाहते हैं, राशन कार्ड के आधार पर कपड़ा वितरण करने के लिये तथा जिन की आमदनी 400 रु० से कम है उन को कपड़ा दिया जाय तथा ग्राम-शहरी इलाके जो कि 15 से 20 हजार की आबादी से ज्यादा हैं वहां पर इस कपड़े की बिक्री के केन्द्र खोले जायें, इस की व्यवस्था है। जो चिन्ता

माननीय सदस्य ने व्यक्त की है वही चिन्ता सरकार की भी है और राज्य सरकारों के साथ पूरा सहयोग कर के जितना भी सम्भव हो सकेगा सदैव प्रयास करते रहेंगे।

Impact of Foreign Exchange Regulation Act on Foreign Companies

*67. SHRI C. K. CHANDRAPPA: Will the Minister of FINANCE be pleased to state:

(a) whether the operational aspects of Foreign Exchange Regulation Act towards the foreign companies have been reviewed;

(b) if so, whether Government are considering dilution of the foreign equity by further modification; and

(c) if so, its likely impact on export earnings?

THE DEPUTY MINISTER IN THE MINISTRY OF FINANCE (SHRIMATI SUSHILA ROHTAGI): (a) to (c). Applications of foreign companies etc. covered by Section 29 of the Foreign Exchange Regulation Act, 1973 are being dealt with in terms of the Guidelines issued for the administration of this Section of the said Act. A copy of these guidelines was laid on the Table of the Lok Sabha on the 20th December, 1973.

The operation of the guidelines on Section 29 of the Foreign Exchange Regulation Act is under Government's constant review to see whether any changes are called for keeping in view the overall objectives of Foreign Exchange Regulation Act.

SHRI C. K. CHANDRAPPA: The Government's policy in this regard is said to be to bring down the foreign equity holding to 40 per cent of those companies who hold majority foreign shares. I would like to know from the hon. Minister whether it is a fact that the response regarding the proposals called for by the Reserve Bank