

basket of currencies and it should be delinked from gold. India has been endeavouring in the Committee of twenty and in the meeting of the deputies that there should be valuation of S.D.R. in terms of a basket of currencies, particularly, in the present situation of floating of various international currencies.

PROF. MADHU DANAVATE: I want to know whether it is true that the U.S. Treasury Secretary had offered to make the dollar convertible against any monetary system. That would help all countries to keep their external demands in an equilibrium. If so, what is the concrete step that is taken in this direction?

SHRI K. R. GANESH: I have no information on this particular thing.

MR. SPEAKER: This is about the monetary reform. You are adding some more dimension to this question. That is a very thin line between relevancy and irrelvancy.

SHRI K. R. GANESH: Sir, as I have already indicated I have no information as to what the U.S. Treasury Secretary has said. But the fact remains that most of the developed countries do not want to go away from the present system of floating of exchange rates. That is there. It is in these circumstances that efforts are being made to bring about some sort of order and issue some guidelines for the conduct of countries when the various currencies are floating.

**Impact of Increase in Prices of
Wheat and Controlled Cloth on
Consumer Price Index**

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***558. SHRI SUKHDEO PRASAD
VERMA:**

PROF. MADHU DANAVATE:

Will the Minister of FINANCE be pleased to state:

(a) whether the revision of prices of wheat and of controlled varieties
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of cloth have considerably affected the consumer price index; and

(b) if so, the impact thereof and the measures taken to overcome this rising price trend?

**THE MINISTER OF STATE IN THE
MINISTRY OF FINANCE (SHRI K. R.
GANESH):** (a) and (b). The Consumer Price Index becomes available with a time lag of five to six weeks from the end of the month to which it relates. As such, the impact of price changes effected during the month of April 1974 would not be known till the first week of June. Increases in controlled prices are made only after due consideration and after taking into account all relevant factors. However, compensation for any rise in the cost of living resulting therefrom would become available to eligible categories of employees and workers whose earnings are linked to changes in the Consumer Price Index

श्री सुखदेव प्रसाद वर्मा: मैंने अपने प्रश्न में यह जानने की इच्छा ज़ाहिर की थी कि क्या यह सत्य नहीं है कि नियमित कपड़े तथा गेहूँ के मूल्यों में वृद्धि का व्यापक प्रभाव पड़ा है? इसके उत्तर में सरकार ने कुछ नहीं बताया है। केवल इतना ही कहा है कि पांच छः हफ्ते के बाद इसका पता चलेगा। मैं जानना चाहता हूँ कि क्या आप इस बात को मानते हैं या नहीं कि इन वृद्धियों का व्यापक प्रभाव मूल्य सूचकांक पर पड़ेगा? दूसरे यह भी मैंने पूछा था कि मूल्य वृद्धि को रोकने के लिये आपके पास कोई उपाय है या नहीं है। इसके जवाब में आपने बताया है कि मूल्य वृद्धि करते समय सारी बातों पर विचार किया जाता है और तभी मूल्य बढ़ाये जाते हैं। मूल्य वृद्धि सुरक्षा के मुँह की तरह फैलती जा रही है। इसको रोकने

के लिये आपके पास क्या कोई निश्चित योजना या कार्यक्रम है या नहीं है ताकि दिन प्रति दिन बढ़ती जा रही मूल्य वृद्धि रक सके ?

SHRI K. R. GANESH: The issue price of wheat and the price of controlled cloth were increased from 15th and 1st April respectively. I have tried to indicate in my reply that the effect of this on the consumer price index would be available after four weeks because the consumer price index is designed by the Labour bureau and the real figures are only available after four weeks. But there is no doubt that there will be some impact of the increase on issue prices of wheat as well as standard cloth. On a rough estimate on all-India basis it may be of the order of about 4.7 per cent. In a place like Delhi which has got greater weightage in terms of foodgrains as also in terms of cloth the percentage or consumer price index would be even higher than the all-India figure. There is no dispute about the fact that this increase in the cost of essential commodities is a very serious problem. It is a problem of national concern. The government is taking various steps to deal with this problem. The steps taken are: (a) Control over expenditure last year to the extent of Rs. 400 crores; (b) Credit restraint introduced by the Reserve Bank of India where various steps have been taken including immobilisation of Rs. 400 crores; (c) Also keeping the deficit financing to a low level of Rs. 125 crores in this budget and various other measures have been taken. It is hoped that these measures in course of time will have some impact on the rising prices.

श्री सुब्रह्मण्य प्रसाद वर्मा : अध्यक्ष महोदय, राज देस में काला घन इतना बढ़ा हुआ है कि उसके कारण मूल्य बढ़ि होती जा रही है। मैं जानना चाहता हूँ कि इस काले घन को

समाप्त करने के लिये सरकार ने कोई कारगर योजना बनाई है या नहीं।

मंत्री महोदय ने अपने उत्तर में बताया है कि जो मूल्य वृद्धि होगी, अधिकृत भेगी के कर्मचारियों और श्रमिकों को उस के मुताबिक मुआवजा दिया जाएगा। मैं यह जानना चाहता हूँ कि क्या इन वर्गों के भलाबा देस में और भी लोग रहते हैं या नहीं और क्या उन पर मूल्य वृद्धि का प्रभाव पड़े वा या नहीं; अगर पड़ेगा तो उनको राहत पहुंचाने के बारे में सरकार ने कुछ सोचा है या नहीं।

SHRI K. R. GANESH: Sir, apart from the various other economic factors which have brought about the inflationary spiral it is a fact that the operation of black money also plays an important part. The hon. Members are aware that the Taxation Law Amendment Bill is before the Select Committee in which this specific question of fighting the black-money as well as evasion and necessary steps to combat this have been recommended. At present the relief is given to employees and workers categories who are eligible for this relief. I have already indicated the other steps the Government is taking like credit restraint, keeping deficit financing at a low level and making availability of goods and also saving the vulnerable sections of society by having public distribution systems. These are the various steps that the Government is taking.

PROF. MADHU DANDAVATE: I would like to know from the hon. Minister whether Government propose to increase the Central food subsidy so that the issue prices of wheat can be brought down further and to that extent its impact on the increase can be actually brought down? Similarly, in our present pattern of production of cloth, there are several varieties of cloth being produced; there are now

as many as 4000 varieties. Therefore, would Government impose a ban on the large number of these varieties and try to insist that the textile mills should concentrate only on a few varieties and more on those which are required by the common people so that with this particular shift it might be possible to bring down the prices of cloth and to that extent avoid its impact on the increase

SHRI K. R. GANESH: The hon. Member has asked firstly whether it is not desirable for Government to increase the food subsidy. I think the hon. Member is a well known economist and he knows that the very purpose which he wants to serve by having a food subsidy of a couple of hundred crores of rupees would be defeated because if we have food subsidy that will have to be paid by the exchequer and that would mean more deficit financing and this deficit financing will lead to further inflationary spiral. Therefore, it is not a correct position to take that the issue prices which have been increased should be compensated by an equivalent food subsidy.

As far as cloth is concerned, the present increase in the price of standard cloth has been brought about with this very object of having at least 20 to 25 per cent of the production of the mills diverted to standard cloth so that greater availability of standard cloth may be there.

PROF. MADHU DANDAVATE: I had asked a categorical question. There are about 4000 varieties of cloth. Will he impose a ban on this large number?

SHRI K. R. GANESH: I think he should address that question to my colleague the hon. Commerce Minister.

Specifically regarding the question of standard cloth; the decision is that it is expected that as a result of the increase in the prices of cloth it would be possible for the mills to divert their

production to standard cloth and it is the decision that out of the total quota of production, at least 20 to 25 per cent of the mills' total output should be delivered to standard cloth.

SHRI K. MALLANNA: May I know the percentage of increase in the consumer price index due to the revision of the prices of wheat and controlled cloth? What is the percentage of compensation awarded to the entitled community? Is it equivalent to the rise in prices?

SHRI K. R. GANESH: I have indicated already that these figures are not available at the moment, but roughly on an all-India average, it will be about 4.7 per cent, and the compensation will be in terms of the dearness allowance and various other things for which a formula exists.

SHRI K. MALLANNA: Is the compensation equivalent to the rise in prices?

MR. SPEAKER: He has answered the question already. I do not want that there should be counter-retorts going on all the time.

श्री नरसिंह नारायण बाहे : अध्यक्ष महोदय, क्या मंत्री महोदय का ध्यान 14, अप्रैल 1974 के नेशनल हॉरलड में प्रकाशित इस समाचार की ओर गया है, "कोर्स क्लाथ रैकट इन कानपुर मिल्स", जिसमें कहा गया है कि कानपुर की टैक्सटाइल मिलों द्वारा 16 मिलियन स्क्वेयर मीटर कंट्रोल क्लाथ उत्पादित किया गया, जिस का वितरण को-ऑपरेटिव सोसायटीज के द्वारा किया जाना था, लेकिन वह पूरा कपड़ा कुछ बड़े अधिकारियों तथा एक्साइज विभाग के लोगों से मिलकर वहीं पर मिलों को कुछ मुनाफे पर बाँपित कर दिया गया, जिससे कोर्स क्लाथ दुकानों पर नहीं पहुँचा ;

बधिं हों, तो क्या मंत्री महोदय इस संबंध में जांच करावेंगे और इस रैकट को खत्म करने के लिये कोई विशेष कदम उठाने की कृपा करेंगे ?

MR. SPEAKER: It is too general a question. He may give separate notice of it.

श्री नरसिंह नारायण पांडे : अध्यक्ष महोदय, यह सवाल कंट्रोल क्लाय की महंगाई के बारे में है। कोर्स क्लाय की दुकानों में इस लिये बढ़ोतरी हो रही है कि जो कपडा को-ऑपरेटिव की दुकानों के जरिये उपभोक्ताओं के पास पहुंचना चाहिए, वह नहीं पहुंच रहा है। क्या मंत्री महोदय, इसके बारे में जांच करावेंगे ?

SHRI K. R. GANESH: If he tables a specific question, I will look into it.

श्री मधु सिमरो : अध्यक्ष महोदय, जो सगठित मजदूर है उनको तो महंगाई भत्ता मिलता है, हालांकि इण्डेक्स नम्बर में बहुत बेइमानी होती है, लेकिन मैं मंत्री महोदय से पूछना चाहता हूँ—देश में 25 प्रतिशत खेती मजदूर हैं, कुछ राज्यों में जैसे आन्ध्र प्रदेश में 37 प्रतिशत हैं, बिहार में 38 प्रतिशत है, उनके जीवन पर जो धमर पड़ेगा, क्या उनके लिये सरकार कोई मार्गजनिा राशन व्यवस्था या कोई अन्य व्यवस्था चलाने के बारे में सोच रही है ?

SHRI K. R. GANESH: The proposal of having public distribution system which was recommended by the Dharja Committee is under the consideration of Government.

SHORT NOTICE QUESTION

Shortage of stamp papers in Delhi Courts

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S.N.Q. 13. SHRI SAT PAL KAPUR:
SHRI P. K. DEO:

Will the Minister of FINANCE be pleased to state:

(a) whether Government are aware that there is acute shortage of stamp papers of small denominations like Re. 1/- Rs. 1.50 and Rs. 2/- with the stamp vendors in the courts of Delhi;

(b) whether on account of that people have to purchase stamp papers either of higher denominations or of small denominations by paying illegally higher prices; and

(c) the steps taken or proposed to be taken to improve the situation?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI K. R. GANESH): (a) Yes, Sir.

(b) Delhi Administration has not received any specific complaint regarding charging of illegal prices by the Stamp Vendors. It has, however, issued instructions to Stamp Auditors to exercise strict supervision over the activities of the various Stamp Vendors and make surprise checks of their vend to ensure that they do not take advantage of temporary shortage and indulge in any such mal-practices.

(c) Supplies have been rushed to Delhi from Nasik and the position is expected to normalise in the next few days.

श्री सतपाल कपूर स्पीकर साहब, इन्जीनल प्राइम तो कोई फिक्स्ड नहीं है, लीमल प्राइम फिक्स्ड है। दिल्ली में ही नहीं बल्कि हिन्दुस्तान में स्माल-डिनामिनेशन के स्टैम्प पेपर नहीं मिलते हैं ? हमें नजुर्बा है कि वे लोग 10 रुपये का कागज 20 रुपये और 30 रुपये में बेचते हैं। मैं पूछना चाहता हूँ कि यह सप्लाई कम क्यों होती है वक़्त पर क्यों नहीं पहुंचती ?

SHRI K. R. GANESH: As far as the Delhi Administration is concern-