

**SHRI D. N. TIWARY:** What is the extent of reduction?

**SHRI H. M. PATEL:** On certain medium-term loans, from 15 per cent it has come down to 12½ per cent.

**श्री सुशील कुमार घाटा :** क्या मंत्री महोदय बतायेंगे कि पिछली सरकार ने जब देशी बैंकों का नेशनलाइजेशन किया, तो उसने विदेशी बैंकों का क्या किया ?

**SHRI H. M. PATEL:** I think it does not really arise out of this

**SHRI BASHIR AHMAD:** Will the Minister of state whether this reduction of interest of foreign banks will have an impact consequently on the interests of deposits in Indian banks?

**SHRI H. M. PATEL:** There has been no noticeable effect, but it is too soon to say what the effect will be

**Application for Financial Assistance by Jute Mill Owner to I.F.C.I.**

\*690. **SHRI CHITTA BASU:** Will the Minister of COMMERCE AND CIVIL SUPPLIES AND COOPERATION be pleased to state:

(a) whether any application has been made by any jute mill owner to Industrial Finance Corporation of India for financial assistance to modernise the mills; and

(b) if so, the details of the applicant mills and the action taken thereon?

THE MINISTER OF COMMERCE AND CIVIL SUPPLIES AND COOPERATION (**SHRI MOHAN DHARIA:**) (a) and (b). A statement is laid on the Table of the House.

#### Statement

The Industrial Finance Corporation of India have so far received applications from 22 Jute Mill Companies for financial assistance for modernisation and renovation. The details of these applications are given below:—

S. No.	Date of receipt of complete application	Name of Mill Co.	Amount of loan applied for (Rs. lakhs)	Action taken by IFCI
1	2	3	4	5
1.	31-1-77	The Nuddea Mills Co. Ltd.	235.00	Sanctioned.
2.	7-2-77	The Gourepore Co. Ltd.	300.00	Sanctioned.
3.	22-3-77	Juggital Kam'apat Jute Mills Ltd.	240.00	Considered by Advisory Committee (Jute) of IFCI. Yet to be placed before Board for sanction of loan.
4.	6-4-77	National Co. Ltd.	470.00	Do.
5.	29-3-77	Agarpara Co. Ltd.	647.00	Application under process. Site inspection carried out. Likely to be considered by Advisory Committee (Jute) shortly.

1	2	3	4	5
6.	4-4-77	Anglo-India Jute Mills Co. . . .	689.59	Do.
7.	6-4-77	New Gujarat Cotton Mills Ltd. (Unit Kanoria Jute Mill)	100.50	Application under process. Site inspection carried out.
8.	13-4-77	Delta Jute and Inds. Ltd. . . .	250.00	Application under process. Site inspection carried out. Likely to be considered by Advisory Committee (Jute) shortly.
9.	18-4-77	Budge-Budge and Inds. Ltd. . . .	245.00	Application under process. Site inspection carried out.
10.	7-5-77	Champdany Jute Co. Ltd. . . .	356.55	Do.
11.	11-5-77	Kamarhatti Co. . . .	360.00	Application under examination.
12.	17-5-77	Empire Jute Co. Ltd. . . .	110.00	Application under process. Site inspection carried out.
13.	23-5-77	Naihati Jute Mills Co. Ltd. . . .	200.00	Application under examination.
14.	31-5-77	Caledonian Jute and Inds. Ltd. . . .	124.66	Do.
15.	7-6-77	Cheviot Co. Ltd. . . .	210.00	Do.
16.	13-6-77	Howrah Mills Co. Ltd. . . .	231.00	Do.
17.	16-6-77	Kankarrah Co. Ltd. . . .	227.00	Do.
18.	21-6-77	Naskarpara Jute Mills Co. Ltd. . . .	300.00	Do.
19.	21-6-77	Magna Mills Co. Ltd. . . .	401.27	Do.
20.	23-6-77	Reliance Jute and Inds. Ltd. . . .	389.00	Do.
21.	25-6-77	New Central Jute Mills Co. . . .	306.13	Do.
22.	14-5-77	Kelvin Jute Co. Ltd. . . .	224.64	Do.

**SHRI CHITTA BASU:** I have not got this statement. Anyhow, let me put my question. May I know whether his ministry has so far gone in depth into the problem of modernisation of jute industry and if so, whether he considers it desirable to dovetail the sanction of loans etc. from public sector financial institutions in accordance with the recommendations of any such committee which has been

set up and action programme formulated accordingly?

**SHRI MOHAN DHARIA:** A task force under the chairmanship of Mr. Narasimham was set up and there was also a committee set up under Mr. Bose-Mullick. It is on the basis of the recommendations made by these two bodies that the government has

accepted various schemes for modernisation of jute industry.

**SHRI CHITTA BASU:** May I know whether he is aware of the fact that even after the tripartite meeting presided over by him in Calcutta on 3rd July, the jute mill-owners have resorted to large-scale retrenchment resulting in the closure of B shifts in many jute mills in West Bengal and sealing of looms on a massive scale throwing out of employment about 20,000 workmen even after his visit to Calcutta? May I know also whether it is a fact that even after his visit, 12 jute mills are either closed or under lock-out and whether he also knows that there was a general strike yesterday....

**MR. SPEAKER:** He cannot put more than two questions?

**SHRI CHITTA BASU:** ...on the 14-point demand which includes probe into the problems of raw jute and its production, sales of jute goods including export, correcting the irregularities committed during the emergency? Would he give his reaction to these developments after his visit to Calcutta?

**SHRI MOHAN DHARIA:** Even though the question is not related to modernization of the jute industry, I would like to take the House into confidence. I am well aware of the problems. I had been there because of the shortage of raw jute which is necessary for the jute mills. We have made certain arrangements. I have received certain complaints. The Chief Minister of West Bengal will be coming here tomorrow for the Chief Ministers' Conference. I shall be discussing the matter with him.

**SHRI CHITTA BASU:** He has clarified the matter. All these things happened in flagrant violation of his directive to the LJMA.

**SHRI MOHAN DHARIA:** After discussing the matter with the Chief Minister, I will get the correct, first-

hand information; and then, if somebody has flouted the agreement that was reached there, we shall see what should be done.

**SHRI DHIRENDRANATH BASU:** Many jute mills in the eastern region have declared closure and lock-out, as a result of which over 2 lakhs have been thrown out of employment; and the result is serious. May I know from the hon. Minister whether 13 medium and small jute mills have been closed down for want of financial assistance from the Industrial Finance Corporation; and if so, what does government propose to do in this connection?

**SHRI MOHAN DHARIA:** So far as sick jute mills are concerned, because of the efforts made by the Central Government, nearly 5 mills will be re-opening and resuming their production very soon. There are other problems, including the supply of raw jute, modernization and several other factors. We are going into all these factors and in consultation and co-operation with the West Bengal Government and other State Governments—wherever jute mills are located—we are trying to resolve this issue.

**SHRI BEDABRATA BARUA:** The Minister's statement includes practically all the big jute mills. Many of them are sick, or have just closed down, or are re-opening; and the amount involves crores of rupees. In view of the fact that these very managements have brought these mills to this position, what is the government's policy in regard to the management of these companies? If you do not manage them, and get government control over their management, they are going to go sick along with the money; I do not know how much money from other institutions is also coming in. The other question is whether government is going to apply the convertibility clause which was put there by the previous government, viz. that in case they do not improve,

government will take over these mills. Is government going to do it?

**SHRI MOHAN DHARIA:** I shall bear this suggestion very much in mind. But at the same time, I would assure the House that wherever these institutional finances are made available, we shall take care to see that unless and until we get a guarantee that there would be proper management, these funds are not made available.

**Decision to increase the prices of Imported Edible Oils**

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\*891. **SHRIMATI V. JEYALAKSHMI:**

**SHRI K. A. RAJAN:**

Will the Minister of COMMERCE AND CIVIL SUPPLIES AND COOPERATION be pleased to state:

(a) whether Government have decided to increase the prices of the imported edible oils;

(b) if so, the facts thereof and reasons therefor; and

(c) to what extent will it affect the consumers?

**THE MINISTER OF COMMERCE AND CIVIL SUPPLIES AND COOPERATION (SHRI MOHAN DHARIA):**

(a) and (b). Consequent on increases in the prices of edible oils purchased by the STC in the international market, the issue price of imported soya-bean oil and palm oil to be supplied to the vanaspati industry has been increased for the quarter July-September, 1977. For this quarter, it has also been decided to increase the quota of imported oils from 75 per cent to 90 per cent. The increase in respect of 75 per cent-quota is Rs. 500 a tonne, and for the remaining 15 per

cent quota, the increase is Rs. 2250 a tonne.

(c) The retail prices of edible oils, including vanaspati, will not be raised as a consequence. The Vanaspati Manufacturers Association has given an assurance that they will not increase the price of vanaspati. All care is being taken so that the consumers are not adversely affected.

**SHRIMATI V. JEYALAKSHMI:**

Under the present arrangements only metropolitan cities like Delhi would be provided with the supply of edible oils. What about the consumers in the rural areas? What steps are being taken to provide the supply of edible oils at cheaper rates to the rural areas where there are a large number of consumers?

**SHRI MOHAN DHARIA:** So far as vanaspati is concerned, the prices are the same all over the country, both in rural and urban areas. It is true that we have pushed refined oil into big centres. But we are sure with this supply to the big centres of edible oils, there will certainly be better supply at reasonable prices in the rural areas also. All possible efforts are being made to see that edible oil is available at reasonable prices and lower prices even in rural areas.

**SHRIMATI V. JEYALAKSHMI:** It is stated that 90 per cent of the requirements are going to be imported now. How much of the allotment would be made to the rural areas? Even though we have a large number of consumers in the rural areas, they are not getting their supply of edible oil.

**SHRI MOHAN DHARIA:** So far as the 90 per cent figure is concerned, it is for the supply of raw edible oil to vanaspati manufacturers. Instead of 75 per cent, we are giving them 90 per cent. We will take care that the prices of vanaspati do not go up higher.