

there is an N.C.C. ground in Ranikhet Cantonment which is being used as a playground by the local civil population. I would like to tell the hon. Minister that a decision was taken in 1984 according to which it was decided to hand over the N.C.C. ground to the Cantonment Board. But you will be surprised to know that even today a major part of that N.C.C. ground is being used by the Army officers to park their vehicles. Their vehicles remain stationed there. When the civilians go there to play, the ground is not available to them for playing. Therefore, I would like to know from the hon. Minister whether he would issue instructions to the Army officers not to use the ground at all and hand it over completely to the Cantonment Board so that the local civil population could use it properly for playing ?

SHRI SHIVRAJ V. PATIL : Sir, this open space is used by the local children for playing. It is also used for N.C.C. parade and for giving motor training to the army personnel. If there is a proposal to construct a stadium there and the Cantonment Board is ready to do it, then the Central Government would have no objection to it. If the local Government want to make use of that space by spending money, some assistance can surely be provided. But to say that, that place should not be used by the army personnel to park their vehicles or to impart motor training, I think, the hon. Member will himself realise, it will not be justified. The children will certainly get playing facilities, the ground will also be used for N.C.C. parade and army personnel too will continue to get facilities because the ground was primarily meant for them. It will not be proper to stop them from using it and at the same time allow others to make use of it.

SHRI HARISH RAWAT : How the people will play there when it is being used as parking place ?

[English]

Effect of New Textile Policy on Powerloom

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\*104. DR. G. S. RAJHANS :

SHRI S. G. GHOLAP :

Will the Minister of TEXTILES be pleased to state :

(a) whether it is a fact that due to the new textile policy, powerloom business has become very slack;

(b) if so, the action taken by Government to help powerloom so far;

(c) whether the policy is weighted in favour of mills; and

(d) if so, the reasons therefor ?

THE DEPUTY MINISTER IN THE MINISTRY OF TEXTILES (SHRI S. KRISHNA KUMAR) : (a) No, Sir.

(b) Does not arise.

(c) No, Sir.

(d) Does not arise.

DR. G. S. RAJHANS : Sir, is it a fact that because of non-availability of cheap yarn, a large number of handlooms have been closed in the last two-three months ? If so, what has the Government done to redress the difficulties of handloom owners ?

SHRI S. KRISHNA KUMAR : Sir, it is correct that there has been a contraction in the working capacity of power-looms in the last few months, not merely due to the increase in the price of yarns but due to the stagnation in the demand the powerloom cloth as well as in certain areas specific problem like power availability was there. The increase in the price of yarn, which the hon. Member has mentioned has been mainly due to the increase in the price of cotton due to the short cotton crop of 1986-87. Sir, even though the price of cotton has increased by 52 to 65 per cent in the period Jan. Sept. 1987, in the wholesale price index the price of yarn has increased only by 33 per cent. Therefore, it is a sympathetic rise because 50 per cent of the yarn is the basic raw material of cotton. Government does not, as the hon. Member is aware, implement any price control measure for yarn but we have asked the NTC mills to make available yarn at mill rate price to any responsible organisation designated by the State Government. It is only the question of price when sufficient stock is available; about 50 million Kgs of the yarn required for powerloom is available with the mill.

**DR. G.S. RAJHANS :** Is it a fact that because of large scale smuggling of cloth, textile, from Korea and Taiwan, both the handloom and mill sector are badly affected? If so, what steps the Government has taken to meet the situation?

**SHRI S. KRISHNA KUMAR :** Sir, the phenomenon of smuggling of cloth in India is certainly a factor in the textile economy. We have had a series of inter-ministerial meetings to reduce the impact of smuggling on the economy of the textile of the country but the total extent of smuggling is only estimated to be less than 5 per cent of the total indigenous production of the country.

**SHRI C. MADHAV REDDI :** Sir, the crisis in the power-loom Ministry has been the subject of discussion in the Ministry and on the floor of the House. In May last the Hon. Minister for Textile announced that a Task Force was being constituted to go into the question of requirements of credit to the power-loom industry so that the industry could be modernised and this Report was to come by the end of September. I would like to know whether the Government has received such a report and if so, what is the action taken on it?

**SHRI S. KRISHNA KUMAR :** The Task Force headed by the Textiles Commissioner appointed by the Government, has already, more or less finished the work and the report is expected by 30th of November.

[*Translation*]

**SHRI ABDUL HANNAN ANSARI :** A similar question had come up in the last session also and in my supplementary question, I had asked whether Central Government had any proposal to export cotton which could result in the price of cotton yarn going up. I would like to know whether it is a fact the weavers of both handloom as well as powerloom sector have been the victims of 75 per cent increase effected by the Government in the price of cotton yarn? Their number runs into crores and they have also given a memorandum to the hon. Minister. What steps Government propose to take in this regard?

[*English*]

**SHRI S. KRISHNA KUMAR :** Sir, the Long Term Export Policy for Cotton was undertaken by the Government in view of the ample crops of cotton which the country had in 1984-85 and 1985-86. The idea was to export about six lakh bales of cotton every year. In view of the short crop of cotton in 1986-87, resulting in unprecedented rise in the price of cotton, we have frozen exports and the remaining quantity of one lakh ten thousand bales which would have been ordinarily released, has been stopped. We have also limited the export of cotton yarn to 75 million kilograms. The question of further release for export will only be considered after making an in-depth analysis of the cotton price situation in the months to come.

**SHRI BASUDEB ACHARIA :** When the new Textile Policy was announced, it was our apprehension that this policy would adversely affect the powerloom and handloom sectors and it would rather help the big mill owners. Government had rather succumbed to their pressure and as a result of this new Textile Policy, there is a serious crisis in powerloom and handloom sectors. In view of this, may I know from the Minister whether Government proposes to review this new textile policy?

**SHRI S. KRISHNA KUMAR :** Sir, it has already been admitted that there have been temporary fluctuations in the utilisation of the working capacity in powerlooms and handlooms due to a variety of factors including the fluctuations in the prices of raw material. This is not due to the operation of the Textile Policy. In fact, the actual statistics of production in the three different sectors of the textile economy, viz. handloom, powerloom and organised textile mills, show that while the production in powerloom has increased by 12.5 per cent since the introduction of the Policy, the total production in the textile mill sector has gone down by 3.5 per cent.

**PROP. N.G. RANGA :** What about handlooms?

**SHRI S. KRISHNA KUMAR :** After the introduction of the Textile Policy, the production of textiles has gone up by one

thousand million metres out of which, for every ten metres of additional production, six metres have been contributed by powerloom, four metres by handloom and the textile mill production has marginally declined. The Textile Policy seeks to find a harmonious balance between these three different sectors of the economy whose interests are often conflicting and always competing with each other.

[*Translation*]

SHRI SATYANARAYAN PANWAR : Mr. Speaker, Sir, I would like to submit that due to the heavy increase in the price of cotton yarn recently, the cost of production of Janata cloth has gone up substantially as a result of which its production is being affected. I would like to know whether the hon. Minister is considering increasing the subsidy on handloom cloth? It has been stated that there has been some increase in the price of cotton yarn, but it is not a fact. When weaver goes to buy cotton yarn in the retail market, he has to pay Rs. 200/- in place of Rs. 100/-. The increase in price, thus, is 100 per cent and as a result thereof the handloom industry is in peril. I would like to know what steps the hon. Minister is going to take in this regard?

[*English*]

SHRI S. KRISHNA KUMAR : Sir, the Government are aware that because of the increase in yarn prices, there are difficulties in the production of Janata cloth assigned to the Handloom Sector. We have received several representations from their Associations and the quantum of subsidy for Janata cloth is being examined by the Government.

[*Translation*]

SHRI C. JANGA REDDY : I want to know whether efforts are being made to import cotton in order to reduce the price of cotton yarn keeping in view the farmers' agitation for it? Has the Government received farmers' memorandum in this regard; if so, what action is being taken thereon?

MR. SPEAKER : It is not being imported.

[*English*]

SHRI S. KRISHNA KUMAR : We have already answered in this House only a few days ago that the Government do not intend to import cotton at present. This facility by way of imports is given to the exporters of yarn, that is, under the replenishment licence of the Import-Export Policy.

PROF. N.G. RANGA : Has the Government any information at all about the increase in unemployment among the handloom weavers? He has given only the total production. It has gone up and so on.

The total production goes up because of improved implements and better efficiency on the part of the handloom weavers who are employed.

But what about the unemployment among the handloom weavers? Is it not more among the mill workers and also the powerloom workers?

SHRI S. KRISHNA KUMAR : There are three million handloom weavers in the country. Their welfare is at the core of Government's Textile Policy. But there is over-capacity, not only in the handloom but also in the powerloom and the textile mill sectors. There is always a degree of under-employment and unemployment in all the sectors of the textile economy. The remaining capacity is supposed to be in excess of the demands for cloth by something variously estimated between 25 per cent and 60 per cent.

Under this situation, this is more related to the demand for cloth rather than due to any intervention or lack of intervention on the part of the Government.

#### Overdrafts by Karnataka

\*105. SHRIMATI BASAVARAJESHWARI : Will the Minister of FINANCE be pleased to state :

(a) the number of occasions since 1 October, 1985, Karnataka was allowed overdraft;

(b) when the Overdraft Regulation Scheme was enforced;