

LOK SABHA DEBATES

LOK SABHA

[English]

Friday, August 4, 1995/Sravana 13, 1917 (Saka)

The Lok Sabha met at Eleven of the Clock

[MR. SPEAKER in the Chair]

ORAL ANSWERS TO QUESTIONS

[Translation]

Supply of Cotton Yarn

*81. SHRI LAKSHMI NARAIN MANI TRIPATHI : Will the Minister of TEXTILES be pleased to state :

(a) the prices at which the cotton yarn supplied or being supplied to the handloom weavers particularly of Uttar Pradesh in 1993-94, 1994-95 and by the end of June, 1995 of the year 1995-96:

(b) the reasons for the recent increase in prices:

(c) the problems being faced by weavers due to rise in prices of cotton yarn;

(d) whether the Government propose to provide cotton yarn to the weavers at lower prices;

(e) if so, the details thereof; and

(f) if not, the reasons therefor?

THE MINISTER OF TEXTILES (SHRI G. VENKAT SWAMY) : (a) to (f) A Statement is laid on the table of the House.

STATEMENT

(a) Annexure indicating prices at which hank yarn has been supplied to weavers particularly in U.P. between October 93 and June, 95 is attached.

(b) The reasons for increase in prices of cotton hank yarn have been mainly due to increase in the prices of cotton; damage to cotton crop due to crop disease in the Haryana, Punjab, floods in Maharashtra, M.P. and Gujarat and cyclone in Andhra Pradesh; speculative buying and shortage of cotton in the International Market.

(c) The rise in price of cotton hank yarn may affect production, employment and marketing of handloom products etc. Government of India have however been taking timely measures for making yarn available at reasonable prices to the handloom weavers through Schemes such as Hank Yarn Price Subsidy Scheme and Mill Gate Price Scheme.

(d) Yes, Sir

(e) During the year 1994-95 Government of India had introduced a scheme for supply of 20.00 million kgs of hank yarn at a subsidy of Rs. 15/- per kg. The scheme has been extended for the year 1995-96 with an enhanced subsidy of Rs. 20/- per kg. with a target for supply of 20.00 million kgs. of hank yarn. Under the Mill Gate Price Scheme the Government of India makes available hank yarn to the weavers through National Handloom Development Corporation (NHDC) at the Mill gate prices.

(f) Does not arise.

ANNEXURE

Prices at which Cotton Hank Yarn was supplied in U.P. from November, 1993 to June, 1995

(Rs. per bundle)

Counts	Nov., 93	Dec., 93	Jan., 94	Feb., 94
1	2	3	4	5
10s	193.20	193.20	193.20	193.20
20s	218.70	218.70	218.20	218.70

1	2	3	4	5
30s	250.35	250.35	250.35	250.35
40s	299.37	299.37	299.37	299.37
60s	392.34	392.34	392.34	392.34

**Prices at which Cotton Hank Yarn was supplied in U.P. from
November, 1993 to June, 1995**

(Rs. per bundle)

Counts	March, 94	April, 94 to July, 94	Aug., 94 to Oct., 94	Nov., 94 to Feb., 95	March, 95 to June, 95
1	6	7	8	9	10
10s	224.00	224.00	236.00	237.00	280.00
20s	267.70	267.70	257.00	338.00	345.00
30s	296.00	296.00	331.00	456.00	415.00
40s	330.00	330.00	428.00	528.00	466.50
60s	528.00	528.00	—	528.00	528.00

[Translation]

SHRI LAKSHMI NARAIN MANI TRIPATHI : Mr. Speaker Sir, my question relates to the Weavers of India. The Weavers of India get employment by dint of their own labour and merit and are known to have been exporting their self-made cloth for the last hundreds of years. However, materials i.e. cotton yarn is not easily made available to these weavers in time. From the reply of the Minister, it appears that there has been an increase of Rs. 130.80 paise, Rs. 127. Rs. 164.65 paise and Rs. 135.36 paise since 1993. I wanted to know whether the Government will make available cotton yarn on cheaper rates to these weavers? In reply to this, he has stated that they are being given subsidy of Rs. 15 to Rs. 20. This subsidy is not going to benefit them. I want to say to the Minister that cotton yarn at cheaper rates and not subsidy should be made available to the Weavers so that they may be able to run their profession smoothly and they may export more and more cloth and may thereby demonstrate their arts and bring foreign exchange in India.

SHRI G. VENKAT SWAMY : Mr. Speaker Sir, this is really a very important question which has been raised by the hon. Member. You know very well that the prices of hank yarn have also increased because of increase in the prices of cotton in the country, for which weavers were quite worried. How the Government can provide them

assistance, that is what we are thinking of? If we keep in mind the condition of weavers in 1991, we find that prices had considerably increased in 1993-94. One crore 37 lakh cotton bales were produced in 1992, but in the year 1993-94, the production was less by 10 lakh bales following which rates kept on increasing and went so high that it became difficult for the weavers to buy hank yarn. Weavers' life became quite pitiable. This time we have tried to sell out at lesser price whatever has been produced by NTC. The other textile mills in the country were also urged to extend their help in this work. They too were supplied yarn at Rs. 8 per kg less. Afterwards, subsidy was given by the Government in 1993 at the rate of 15 per kg, so that the increase in prices could have no bearing on them. Prices shot up further in the year 1994-95 due to shortfall in the production of cotton in Punjab and Gujarat and cotton crop having been affected by disease in Pakistan. All this has resulted in shortfall in the production by 10 lakh bales. The domestic consumption in the entire country was one crore twenty five lakh bales in 1993-94. Whereas in 1994-95 one crore twenty eight lakh bales were required. Due to this only, the shortage occurred and rates went on increasing. The Finance Ministry has given its permission to VISCOS to import under the OGL in order to avoid inconvenience being caused to weavers. After that unlimited import of cotton was also allowed. Then State Governments were also consulted for giving facilities to weavers and full

efforts were made to ensure the supply of hank yarn to the cooperative federations. I could give you the details as to how much yarn has been supplied and distributed. All these steps have benefited the weavers. Yarn has been supplied systematically to weavers through Cooperative societies a subsidy of Rs. 20 per kg. has been given, this has lessened the problems of weavers. I want to inform the hon. Member that all the applications for the supply of hank yarn were considered and entire hank yarn that was required to be taken from mill owners was indeed taken out and supplied at mill rate. Subsidy was given at the rate of Rs. 20 per kg to the State Governments. Care was taken that there was no inconvenience to the weavers. Efforts were made to keep weavers free from the burden of increase in the prices of cotton yarn, specially, that of the hank yarn.

SHRI LAKSHMI NARAIN MANI TRIPATHI : What the hon. Minister has stated appears in his written reply. The hon. Minister perhaps could not understand what I had asked. I am, therefore asking once again.

Mr. Speaker, Sir, there is a large number of weavers in my Parliamentary constituency 'Barabanki', who are very poor. I am talking of poor weavers and not of millionaire weavers. There is no effect of price rise on rich weavers because they have got money and are able to manage the things. I am talking of those weavers who are running India's cottage industry by setting up handlooms and their number runs into crores

You had given them the subsidy of Rs.15 in 1993. You have yourself stated in your reply that by June, 1995 price rise per bundle has been Rs. 127. Rs. 164.65 and Rs. 135.66 and you are giving the subsidy of Rs. 15 or Rs. 20/- only. It was stated in your party manifesto made public in 1991, that prices would be reduced. Would the price rise registered after 1993 be compensated as per the promise made in your party manifesto?

SHRI G. VENKAT SWAMY : I have given a detailed report to hon. Member and apprised him of the facts.

SHRI LAKSHMI NARAIN MANI TRIPATHI : Mr. Speaker, Sir, I seek your protection.

SHRI G. VENKAT SWAMY : The hon. Member wants to know the details on the basis of the rates prevailing in 1993.

SHRI LAKSHMI NARAIN MANI TRIPATHI : I am repeating the question. At what rate you used to supply cotton to weavers in 1993?

MR. SPEAKER : Tripathiji, I have not given you permission to speak. Mr. Minister, he wants to know when you will fulfill the promise made in your party manifesto?

[English]

He has extensively replied to your question. There is no scope for any kind of Supplementary and yet I am allowing you.

[Translation]

SHRI G. VENKAT SWAMY : Mr. Speaker, Sir, the price of yarn has increased because of rise in the price of cotton in the country.

MR. SPEAKER : You will try to reduce the prices

SHRI G. VENKAT SWAMY : We are of course, making efforts in this direction.

[English]

MR. SPEAKER : That is right. Mr. Ansari.

[Translation]

SHRI LAKSHMI NARAIN MANI TRIPATHI : Sir, I have not gained anything from the answer to my question.

[English]

DR. MUMTAZ ANSARI : Kuttarma. Mr. Speaker Sir, despite the assurances given by the hon. Minister in this House, the prices of hank yarn are rising and it has not been made available to the actual weavers. So many starvation deaths of weavers have taken place in the homeland of the hon. Minister himself. He also knows this fact. Sir, whatever subsidies and facilities are being extended to the weavers, they are not reaching to the actual weavers. There are a large number of middlemen like the National Development Corporation and the Handloom Development Corporation. So, I would like to know from the hon. Minister what steps he is going to take in order to ensure that these facilities and benefits reach to the actual weavers?

[Translation]

SHRI G. VENKAT SWAMY : Mr. Speaker, Sir we have opened a number of depots in each State. We have supplied hank yarn to the Apex-Bodies and directed them to make yarn available to weavers at Rs. 20/- less than the usual price. We cannot do it directly except formulating schemes so that weavers get benefited by them. We have given these facilities to a great extent to many States but it is still to reach some other States. The hon. Member's question has some facts. This is because the State Government is the implementing authority. Formulating a scheme and providing them funds is the duty of the Government of India, which we have performed sincerely. This much I can assure the hon. Member.

[English]

DR. MUMTAZ ANSARI : Mr. Speaker, Sir, I seek your protection. The hon. Minister has also just accepted the fact that is some sort of irregularity.

MR. SPEAKER : I think, he has noted your point and he will do something.

SHRI SUDHIR GIRI : Mr. Speaker, Sir, the hon. Minister has given an impression to the House that the Government is going to give relief to the poor people. One of the basic necessities of the poor people and the people who are living below the poverty line is cloth. The hon. Minister has pointed out that Rs. 15 were given as subsidy for one kilogram of cotton.

Sir, I would like to know from the hon. Minister what was the price of the cotton at the time of giving subsidy at the rate of Rs. 15 in 1993-94 and 1994-95 because in 1995-96 you are going to provide subsidy at the rate of Rs. 20 per kg. of cotton? This is part (a) of my question.

Part (b) of my question is, what are the reasons for not increasing the subsidy to more than 20 million kgs. in spite of the fact that there is increase in population in our country?

MR. SPEAKER : If the statistics are not with you now, you can supply them as to what were exactly the prices of cotton at a particular time. But he wants to know whether you are going to give subsidy to more people.

[Translation]

SHRI G. VENKAT SWAMY : We want maximum subsidy to reach weavers. We have allotted funds to the State Government for this purpose.

SHRI MOHAN SINGH (Deoria) : This is not is the reply to the question.

[English]

MR. SPEAKER : Is it possible for you to give it to more people as well as more of it?

[Translation]

SHRI G. VENKAT SWAMY : We have decided to give them Rs. 20 as subsidy and they are very much satisfied with it.

[English]

SHRI A. CHARLES : Mr. Speaker, Sir, one of the main reasons for the problem of the real workers, as pointed out, is that they are not getting sufficient quantity of yarn at the proper time at a reasonable price, even though there are certain measures for ensuring that. Realising

this, about eight years back, the then Government came forward with a project for opening of Yarn Banks. In Trivandrum one unit was inaugurated and it was performing well. But due to some reason that has become defunct. So, in view of the fact that the subsidy is not reaching the real workers, may I know from the hon. Minister whether these Yarn Banks will be revived and more units opened so that the real workers can get the subsidised yarn from the yarn Banks?

[Translation]

SHRI G. VENKAT SWAMY : No decision has yet been taken to open a yarn bank. The subsidy that is being given at present in...(interruptions)

[English]

SHRI A. CHARLES : It was inaugurated and it was performing well.

MR. SPEAKER : He says that it is not reaching the weaver. To reach it to the weaver, would you like to have Yarn Banks? That is the question.

SHRI A. CHARLES : They were functioning earlier.

MR. SPEAKER : You can get it examined.

[Translation]

SHRI G. VENKAT SWAMY : I will examine it.

SHRI MOHAN SINGH (Deoria) : Mr. Speaker, Sir, the hon. Minister has admitted that due to rise in the prices of Cotton marketing problem has come up before the weavers. Today the plight of weavers is very pitiable. Earlier, the Government had thought that since the prices of cotton were increasing subsidy will not be provided. Therefore, the Government used to purchase their finished produce/material by providing them some profit on the cost price. That is why the scheme of Janata dhoti or sari was launched. The scheme was later shelved on the order of the Government of India, particularly in Uttar Pradesh and in some other states. With this the condition of weavers worsened further. I want to know from hon. Minister why subsidy is not being given on the increased prices? Earlier the Government used to give the subsidy of Rs. 15 against the Price of Rs.193 and Rs. 20 against Rs. 285/-.

MR. SPEAKER : He has replied to it.

SHRI MOHAN SINGH (Deoria) : I want to know whether the Government propose to relaunch the old scheme of purchasing the finished products from weavers and providing subsidy to them for their welfare.

SHRI G. VENKAT SWAMY : Mr. Speaker, Sir, the Hon. Member has rightly said that there was a scheme of

Janata sari and dhoti but that scheme had an adverse affect on the skill. There was also bungling in it. There is no doubt that our weavers are capable of preparing good quality cloth. At that time, when the weaver prepared one dhoti, four dhoties were shown in the records. This gave rise to corruption...*(Interruptions)* I am bringing it to the notice of the hon. Members but they do not want to listen. We tried to check the corruption. We have launched a new scheme to uplift the standard of life of the weavers. In the Seventh Five Year Plan Rs. 7300 crore were allocated for this purpose and out of it, Rs. 1836 crore were provided for this scheme. *(Interruptions)* I am putting forth the entire picture and if there is any lacuna, the hon. Members may definitely raise a question. According to the report of Opposition Committee if husband and wife of both are working together they get Rs. 300/- in wages. The question is how to increase their wages?

We have sanctioned Rs. 1836 crore during the Eighth Five Year Plan and set up 3000 handloom weavers development Centers in villages and supplied hank yarn in the required quantity and brought the cloth prepared by them in the market and also arranged for their marketing. We have also formulated a scheme for their children and two lakhs of bicycles are still with us so that they may take their cloth for marketing. We are trying day and night to make them take these bicycles for marketing their cloth so that more money could be earned by weavers but when the question of implementation comes, then we approach the state Governments and we feel embarrassed...*(Interruptions)*

ONE HON. MEMBER : His intentions are malafide...*(Interruptions)*

SHRI G. VENKAT SWAMY : Mr. Speaker, Sir, he says that my intentions are malafide. Mr. hon. Members hails from Bihar. I want to ask him as to how much money we have sanctioned for Bihar and to what extent you have implemented this scheme?

SHRI RAM KRIPAL YADAV : We want to know from you as to how much money you have given to Bihar...*(Interruptions)*

SHRI G. VENKAT SWAMY : You ask your Chief Minister.

[English]

MR. SPEAKER : Mr. Yadav, if you just want to criticise the Minister, you are not going to get any help. If you want to attack the difficulties, you will get some help.

SHRI M.R. KADAMBUR JANARTHANAN : Mr. Speaker, Sir, the Minister in his reply has given the details up to 60 counts. But in Mayurbhanj area, the

Important handloom market area in U.P., 200s and 280s are the main consumer counts of hank yarn. You have mentioned nothing about the 200s and 280s counts. Further, after hon. G. Venkat Swamy has come, he has brought Hank Yarn Obligation Scheme and 20 million kgs scheme, I am told that discrimination is being shown in procuring yarn under this Hank Yarn Obligation Scheme. How much yarn has been procured from the public sector, that is, N.T.C., and Cooperatives, and how much yarn has been procured from the private sector? I also want to know categorically, how much yarn has been procured from Southern India and Northern India. More hank yarn obligation is there in Southern India, but there is discrimination. Therefore, I want to know from the Minister whether the discrimination in procuring hank yarn from the textile industry will be removed. I also want to know from the Minister about the 200s and 280s counts, which are the main consumer counts in U.P., mainly in Mayurbhanj area. The prices have increased; this year, there is drought also. So, what are you going to do for the remaining part of this year?

SHRI G. VENKAT SWAMY : Mr. Speaker, Sir, adequate efforts have been made to protect the handloom weavers. Hank yarn obligation orders are being strictly enforced thus ensuring overall availability of yarn to weavers. Export ceiling on cotton yarn has been reduced from 130 million kgs to 75 million kgs.

SHRI M.R. KADAMBUR JANARTHANAN : Sir, I want to know how much is the hank yarn obligation procurement from Southern India and Northern India.

SHRI G. VENKAT SWAMY : It is a separate question and I want the hon. Member to give a notice for this.

MR. SPEAKER : You collect the information, analyse it and send it to him.

[Translation]

LABOUR MINISTERS, Conference

*83. SHRI ARJUN SINGH YADAV : Will the Minister of LABOUR be pleased to state :

(a) The decision taken in the conferences of Labour Ministers of States held during 1992; and

(b) the decisions which have been accepted and implemented so far and the suggestions which have not yet been agreed to?

[English]

THE MINISTER OF LABOUR (SHRI P.A. SANGMA) : (a) and (b) A Statement is laid on the Table of the House.