

modification from the point of view of organisation of the Council, manner of providing financial assistance as well as involving industry participation. The recommendations of the Working Group could not, therefore, be accepted as presented.

On re-examination of the matter, it has been decided that till the viability of a separate institution is established, the capabilities and resources of existing design institutions and designers should be fully utilized by creating design awareness, building-up links with industry and implementing specific projects.

#### **Market liabilities of Tannery and Footwear Corporation of India Limited**

1232. SHRI YUSUF BEG: Will the PRIME MINISTER be pleased to state:

(a) whether market liabilities of the Tannery and Footwear Corporation of India Limited have further increased;

(b) whether it has not been possible to

verify some of the liabilities which appear to be fictitious;

(c) whether the suppliers have been refusing to supply materials and the production has fallen off to a all-time low; and

(d) if so, the details thereof and the action taken in the matter?

THE MINISTER OF STATE IN THE PRIME MINISTER'S OFFICE (SHRI KAMAL MORARKA): (a) Due to working capital shortage, market liabilities of TAFCO have increased temporarily.

(b) All the liabilities are genuine and fully verifiable.

(c) Due to high market liabilities, suppliers are reluctant to give further credit. On account of strike, civil disturbances, lack of orders from Defence and working capital shortage, the production has been adversely affected during this year.

(d) A statement is given below.

## STATEMENT

The production during the current year from April, 1990 to January, 1991 is given below:—

Product	Unit	April 90 Qty.		to	January 91 Value	Rs.
		No.				
1	2	3	4			
Footwear						
— Civil	Pairs	1.60			191.64	
— Defence	"	0.85			129.01	
	Total	2.45			320.65	
Bark Leather	Kg.	1.88			94.18	
Chrome Leather	Sq. Mtr.	1.08			235.21	

Figures in lakhs

Figures in lakhs

Product	Unit	April 90 Qty.		to	January 91 Value
		No.			
1	2	3			4
Others		—			107.01
Total		—			757.05
Less : Internal Consumption					288.73
Net Production					468.32

TAFCO has initiated the following measures to improve the situation:—

After the change in the pricing formula by the Ministry of Defence, TAFCO has evolved alternative strategies to improve the civilian sales. TAFCO has also diversified in the manufacture of Jungle Boots and PT Shoes. They have also taken up production of Sports Footwear and has procured one DIP machine initially which was arrived at Bombay Port.