

(c) whether any other project of this kind in collaboration with some other foreign party/country is in the offing ?

**THE MINISTER OF INDUSTRIAL DEVELOPMENT AND COMPANY AFFAIRS (SHRI F. A. AHMED) :** (a) It has been decided to defer the setting up of the plant for the manufacture of fertiliser and chemical equipment with Rumanian assistance for the present.

(b) Due to downward revision of the targets of many of the end-user industries, e.g., chemical, refining and fertiliser, a re-assessment of the equipment required by these industries was made and it was ascertained that the indigenous capacity already existing for the manufacture of equipment required by these industries was sufficient to meet the immediate requirements and, therefore, the setting up of this project could be deferred.

(c) There is no such proposal under consideration at present.

#### **Indo-UAR-Yugoslavia Joint Ventures**

7460. **SHRI R. BARUA :**  
**SHRI M. S. OBEROI :**

Will the Minister of **COMMERCE** be pleased to state :

(a) whether the progress of the Indo-UAR-Yugoslavia tripartite agreement on the setting up of joint ventures was reviewed recently with the representatives of the two countries ;

(b) whether the said tripartite agreement has become operative ;

(c) whether India has given her preferences for certain joint projects to be set up under the agreement ; and

(d) if so, the main features thereof ?

**THE DEPUTY MINISTER IN THE MINISTRY OF COMMERCE (SHRI MOHD. SHAFI QURESHI) :** (a) Yes, Sir.

(b) Yes, Sir.

(c) Yes, Sir.

(d) The main features are (i) exploration of phosphatic deposits in UAR ; (ii) preparation of a detailed Project Report for the setting up of a unit for the production of Phosphatic fertilisers from Rock

Phosphate ; and (iii) supply of technical know-how and a major portion of the plant and equipment required for Phosphatic fertiliser plant.

#### **Recession in Textile Industry**

7461. **SHRI R. BARUA :**  
**SHRI M. S. OBEROI :**

Will the Minister of **COMMERCE** be pleased to state :

(a) whether Tamilnad Millowners Association, Madurai has recently submitted a Memorandum to Government suggesting certain steps to fight recession in the textile industry ;

(b) if so, what are their main suggestions and whether Government have examined their feasibility ; and

(c) Government's assesment of the impact of current recession in the textile industry ?

**THE MINISTER OF COMMERCE (SHRI DINESH SINGH) :** (a) to (c). The Tamilnad Mill-owners' Association, Madurai, has submitted a memorandum to the Chief Minister, Madras, a copy of which has been endorsed to the Central Government.

The following suggestions have been made in the memorandum :

(i) The Sales Tax on cotton yarn should be suspended for 5 years ;

(ii) Surcharge and consumption tax on electricity should be withdrawn ;

(iii) Adequate financial assistance should be provided to sick units through State financial agencies and commercial banks ;

(iv) The State Government should make a recommendation to the Central Government to abolish excise duty on yarn and coarse and medium cloth ; and

(v) It should be impressed upon the Trade Unions that there is need for reducing the D.A. of workers by 50%, at least in the case of sick and marginal units for 5 years or till they turn the corner, whichever is earlier.

The above suggestion mostly concern the State Government and are under their consideration. In so far as the Central

Government is concerned, the suggestions made by the Tamilnad Millowners' Association and other associations of the textile industry from time to time have been considered and the following steps have been taken to assist the industry :

(i) In the Budget proposals for 1968-69, appreciable reliefs have been granted in the excise duty on certain types of yarn. Some marginal readjustments have been also made in excise duty on cloth.

(ii) The Bank rate has been reduced recently.

(iii) The period of deferred payment for the supply of textile machinery to mills has been extended to 7 years' in deserving cases.

(iv) A Committee has been set up under the Chairmanship of the Textile Commissioner to consider the question of larger credits being made available to the cotton textile units for modernisation and for working capital.

How best the industry could be further assisted is under consideration of Government.

With improvement in agricultural production, liberalized credit facilities and other reliefs, the demand for textiles it is expected, would improve.

#### Exports of Vehicles to Yugoslavia

7462. SHRI R. BARUA :  
SHRI M. S. OBEROI :

Will the Minister of COMMERCE be pleased to state :

(a) whether the possibility for export of trucks manufactured by the Ashoka Leyland Ltd. to Yugoslavia to utilize Indian Rupees accumulated with that country have been recently explored by Government ;

(b) if so, whether any deal has been finalised in this regard with Yugoslavia ;

(c) if so, the details thereof ; and

(d) whether any other type of goods are also being exported in this context ?

THE DEPUTY MINISTER IN THE MINISTRY OF COMMERCE (SHRI MOHD. SHAFI QURESHI) : (a) The Government has no information on the

possibility export of trucks manufactured by Ashoka Leyland to Yugoslavia.

(b) to (d). Do not arise.

#### Seizure of Woollen Socks from Railway Employees

7463. SHRI CHENGALRAYA NAIDU : Will the Minister of RAILWAYS be pleased to state :

(a) whether it is a fact that over 200 pairs of woollen socks meant for Army Officers have been seized from three Railway employees at Ghaziabad ; and

(b) if so, the action taken against those held responsible ?

THE MINISTER OF RAILWAYS (SHRI C. M. POONACHA) : (a) Yes, only 166 pairs of socks were seized.

(b) Three accused Railway employees were arrested by the Railway Protection Force u/s 3/29/66 of Railway property (Unlawful Possession) Act, 1966 on 1.4.1968. All the three accused were remanded to judicial custody upto 15.4.1968 but were subsequently released on bail by the Sub-Divisional Magistrate, Ghaziabad after furnishing surties of Rs. 4000/- each on 4.4.1968. The case is still under enquiry.

#### Trade Policy

7464. SHRI RABI RAY : Will the Minister of COMMERCE be pleased to state :

(a) whether Government propose to formulate a scheme to achieve the twin objectives of balancing of imports and exports and larger overseas trade ;

(b) if so, the main features thereof ; and

(c) when it is likely to be implemented ?

THE DEPUTY MINISTER IN THE MINISTRY OF COMMERCE (SHRI MOHD. SHAFI QURESHI) : (a) The current Import Policy provides incentives for industrial units for increasing exports. Though there is no proposal to formulate a scheme, Government has always pursued policies designed to decrease the gap between imports and exports. This is achieved by increasing exports and reducing imports by imports substitution and greater reliance on indigenous production.

(b) and (c) Do not arise.