

3. A scheme for larger production of low priced blended fabrics is also being formulated for which polyester fibre would be made available without payment of excise duty or additional (countervailing) duty of customs, which at present is Rs. 45 per kg., subject to production and supply of such low priced fabrics as per programme approved by the Department of Textiles. Such a programme has been worked out by the Department of Textiles for the Units of the N.T.C.

4. Acrylic fibre has become quite popular and has been supplementing the production of raw wool. As a measure of relief to this industry, I propose to reduce the excise duty on acrylic fibre from Rs. 17.50 to Rs. 10.00 per kg.

5. These proposals are estimated to result in revenue loss of about Rs. 131 crores in a full year, and about Rs. 77 crores for the rest of the year 1985-86.

6. Notifications giving effect to the above proposals are being laid on the Table of the House.

7. The fiscal package has been formulated with the objective of increasing the availability of such reasonably priced fabrics to the consumers. It is proposed to carry out a review after some time whether this objective has been sub-served on which will depend the continuation of this scheme.

15.39 hrs.

PAPERS LAID ON THE TABLE—Contd.

[English]

Notification under Central Excise Rule,  
1944 and Customs Act, 1962

THE MINISTER OF FINANCE AND  
COMMERCE (SHRI VISHWANATH  
PRATAP SINGH) : Sir, I beg to lay on the  
Table—

- (i) A copy each of Notification Nos. 190/85-CE to 198/85-CE (Hindi and English versions) published in Gazette of India dated the 28th

August, 1985 together with an explanatory memorandum issued in the context of the Textile Policy Statement of 1985, issued under the Central Excise Rules, 1944.

[Placed in Library. See No. LT-1419/85].

- (ii) A copy of Notification No. 276/85-Customs (Hindi and English versions) published in Gazette of India dated the 28th August, 1985, together with an explanatory memorandum regarding exemption to polyester fibre from the whole of the countervailing duty of Rupees 45 per kg. subject, *inter-alia*, to the condition that such polyester fibre is used in the manufacture of low priced fabrics containing more than 40 per cent but less than 70 per cent by weight of polyester fibre, as per manufacturing programme duly approved by the Department of Textiles, under section 159 of the Customs Act, 1962.

[Placed in Library. See No. LT-1420/85].

15.40 hrs.

STATEMENT RE: "APPROVED PROGRAMME FOR PRODUCTION AND SUPPLY OF LOW PRICED BLENDS"

[English]

THE MINISTER OF STATE OF THE MINISTRY OF SUPPLY AND TEXTILES (SHRI CHANDRASHEKHAR SINGH) : The main objective of the new Textile Policy, 1985, is to "increase the production of cloth of acceptable quality at reasonable prices to meet the clothing requirements of a growing population". For achieving this objective there is a provision in the policy which, *inter-alia*, states that "adequate availability of man-made fibres and yarn at reasonable prices shall be ensured" and that "fiscal levies on man-made fibres/yarn shall be progressively reduced in such a manner as to facilitate absorption of increased domestic production so that the benefit flows to the consumer in the form of lower prices of synthetic and blended fabrics".

[Shri Chandrashekhar Singh]

2. My esteemed colleague, the Finance Minister, has just now announced specific duty relief measures with a view to achieving the above objectives. The duty relief has been extended to polyester fibre, polyester cotton blended yarn, polyester viscose blended yarn, polyester viscose blended fabrics for increasing consumption of blended fabrics and also to acrylic fibre for supplementing the availability of raw wool in the country for use in Knitwear and Hosiery articles. I would like to make it absolutely clear that the intention of the Government is not to bring down the prices of the higher priced fabrics. In order to minimise the loss of revenue, the excise duty on higher value fabrics is being increased by Rs. 2 per sq. metre, if the value exceeds Rs. 25 per sq. metre.

3. We have placed greater emphasis on bringing down the cost of blends desired widely by the common man. Thus the present demand for blended shirting material of medium price range is 134 million metres per annum with a substantial growth potential. In order to achieve this objective, the Government has great pleasure in announcing the launching of a new programme, *viz.*, "Approved Programme for Production and Supply of Low Priced Blends". Under this programme, the National Textile Corporation, alongwith such other organisations, as may be admitted to participate in this programme, from time to time, will arrange production and sale of blends at prices fully reflecting the reduction of duties. The N.T.C. has immediate plans to increase the production of blended shirting and trousers from the present level of 24 million metres to 80 million metres. Out of this, 8 million metres would constitute controlled cloth under the existing scheme, 8 million metres to DGS and D and Public Sector Undertakings and balance 64 million metres to the open market. The N.T.C. will make all efforts, under the approved programme, to bring down the retail price range around Rs. 12.00 per sq. metre for shirting and maintain that of heavier cloth around Rs. 40.00 per sq. metre for trousers. The programme is basically designed to impart a price discipline over the market and ensure that the duty relief is actually passed on to the consumers in full.

4. The industry has a great responsibility cast on them when Government is making a revenue sacrifice. The Government hopes that the industry would respond suitably by increasing production of medium-priced fabrics and will pass on the benefit to the consumers. The Government will watch the pricing of such fabrics and may take further measures, if considered necessary, to ensure that the duty relief is passed on to the consumers by the industry.

15.44 hrs.

AUROVILLE (EMERGENCY PROVISIONS) AMENDMENT BILL—Contd.

[English]

MR. CHIRMAN : Shri K. C. Pant may reply to the debate on the Bill.

THE MINISTER OF EDUCATION (SHRI K. C. PANT) : Sir, I would like to thank the hon. Members who have participated in this debate. There is really no difference of opinion on the provisions of this Bill and I think none of the hon. Members has really opposed the extension of the Government's management by two years in Auroville. But while extending their support, some hon. Members have raised other issues and I think I will very briefly touch upon these. Shri Roy referred to the fact that in his view Auroville is a religious body. I think Shri Faleiro clarified that this issue, in fact, was discussed before the Supreme Court and the Supreme Court finally came to the conclusion that it was not a religious body. Therefore, I think that my friend Shri Roy should, if he is interested, go into the judgement of the Supreme Court. He will be satisfied on that score so far as the Supreme Court's judgement and decision is concerned.

Basically, Auroville is a vision in action. Behind it lies a certain vision. Some of my hon. friends, including Prof. Parashar, have referred movingly to this vision. I think we must concede that while all of us talk in terms of the need for international brotherhood and understanding, it takes a real man of vision to experiment with this concept in terms of bringing together people of various backgrounds, various cultures various religions to live together; to try to understand