

(c) The Central Board of Film Certification, with its headquarters at Bombay, has seven regional offices, located at Bombay, Madras, Calcutta, Bangalore, Trivandrum, Hyderabad and New Delhi.

33 *Company's*
Entry of Multinationals in Indian consumer Industry

2625. SHRI R. PRABHU: Will the Minister of FINANCE be pleased to state:

(a) whether Government have finalised the list of companies producing consumer goods in which the foreign multinationals will operate with equity participation;

(b) if so, the details thereof;

(c) the benefits Indian consumers will get as a result of entry of multinationals in the Indian consumer industry; and

(d) whether Government propose to have any special taxation measures to reduce the excess profits made by the multinationals?

THE DEPUTY MINISTER IN THE MINISTRY OF FINANCE (SHRI ANIL SHASTRI): (a) There is no proposal to have a list of companies producing consumer goods in which the foreign multinationals will operate with equity participation.

(b) and (c) Do not arise.

(d) No special measure is under consideration.

33 *Automobile's*
Purchase of cars from Hindustan Motors

2626. SHRIMATI SUBHASHINI ALI: Will the Minister of COMMERCE be pleased to state:

(a) whether Government have decided to stop purchase of cars from Hindustan Motors; and

(b) if so, the details thereof and reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI ARANGIL SHREEDHARAN): (a) The Government have decided not to enter into long-term rate contract with M/s. Hindustan Motors, unless they meet certain essential requirements to improve the quality of the cars.

(b) On receipt of complaints from a number of Ministries and agencies about the quality of the cars supplied by this firm, a team of Inspecting Officers was deputed to report on the quality problems of the cars. The team found that:—

(i) the cars have been deficient in all essential areas such as engines, its components, etc.;

(ii) the cars are being transported by being driven from Calcutta and the service conditions of the vehicles are not adequately taken care of during transit. The service rendered by the dealers before delivery has also not been upto the mark;

(iii) the basic design of the car has become technically obsolete;

(iv) the system of pre-cleaning by spraying process and painting is inadequate; and

(v) over-all quality assurance is lacking.

134 *Company's*
Equity Holding of Financial Institutions in Private Corporate Sector

2627. SHRI L.V. SINGH: Will the Minister of FINANCE be pleased to state:

(a) the size and extent of equity holdings in the private corporate sector by public financial institutions;

(b) whether a sizeable portion of such holdings has turned into dead holdings; and

(c) the steps proposed to be taken by Government to rectify such defects

in investment by public financial institutions?

THE DEPUTY MINISTER IN THE MINISTRY OF FINANCE (SHRI ANIL SHASTRI): (a) According to the information furnished by the seven All India Public Financial Institutions, namely, Industrial Development Bank of India (IDBI), Industrial Credit and Investment Corporation of India (ICICI), Industrial Finance Corporation of India (IFCI), Industrial Reconstruction Bank of India (IRBI), Unit Trust of India (UTI), Life Insurance Corporation of India (LIC) & General Insurance Corporation (GIC), their total equity holding at book value in the private corporate sector is to the extent of Rs. 5180.07 crores.

(b) No, Sir.

(c) Does not arise.

135 *Taxation*
Import Duty on Polyester Filament Yarn

2628. SHRI SHANTILAL PURU-SHOTTAM DAS PATEL: Will the Minister of FINANCE be pleased to state:

(a) whether there has been a demand from various sections to reduce import duty on polyester filament yarn;

(b) if so, the reaction of the Union Government thereto;

(c) whether the reduction of import duty will help in reducing the ultimate retail prices of fabrics so as to benefit the common man;

(d) whether the reduction in the import duty on man-made and synthetic fibres and yarns has not resulted in reduction in retail prices of the fabrics; and

(e) if so, whether Government propose to allow fabric imports under OGL?

THE DEPUTY MINISTER IN THE MINISTRY OF FINANCE

(SHRI ANIL SHASTRI): (a) Yes, Sir.

(b) In the 1990-91 budget, the import duty on Polyester filament yarn has been reduced from 205% to 180% *ad valorem*.

(c) and (d) Retail price of fabrics depends on a number of factors like cost of inputs demand and supply position, marketing pattern and consumer preferences and it is not possible to indicate whether reduction in import duty on fibres and yarn alone will lead to reduction in the retail prices of the fabrics.

(e) No proposal to allow fabric imports under OGL is under consideration of the Government for the present.

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Upgradation of Cities in Karnataka

2629. SHRI H.C. SRIKANTAH: Will the Minister of FINANCE be pleased to state:

(a) the cities in Karnataka upgraded/proposed to be upgraded to Class 'C' for the purpose of HRA and CCA,

(b) the cities upgraded to Class 'A' and 'B' in Karnataka, and

(c) the basis for the above upgradation of cities?

THE DEPUTY MINISTER IN THE MINISTRY OF FINANCE (SHRI ANIL SHASTRI): (a) and (c) A decision has been taken by the Government to upgrade certain cities with effect from 1-7-1990 for the purpose of grant of HRA/CCA whose population, as per current estimates, fell short of the required mark for upgradation to the next higher class by 10% as per 1981 census. On this basis, the following 3 cities in Karnataka have been upgraded to 'C' class for the purpose of grant of HRA:—

(i) Dandeli

(ii) Doddaballapur

(iii) Karwar.