

who had paid back the amount. They were honoured ; a small gift was given to such persons. Besides, the bank people who are responsible for good recovery were also honoured. In a public meeting, when I asked about the recovery position, I was told that it was 95 per cent, 97 per cent and 98 per cent. In the case of two branches at Tadapatri in Andhra Pradesh, the recovery was hundred per cent. There is a lot of improvement.

MR. SPEAKER : It must be workable. It is the most beneficial thing and it must work properly.

SHRI SAIFUDDIN CHOWDHARY : Nobody objects to the poor people getting loan. What we are talking about is about corruption and manipulation. He said that the party people should also come forward ; I want him to exclude political parties, otherwise manipulation and corruption would remain....

(Interruptions)

THE MINISTER OF COMMERCE (SHRI P. SHIV SHANKER) : What the Minister had stated was workers of the political parties.

MR. SPEAKER : Let us be reasonable. You cannot be segregated from the people ; you are out of the people, you work for the people and for the good of the people. You can send the applications for loan, but you are not the arbitrary authority. You can only forward.

SHRI SAIFUDDIN CHOWDHARY : Manipulation means you can do it otherwise also.

MR. SPEAKER : You can help the people, you can educate them. That is right. I think, it is our duty as representatives of the people to see that the repayment is also made by the people.

SHRI JANARDHANA POOJARY : About corruption, these loans are given in the open house meetings and if there is any report about corruption, immediate action is taken there itself.

MR. SPEAKER : Action should be

taken and this should be looked after properly. It should not go by default. It must work.

Reduction of Anti—Dumping Duty

*163. SHRI KAILASH YADAV : Will the Minister of FINANCE be pleased to state :

(a) whether Government have reduced anti-dumping duty on PFY and if so, how much and since when ;

(b) the purpose behind this reduction ;

(c) whether the benefit of price reduction in PFY is reflected in the prices of cloth for the commonman ; and

(d) if not, the reasons therefor ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (d) A statement is given below :

Statement

(a) and (b) There is no anti-dumping duty as such on PFY. The basic customs duty on PFY was reduced from 200% ad valorem plus Rs. 15 per kg. to 200% with effect from 18th June, 1986 to create a salutary effect on the prices of indigenous PFY.

(c) and (d) The price of cloth depends on a variety of factors such as demand-and-supply position, cost of inputs, scales of economy, etc. besides the duty on yarn. It is therefore, difficult to assess the impact of import duty reduction for PFY on the price of cloth.

[Translation]

SHRI KAILASH YADAV : Mr. Speaker, Sir, through you, I would like to know from the hon. Minister as to how the duty was decreased instead of increasing when there was a steep decline in the price of oil in the international market ? If there was a decrease in duty, how much it was and whether the benefit of reduction in duty was reflected in the price of cloth for the common man ?

[English]

SHRI JANARDHANA POOJARY : We have reduced the duty and because of the reduction in duty, the consumers were benefited. For the benefit of the hon. Members, I can say how the prices of polyester filament cloth have come down.

The rate for polyester filament yarn 76-denier was earlier Rs. 166.67 per kg. and after the removal of the duty, it has come down to Rs. 157 per kg. For POY 115-denier, earlier the price was Rs. 160 per kg., now it has come down to Rs. 142 per kg. I have got all these details. The consumers were benefitted because of the removal of this duty.

ACCI Suggestions for Bifurcation of FERA

*164. **SHRI KRISHNA SINGH :** Will the Minister of FINANCE be pleased to state :

(a) whether Government's attention has been drawn to the suggestion reportedly made by the Association of Chambers of Commerce and Industry of India for bifurcation of contents of the Foreign Exchange Regulation Act into two separate pieces of legislation, one dealing with the currency movements and the other dealing with foreign investments in India and technology imports etc. ; and

(b) if so, the Government's reaction thereto ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) Yes, Sir.

(b) The proposal has been received very recently. It is too early to offer any comments thereon.

SHRI KRISHNA SINGH : May I know in this context what are the main objects which according to the ACCI would be achieved by the bifurcation of the FERA ; whether this is in any way aimed at preventing the leakage of foreign exchange under the provisions of the Act : if so, what specific provisions are sought to be modified by the ACCI in this regard ?

SHRI JANARDHANA POOJARY : Sir, we have received proposals from the Asso-

ciation of Chambers of Commerce and Industry, FICCI and also other organisations. A lot of suggestions have been made for the amendment of the Act. They also say that there should be two separate Acts. We are examining all these aspects. Some time will have to be given for examining all these and then we will come forward with concrete solutions.

SHRI KRISHNA SINGH : Now that the Government are reviewing the Foreign Exchange Regulations Act in the context of the ACCI proposals, may I know whether Government would take up a thorough revision of the Act, to modify all the provisions which are often misused by unscrupulous elements to deprive the Government of its legitimate share of foreign exchange or to drain out the exchange reserves of the country ; if so, what steps are being taken in that direction ?

SHRI JANARDHANA POOJARY : Suggestions have been made to remove hurdles. If we take into consideration all the suggestions that have been made, then that will amount to scrapping of the FERA Act. So, Government should be more responsible. Wherever it is possible to find some solutions and wherever it is required in the interest of the nation, we are definitely considering that. That is why, I request that some time may be given because we are examining all the aspects in detail.

Modernisation of Textile Mills

*166. ***DR. DATTA SAMANT :**

SHRI G.S. BASAVARAJU : Will the Minister of TEXTILES be pleased to state :

(a) whether Government have taken a decision to identify hundred textile mills for modernisation and for boosting textile production;

(b) the names of the mills selected; and

(c) the criteria for selecting these mills ?

THE DEPUTY MINISTER IN THE MINISTRY OF TEXTILES (SHRI S. KRISHNA KUMAR) : (a) No, Sir.

(b) and (c) Do not arise in view of (a) above.