

LOK SABHA DEBATES

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LOK SABHA

Friday, July 4, 1980/Asadha 13, 1902
(Saka).

The Lok Sabha met at Eleven of the
Clock.

[MR. SPEAKER in the Chair]

ORAL ANSWERS TO QUESTIONS

Proposal to Print Prices on all Types of Cloth

*385. KUMARI KAMLA KUMARI:
Will the Minister of COMMERCE be
pleased to state:

(a) whether Government propose
to have the prices on all types of
cloth as fixed by Government printed
by mills on the cloth to check the
price rise of cloth; and

(b) if not, the reasons thereof?

THE MINISTER OF COMMERCE
AND STEEL AND MINES (SHRI
PRANAB MUKHERJEE): (a) and
(b). A statement is laid on the Table
of the House.

Statement

Government does not fix prices in
respect of all varieties of cloth. In
respect of controlled cloth only, con-
sumer prices have been fixed by Gov-
ernment and are required to be print-
ed on every metre of the cloth.

Under the Voluntary Cheap Cloth
Scheme, consumer prices are required
to be printed on every metre. In
determining this consumer price, the
trade margin should not exceed 25
per cent.

In respect of cloth not covered by
the Controlled Cloth Scheme or the
1071 LS-1.

Cheap Cloth Scheme, the mills are
required to stamp ex-mill prices. The
scheme of stamping of consumer prices
on such cloth was tried in 1976 and
abandoned in 1977. It was then re-
placed by the present scheme of
stamping of ex-mill prices.

कुमारी कमला कुमारी : क्या मंत्री सहो-
दय यह बताने की कृपा करेंगे कि इस प्रकार
के सभी कपड़ों पर कुछ कम कीमत लगाई
जा सके, जिस से गरीब जनता का उद्धार
हो सके?

SHRI PRANAB MUKHERJEE: It
is our constant effort to reduce the
prices not merely on cloth but on all
items.

SHRI JAMILUR RAHMAN: I would
like to know from the hon. Minister
whether there have been reports and
cases with regard to the prices which
are printed on the cloth that is being
sold in the market, all over the dis-
trict or all over the State where they
charge much higher prices than the
printed prices; if so, what action Gov-
ernment has taken to curb such mal-
practices and blackmarketing in the
prices?

SHRI PRANAB MUKHERJEE: So
far as malpractices are concerned,
various State laws are there and State
enforcement machineries are there to
take care of it. But in regard to pri-
ces, as I have mentioned in the text
of my reply, on two types of cloth—
controlled cloth and the cheap variety
of cloth—we are printing the consumer
prices.

SHRI JAMILUR RAHMAN: They
charge much higher prices than the
prices printed on the cloth, whatever
may be the cloth, whether it is a

saree or a long cloth or a dhoti. Whether such reports have come to the notice of the Government or not?

SHRI PRANAB MUKHERJEE: Whenever such malpractices are brought to the notice of the Government, various State laws are there to tackle the problems and to take appropriate action.

MR. SPEAKER: Are they put to use?

SHRI JUMILUR RAHMAN: That is the point.

SHRI PRANAB MUKHERJEE: Under the Essential Commodities Act, a large number of cases have been registered.

SHRI NIREN GHOSH: This is happening not only in one State but throughout the country. Whatever the prices are stamped there, as the hon. member says, everywhere in the market, higher prices are being charged. Has he been repeatedly bringing it to the notice of the State Governments about this state of affairs and what action the various States have taken? Secondly, why this abnormal quota is being given for the production of this type of cloth only to the National Textile Corporation. The result is that the National Textiles Corporation loses. On the contrary, the private sector is being allowed to produce finer varieties and make abnormal profits. Will there be a change of policy?

SHRI PRANAB MUKHERJEE: So far as the change of textile policy is concerned, I cannot answer this during the Question Hour, but in regard to implementation of various Acts such as the Essential Commodities Act, the Standards of Weights and Measures, the Package Commodities Rules 1977, these are methods which are under the State Government control. As I have mentioned, a large number of cases are prosecuted under these Acts and various other Acts are also

there for which the State Governments are responsible to implement it.

SHRI NIREN GHOSH: I seek your protection.

I said that National Textiles Corporation is being made to incur losses. Private Sector producing finer varieties are making abnormal profits. Is the Government considering whether it will see to it that larger quota of this cheap type of cloth is produced by the private sector which is being produced by the National Textiles Corporation?

SHRI PRANAB MUKHERJEE: So far as the quota of controlled cloth is concerned, it is known to the hon. Member that 400 million metres is the annual production target. Entire quota is being produced by the N.T.C. mills. So far as production of cheap cloth is concerned, there is a voluntary agreement between the Private Sector and others. There is no statutory control over it. But what should be the policy and what should be the fixation of quantum, that I cannot reply on the floor of the House now. It is a matter which has to be looked into.

श्री छंगूर राम : मंत्री जी की तरफ से जो ब्यौरा पेटल पर रखा गया है, उसमें यह बताया गया है कि दो तरफ के कपड़े हैं—एक कंट्रोल्ड क्लोथ और दूसरा दूसरे प्रकार का जो कंट्रोल्ड क्लोथ नहीं होता। जो कंट्रोल्ड क्लोथ नहीं है उस पर भी उपभोक्ता कीमतें छापना 1976 में शुरू किया गया था लेकिन इसे 1977 में बंद कर दिया गया। क्या मंत्री जी सभी प्रकार के कपड़ों पर उपभोक्ता कीमतें छापने की योजना जैसी कि 1976 में शुरू की गयी थी और जिसे 1977 में बंद कर दिया गया था पुनः चलायेंगे और सभी प्रकार के कपड़ों पर कीमतें छापने की व्यवस्था करेंगे?

SHRI PRANAB MUKHERJEE: It is true that in 1976 even the consumer prices were printed on all sorts of cloth. But the system was discontinued in 1977. It is a matter to be

considered. I welcome the suggestion which the hon. Member has given. But I cannot reply this point immediately.

श्री नरेश किशोर शर्मा : अध्यक्ष जी, अभी मंत्री जी ने सवाल के जवाब में कहा कि कंट्रोल के कपड़े पर कीमतें छापी जाती हैं। मैं आपके माध्यम से मंत्री जी से पूछना चाहता हूँ कि क्या एन. टी. सी. को कंट्रोल का कपड़ा बनाने में एक रुपये पर मीटर का घाटा होता है? 1977 तक जो प्राइवेट मिलें थीं वे भी मोटा कपड़ा बनाती थीं, और उस नीति को 1977 के बाद बदल दिया गया। इससे प्राइवेट सेक्टर को बहुत फायदा हो रहा है और एन.टी.सी. को लाल हो रहा है। क्या मंत्री जी इस पर विचार करेंगे कि एन. टी. सी. का घाटा कम करने के लिए वे प्राइवेट सेक्टर की मिलों को भी मोटा कपड़ा बनाने के लिए कहें? क्या वे ऐसी व्यवस्था करने पर विचार करेंगे?

MR. SPEAKER: This is a suggestion.

SHRI PRANAB MUKHERJEE: So far as the suggestion of the hon. Member is concerned, I have already replied to that. One point—I may inform the hon. Member that N.T.C. has been losing from the very beginning. A plus point of N.T.C. is that since the sick mills have been taken over—it has started reducing the losses.

Complaints against Sudershan Chit Scheme, Bombay

*386. SHRI K. LAKKAPPA: Will the Minister of FINANCE be pleased to state:

(a) whether Government have received complaints against Sudershan Chit Scheme of Bombay for misappropriating about Rs. 40 crores belonging to General Public;

(b) if so, full details thereof;

(c) what action Government propose to take in getting back the money of the general public; and

(d) what action is proposed against Sudershan Chit Scheme?

THE MINISTER OF FINANCE (SHRI R. VENKATARAMAN): A statement is placed on the Table of the House.

statement

(a) and (b). Complaints have been received from the chit subscribers alleging delay in payment of prize money. Representations have also been received from the employees unions of the company alleging, *inter-alia*, delay in the disbursement of prize amount, mis-appropriation of subscription moneys, victimisation of employees etc. by the company.

(c) and (d). In view of the complaints against the company the department of Company Affairs have ordered an inspection of its books and accounts under Section 209A of the Companies Act, 1956. At present neither the Government nor the Reserve Bank have statutory powers to compel such defaulting companies to pay the prize money to individual subscribers and the affected parties can only go to a court of law for the enforcement of their contractual rights. The Central Government is considering the enactment of an All India Act for the regulations of conventional chit fund business.

SHRI K. LAKKAPPA: In this country, fraudulent transactions are going on very freely and one Mr. Nambiar has written an article. I would like to quote it as it is very relevant, in view of the extent of involvement of fraud, which is more than Rs. 100 crores. Of course, the Minister has admitted it. This chit fund is only another form of cheat fund. By their fraudulent transactions they are completely cheating the public in the streets, gullies, towns and villages in all parts of the country. Crores of rupees have been swindled by this company and it has been rightly admitted. I would like to know from the hon. Finance Minister whether the Finance Ministry is aware of the *modus operandi* of these