

Purchase of jute by jute industry

1410. SHRI RAMAKRISHNA
MAZUMDER: SHRI
KALYAN ROY:

Will the Minister of COMMERCE be pleased to state:

(a) whether Government's attention has been drawn to an article under the caption "Jute nationalisation overdue" which appeared in the Patriot of 13th July, 1982;

(b) if so, whether, according to the terms of the Tandon Committee obligations (statutorily backed), the jute industry is to keep a minimum of 14 weeks' raw jute in stock, measured in terms of the total annual requirement of the mills, to buy 10 weeks' stock directly from the market and 4 weeks' stock from Jute Corporation of India;

(c) whether it is a fact that in spite of the credit worth Rs. 92 crores, between July to September, 1981 the jute mills defied this stipulation of the Tandon Committee and if so, what are the details thereof; and

(d) whether Government propose to institute a thorough probe in terms of the Tandon Committee obligations and if not, what are the reasons therefor?

THE DEPUTY MINISTER IN THE
MINISTRY OF COMMERCE (SHRI P. A.
SANGMA): (a) Yes, Sir.

(b) and (c) The Tandon Committee's norms are not obligatory. However, Banks are guided by these norms in sanctioning credit facilities to industries including that of jute. Banks advances are made on pledge or hypothecation of stocks with stipulated margins and Banks bear full responsibility to ensure correct end-use of funds lent by them.

As per the monthly review of scheduled commercial Banks by Reserve Bank of India, the total outstanding

against jute mills and others against purchase of raw jute in March 1982 was provisionally placed at Rs. 41 crores from July, 1981 to March 1982 period.

(d) While there is generally a wide spread belief that there has been diversion of credit by the jute industry, however no specific instance has been brought to the notice of Government as yet by banking institutions.

Indo-Romanian Trade

1411. DR. BHAI MAHAVIR: Will the Minister of COMMERCE be pleased to state:

(a) whether Government's attention has been drawn towards a news item which appeared in the "Northern Indian Patrika" Allahabad of 6th May, 1982 under the caption "Rupee trade";

(b) if so, what are the names and status of the leader and other members of Romanian delegation who visited India, duration of their stay, details of discussions held with their Indian counterparts and outcome thereof; and

(c) what is the extent to which India will be a gainer in the bargain?

THE DEPUTY MINISTER IN THE
MINISTRY OF COMMERCE (SHRI P. A.
SANGMA): (a) Yes, Sir.

(b) and (c) The Romanian delegation visited India in connection with the 6th Session of the Indo-Romanian-Joint Commission for Economic, Technical and Scientific Cooperation, held in New Delhi from the 28th to 29th April, 1982. The names and the status of the Romanian delegation are given in the Annexure.

2. The Joint Commission reviewed the implementation of the decisions taken at the 5th Session of the Commission and expressed satisfaction on