

THE DEPUTY MINISTER IN THE  
MINISTRY OF COMMERCE (SHRI  
VISHWANATH PRATAP SINGH): (a)

Variety	Value in Rs. per Candy			
	April, 1974		October 1974	
	Mini mum	Maxi- mum	Mini- mum	Maxi- mum
Digvijay	4130	4355	3280	4330
Kalyan	3040	3230	2680	3730
Wagad	2880	3080	2530	3230
Saurashtra C02	3580	3805	3030	4230
MPA. 51/9	3355	3580	3480	4180
PA. 320-F	3101	3126	3225	3876
Bengal Deshi	2400	2500	2201	2699
Shankar-4	5180	5830	3880	4930

fb) The fall in cotton prices is ascribed principally to reduction in off take by mills as a result of accumulation of stocks of yarn and textiles with the mills and general recession in the world textile markets, leading to fall in export orders.

#### Ship Demurrage on Iron Ore export

278. SHRI DHARAMCHAND JAIN : Will the Minister of COMMERCE be pleased to state :

<il whether it is a fact that the Ship demurrage has been very heavy during the period August 1973 to June, 1974 for iron ore exports; and

fb) if so, the reasons for the same and the portwise details thereof?

THE DEPUTY MINISTER IN THE  
MINISTRY OF COMMERCE (SHRI  
VISHWANATH PRATAP SINGH) : (a) No Sir. In fact the Minerals and Metals Trading Corporation has earned a modest net despatch during this period.

<b) Does not arise.

279. [Transferred to the 28th November, 1974.]

#### International Conference on iron-ore export

280. SHRI BHUPESH GUPTA : Will the Minister of COMMERCE be pleased to state what is the outcome of the Iron-ore Export International Conference and the details thereof?

THE DEPUTY MINISTER IN THE  
MINISTRY OF COMMERCE (SHRI  
VISHWANATH PRATAP SINGH): The Ministerial meeting of the Group of Iron ore Exporting countries held in Geneva from 4th to 6th November, 1974 expressed concern at the unfavourable trend in the terms of trade for the exporters of iron ore and affirmed the need for close-cooperation among producers of iron ore and for providing a permanent mechanism or institution to continue the work which had been carried on by the Group. It was decided to establish a preparatory Committee of Senior Officials to examine the form and detailed provisions for an Association of Iron Ore Exporting Countries for consideration at the next Ministerial meeting to be held in March-April, 1975.

#### Resort by oil Companies to overdrafts and BSI Market Schemes

18. SHRIMATI MAIMOONA SULTAN : Will the Minister of FINANCE be pleased to state ;

(a) whether it is a fact that the oil companies in public and private sectors have lately resorted to big overdrafts and bill market schemes for working funds after the recent withdrawal of credit facilities for crude imports by foreign supplies;

(b) if so, the extent of such overdrafts so far against each of the oil companies and

<c) the steps taken by Government to minimise and liquidate the overdrafts?

THE MINISTER OF FINANCE (SHRI C SUBRAMANIAM) : (a) Some of the major oil companies have been enjoying limits with commercial banks in the past

also. However, since the oil crisis their requirements of liquid funds have increased considerably and they are, therefore, approaching the commercial banks on an increasing scale.

(b) In accordance with the practices and usages customary among bankers and also in accordance with the provisions of the statutes governing public sector banks, it will not be proper to divulge information in regard to each of the oil companies separately. Taking five major oil companies together (Hindustan Petroleum Corporation Ltd., Caltex (India) Ltd., Burmah-Shell, Indian Oil Corporation and Cochin Refineries Ltd.) the outstanding advances of banks to them as on November 1, 1974, aggregated Rs. 107.27 crores.

(c) Reserve Bank is in constant dialogue with the oil companies and their banks and also with the Ministry of Petroleum and Chemicals to bring about reduction in the availment of the credit accommodation by the oil companies.

#### Amount drawn from I.M.F.

23. SHRI GANESH LAL MALI : Will the Minister of FINANCE be pleased to state:

(a) whether Government have decided to draw any amount from the Oil Facility of the International Monetary Fund this year; and

(b) if so, what are the details in this regard

THE MINISTER OF FINANCE (SHRI C. SUBRAMANIAM) : (a) and (b) The Government of India has drawn in October, 1974 the equivalent of SDR 210 000 (Rs. 193.86 crores) under the Oil Facility of the International Monetary Fund. The drawing is repayable over a period of 4 to 7 years and carries an average rate of interest of about 7 per cent.

Transferred from the 11th November, 1974.

#### Management technique in public sector undertakings

108. SHRI H. S. NARASIAH : Will the Minister of FINANCE be pleased to state :

(a) whether Government's attention has been drawn to the recent observations reported to have been made by Shri M. S. PMhak, a Member of the Planning Commission, to the effect that the failure of management techniques was one of the factors responsible for the under-utilisation of capacities in public sector; and

(b) if so, what steps Government propose to take in this regard ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PRANAB MUKHERJEE) : (a) and (b) The main reasons for under-utilisation of capacity in the public sector undertakings are :—

(i) Design defects and equipment inadequacies.

(ii) Power shortage and failures.

(iii) High maintenance down-time.

(iv) Shortage and poor quality of raw materials.

(v) Disturbed labour conditions.

(vi) Low labour productivity, (vii) Inadequate demand in certain cases, (viii) Time required for developing operative and technical skills, setting up of design, tooling and other production support services for sophisticated equipment and processes in complex engineering plants.

Some of the measures taken by public sector managements to improve capacity utilisation are :—

(i) Capacity determination and utilisation studies to identify problems and remedial action.

Transferred from the 14th November, 1974.