

offices and field level, adopting systematic approach to lending, toning up pre-lending appraisal system and post lending supervision techniques involving, inter-alia, constant contact with the beneficiaries to ensure that the defaults are brought down to minimum and launching of recovery drives with the help of State Government officials. The banks have also been advised by Reserve Bank of India to create a separate recovery calls for a cluster of nearby branches for continuous and effective supervision and recovery where overdues exceed 50% of demand and agricultural advances are sizeable.

Pig Iron Plants in Karnataka

315. SHRI SRIKANTHA DATTA NARASIMHA RAJA WADIYAR: Will the Minister of STEEL AND MINES be pleased to state:

(a) the number of pig iron plants set up in Karnataka;

(b) whether Government have examined the proposal to set up some additional pig iron plant at Bellary in the State; and

(c) if so, whether the plants would be set up in the public, private or joint sector?

THE MINISTER OF STATE IN THE MINISTRY OF STEEL AND MINES (SHRI BASAVARAJ PATIL): (a) to (c). Pig Iron Industry having been delicensed, subject to certain locational restrictions, entrepreneurs have the discretion to select a location of their choice. According to the information available in the Department of Steel, M/s. Uni Metal & Ispat Ltd. have a proposal to set up a Pig Iron Project at Bellary in Karnataka State. Presently, Department of Steel has no information regarding any other proposal for setting up of Pig Iron plants in Karnataka either in the Public, Private or Joint Sector.

Consignment Tax

316. SHRI MAHENDRA SINGH MEWAR: Will the Minister of FINANCE be pleased to state:

(a) the manner in which it is proposed to check the illegal avoidance of Central Sales Tax (CST) through the medium of consignment of goods from one State to another, on which CST is not levied;

(b) the recommendations of the Law Commission other than those incorporated in the Constitution (Forty-sixth Amendment) Act, 1982; and

(c) the recommendations of the Committee of Chief Ministers and when was its last meeting held in this regard?

THE DEPUTY MINISTER IN THE MINISTRY OF FINANCE AND DEPUTY MINISTER IN THE MINISTRY OF EXTERNAL AFFAIRS (SHRI DIGVIJAY SINGH):

(a) The proposal to levy tax on inter-State consignment of goods is intended to check large-scale avoidance of tax through the medium of inter-State consignment of goods, since central sales tax cannot be levied on such consignments.

(b) No specific number of the Law Commission's report has been referred to. However, the Constitution (46th Amendment) Act, 1982 was based on the recommendations contained in the 61st report of the Law Commission which was placed on the Table of the Lok Sabha on 21st March 1978.

(c) The Committee of Chief Ministers held its last meeting on 15th July 1989, but its recommendations remained inconclusive.

Cut on Expenditure

317. SHRI B. DEVARAJAN: Will the Minister of FINANCE be pleased to state: